

**Selic Corp Public Company Limited
and its Subsidiaries**

Financial statements for the year ended
31 December 2022
and
Independent Auditor's Report



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Independent Auditor's Report

To the Shareholders of Selic Corp Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Selic Corp Public Company Limited and its subsidiaries (the "Group") and of Selic Corp Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2022, the consolidated and separate statements of income and comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2022, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. 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 judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.



Acquisition of businesses	
Refer to Note 3(a) and 4 to the financial statements	
The key audit matter	How the matter was addressed in the audit
In August 2022, the Group has acquired a company, and the Group has obtained a partial business transfer and purchased group of assets, that constituted a business from two local companies in October and November 2022; as a result, goodwill from business acquisition amounting to Baht 4 million and Baht 130 million, respectively, were recognised. Identifying and determining the fair values of assets acquired and liabilities assumed from the business acquisition were related to the use of management's judgements in various aspects. In addition, the amount of contractual purchase price and recognised goodwill were material. Therefore, I considered this area as a key audit matter.	My audit procedures included the following: • Inquiring of management and reading sale and purchase agreement, as well as relevant analysis report, and inspecting purchase and disbursement documents in order to understand the nature and objective of business acquisition including significant terms and conditions; • Evaluating the reasonableness of the key assumptions used to determine the fair values by reference to internal and external data and verifying mathematical accuracy of calculation; • Assessing the independence and professional competence of the independent appraisers engaged by the Group; • Involving KPMG specialist to evaluate the appropriateness of valuation methodology and financial parameters applied to the discount rate in the valuation of the identified intangible assets; and • Considering disclosures in accordance with Thai Financial Reporting Standards.

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Impairment testing of goodwill and indefinite-lived intangible assets	
Refer to Note 3(m) and 12 to the financial statements	
The key audit matter	How the matter was addressed in the audit
As at 31 December 2022, the Group had goodwill and indefinite-lived intangible assets, consisting of trademarks amounting to Baht 507 million and Baht 466 million, respectively, arising from the acquisition of a self-adhesive label business and healthcare product business. The above carrying amounts have been allocated to individual cash-generating units (CGUs) for impairment test, which is required to be performed at least annually and whenever there is an indication of impairment. Due to the materiality of the carrying amounts and the use of management's judgement in determining recoverable amounts of CGUs, particularly on growth rates, royalty rate, forecast of future cash flows, and discount rates, I considered this matter as a key audit matter.	My audit procedures included the following: • Inquiring of the management in order to understand the Group's policies and procedures in relating to impairment testing of goodwill and trademarks and assessing the appropriateness of the management's identification of CGUs; • Evaluating the reasonableness of key assumptions and data used to determine recoverable amounts based on value in use, such as forecasted revenue, royalty rate and short-term and long-term growth rates by reference to historical results, knowledge of business, industry and market situation in which the CGUs operate; • Evaluating the appropriateness of key financial parameters used to determine discount rates applied by comparing them with available market information and other companies in the same industry; • Evaluating the reasonableness of future financial performance forecasts by comparing historical estimation to actual operating results; • Assessing the impact of sensitivity analysis made by the management on the recoverable amounts by estimating the impact of marginal changes of key assumptions related to long-term growth rates; and • Considering disclosures in accordance with Thai Financial Reporting Standards.

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 consolidated and separate 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 consolidated and separate financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate 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 consolidated and separate 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 request that the correction be made.



Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 TSAs 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 these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 Group's and 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 Group's and 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 consolidated and separate 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 Group and the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate 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.

D. 4.

(Dussanee Yimsuwan)
Certified Public Accountant
Registration No. 10235

KPMG Phoomchai Audit Ltd.
Bangkok
24 February 2023

Selic Corp Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated financial		Separate financial	
		statements		statements	
		31 December		31 December	
Assets	Note	2022	2021	2022	2021
(in thousand Baht)					
Current assets					
Cash and cash equivalents	4, 6	184,522	101,195	51,401	52,320
Trade accounts receivables	4, 5, 7	341,960	321,987	121,631	196,775
Other current receivables	4, 5	49,456	27,074	8,539	7,953
Inventories	4, 8	356,476	366,143	105,481	111,625
Other current assets	23	2,881	2,044	333	863
Total current assets		935,295	818,443	287,385	369,536
Non-current assets					
Restricted deposits at a financial institution	4, 25	290	-	-	-
Investment in equity instruments	23	73,227	76,647	32,000	32,000
Investments in subsidiaries	4, 9	-	-	1,381,642	1,086,997
Investment in a joint venture	10	494	-	500	-
Other non-current receivables	5	-	-	-	13,125
Investment property	4	14,159	-	-	-
Property, plant and equipment	4, 11	648,486	325,653	73,456	85,148
Goodwill	4, 12	507,149	375,588	-	-
Other intangible assets	4, 12	552,934	149,973	435	1,119
Deferred tax assets	4, 20	10,309	7,714	4,627	4,812
Machinery deposits		34,753	48	-	-
Other non-current assets	4	4,842	2,849	2,144	2,473
Total non-current assets		1,846,643	938,472	1,494,804	1,225,674
Total assets	18	2,781,938	1,756,915	1,782,189	1,595,210

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

Selic Corp Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Liabilities and equity	Note	2022	2021	2022	2021
<i>(in thousand Baht)</i>					
Current liabilities					
Short-term loans from financial institutions	13, 23	108,764	65,771	40,000	15,500
Trade accounts payables	4, 5, 23	244,908	257,751	96,991	136,556
Other current payables	5, 14	59,586	32,129	14,721	14,305
Current portion of long-term loans					
from financial institutions	4, 13, 23	139,806	119,566	26,634	26,634
Current portion of long-term loan					
from a related party	5, 13, 23	-	-	-	4,100
Current portion of lease liabilities	5, 13, 23	10,422	11,480	3,384	4,153
Income tax payable	4	11,774	7,845	5,003	3,320
Other current liabilities	4, 23	5,825	1,761	605	524
Total current liabilities		581,085	496,303	187,338	205,092
Non-current liabilities					
Long-term loans from financial institutions	4, 13, 23	602,203	278,294	79,210	105,844
Long-term loan from a related party	5, 13, 23	-	-	-	103,140
Lease liabilities	4, 5, 13, 23	24,762	31,585	19,023	20,982
Other non-current payable	14	206,000	206,000	206,000	206,000
Deferred tax liabilities	4, 20	101,820	50,062	-	-
Non-current provisions for					
employee benefits	4, 15	28,121	23,673	17,798	19,291
Other non-current liabilities		3,085	2,913	3,085	2,913
Total non-current liabilities		965,991	592,527	325,116	458,170
Total liabilities	18	1,547,076	1,088,830	512,454	663,262

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

Selic Corp Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated financial		Separate financial	
		statements		statements	
		31 December		31 December	
Liabilities and equity	Note	2022	2021	2022	2021
(in thousand Baht)					
Equity					
Share capital :					
Authorised share capital	16	295,642	228,999	295,642	228,999
Issued and paid-up share capital	16	295,642	228,999	295,642	228,999
Share premium on ordinary shares	16	453,193	247,835	453,193	247,835
Other surpluses	19	3,573	-	1,316	-
Retained earnings					
Appropriated					
Legal reserve	17	27,199	22,900	27,199	22,900
Unappropriated		182,239	166,881	492,385	432,214
Other components of equity		(2,381)	1,467	-	-
Equity attributable to owners of the parent		959,465	668,082	1,269,735	931,948
Non-controlling interests	4	275,397	3	-	-
Total equity		1,234,862	668,085	1,269,735	931,948
Total liabilities and equity		2,781,938	1,756,915	1,782,189	1,595,210

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

Selic Corp Public Company Limited and its Subsidiaries

Statement of income

		Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2022	2021	2022	2021
		(in thousand Baht)			
Revenue					
Revenue from sale of goods	5, 18	1,616,295	1,451,944	707,897	728,020
Rental income		2,757	2,701	2,757	2,701
Net foreign exchange gain		-	5,108	811	3,634
Dividend income	5	-	-	50,900	332,249
Other income	5	5,650	6,279	2,785	33,633
Total revenue		1,624,702	1,466,032	765,150	1,100,237
Expenses					
Cost of sales of goods	5, 8	1,262,861	1,102,623	545,948	555,576
Distribution costs	5, 28	94,864	83,165	29,368	34,450
Administrative expenses	5, 28	183,432	151,725	85,488	86,043
Net foreign exchange loss		5,991	-	-	-
Total expenses	19	1,547,148	1,337,513	660,804	676,069
Profit from operating activities		77,554	128,519	104,346	424,168
Finance costs	5	(24,017)	(21,293)	(9,255)	(25,084)
Impairment loss determined in accordance with TFRS 9		(2,222)	(2,913)	(164)	(1,228)
Share of loss of a joint venture accounted for using equity method	10	(6)	-	-	-
Profit before income tax expense	18	51,309	104,313	94,927	397,856
Tax expense	20	(11,613)	(22,785)	(8,949)	(13,158)
Profit for the year		39,696	81,528	85,978	384,698
Profit (loss) attributable to:					
Owners of the parent		40,245	81,527	85,978	384,698
Non-controlling interests		(549)	1	-	-
Profit for the year		39,696	81,528	85,978	384,698
Basic earnings per share (in Baht)	21	0.075	0.162	0.161	0.766

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

Selic Corp Public Company Limited and its Subsidiaries

Statement of comprehensive income

		Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2022	2021	2022	2021
		(in thousand Baht)			
Profit for the year		39,696	81,528	85,978	384,698
Other comprehensive income (expense)					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating financial statements		(428)	899	-	-
Total items that will be reclassified subsequently to profit or loss		(428)	899	-	-
<i>Items that will not be reclassified to profit or loss</i>					
Gain (loss) on investments in equity instruments designated at FVOCI		(3,420)	598	-	-
Gain on remeasurements of defined benefit plans	15	5,038	-	3,670	-
Income tax relating to items that will not be reclassified	20	(1,008)	-	(734)	-
Total items that will not be reclassified to profit or loss		610	598	2,936	-
Other comprehensive income for the year, net of tax		182	1,497	2,936	-
Total comprehensive income for the year		39,878	83,025	88,914	384,698
Total comprehensive income (expense) attributable to:					
Owners of the parent		40,253	83,024	88,914	384,698
Non-controlling interests		(375)	1	-	-
Total comprehensive income for the year		39,878	83,025	88,914	384,698

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

Selic Corp Public Company Limited and its Subsidiaries

Statement of changes in equity

Consolidated financial statements									
	Note	Retained earnings			Other components of equity				
		Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Unappropriated reserve	Translation reserve	Revaluation reserve	Total other components of equity	Equity attributable to owners of the parent
									Non-controlling interests
									Total equity
<i>(in thousand Baht)</i>									
Year ended 31 December 2021									
Balance at 1 January 2021		164,999	177,835	4,579	174,231	(30)	-	(30)	2
Transactions with owners, recorded directly in equity									521,614
<i>Contributions by and distributions to owners of the parent</i>									
Issue of ordinary shares	16	14,000	70,000	-	-	-	-	-	-
Share dividends	16, 22	50,000	-	-	(50,000)	-	-	-	-
Dividends	22	-	-	-	(20,556)	-	-	-	-
Total contributions by and distributions to owners of the parent		64,000	70,000	-	(70,556)	-	-	-	-
Comprehensive income for the year									63,444
Profit	16	-	-	-	81,527	-	-	-	1
Other comprehensive income		-	-	-	-	899	598	1,497	-
Total comprehensive income for the year		-	-	-	81,527	899	598	1,497	1
Transfer to legal reserve	17	-	-	18,321	(18,321)	-	-	-	-
Balance at 31 December 2021		228,999	247,835	22,900	166,881	869	598	1,467	3

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

Selic Corp Public Company Limited and its Subsidiaries

Statement of changes in equity

		Consolidated financial statements										
		Retained earnings			Other components of equity							
		Issued and paid-up share capital	Share premium on ordinary shares	Other surpluses	Legal reserve	Unappropriated reserve	Translation reserve	Revaluation reserve	Total other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Note												
(in thousand Baht)												
Year ended 31 December 2022												
Balance at 1 January 2022												
		228,999	247,835	-	22,900	166,881	869	598	1,467	668,082	3	668,085
Transactions with owners, recorded directly in equity												
Contributions by and distributions												
to owners of the parent												
16	Issue of ordinary shares	44,643	205,358	-	-	-	-	-	-	250,001	-	250,001
19	Share-based payment transactions	-	-	3,573	-	-	-	-	-	3,573	-	3,573
16, 22	Share dividends	22,000	-	-	-	(22,000)	-	-	-	-	-	-
22	Dividends	-	-	-	-	(2,444)	-	-	-	(2,444)	-	(2,444)
Total contributions by and distributions												
to owners of the parent												
		66,643	205,358	3,573	-	(24,444)	-	-	-	251,130	-	251,130
Changes in ownership interests in subsidiaries												
Acquisition of non-controlling interests												
	from business combination	-	-	-	-	-	-	-	-	-	275,769	275,769
Total changes in ownership interests in subsidiaries												
		-	-	-	-	-	-	-	-	-	275,769	275,769
Total transactions with owners, recorded directly in equity												
		66,643	205,358	3,573	-	(24,444)	-	-	-	251,130	275,769	526,899
Comprehensive income (expense) for the year												
Profit (loss)												
		-	-	-	-	40,245	-	-	-	40,245	(549)	39,696
Other comprehensive income (expense)												
		-	-	-	-	3,856	(428)	(3,420)	(3,848)	8	174	182
Total comprehensive income (expense) for the year												
		-	-	-	-	44,101	(428)	(3,420)	(3,848)	40,253	(375)	39,878
Transfer to legal reserve												
17		-	-	-	4,299	(4,299)	-	-	-	-	-	-
Balance at 31 December 2022												
		295,642	453,193	3,573	27,199	182,239	441	(2,822)	(2,381)	959,465	275,397	1,234,862

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

Selic Corp Public Company Limited and its Subsidiaries

Statement of changes in equity

Separate financial statements						
		Retained earnings				
		Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Unappropriated	Total equity
	Note					
(in thousand Baht)						
Year ended 31 December 2021						
Balance at 1 January 2021		164,999	177,835	4,579	136,393	483,806
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Issue of ordinary shares		14,000	70,000	-	-	84,000
Share dividends		50,000	-	-	(50,000)	-
Dividends		-	-	-	(20,556)	(20,556)
Total contributions by and distributions to owners		64,000	70,000	-	(70,556)	63,444
Comprehensive income for the year						
Profit		-	-	-	384,698	384,698
Total comprehensive income for the year		-	-	-	384,698	384,698
Transfer to legal reserve		-	-	18,321	(18,321)	-
Balance at 31 December 2021		228,999	247,835	22,900	432,214	931,948

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

Selic Corp Public Company Limited and its Subsidiaries

Statement of changes in equity

		Separate financial statements						
		Retained earnings					Total equity	
		Issued and paid-up share capital	Share premium on ordinary shares	Other surpluses	Legal reserve	Unappropriated		
Note		(in thousand Baht)						
Year ended 31 December 2022								
Balance at 1 January 2022			228,999	247,835	-	22,900	432,214	931,948
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
	16		44,643	205,358	-	-	-	250,001
	19		-	-	1,316	-	-	1,316
	16, 22		22,000	-	-	-	(22,000)	-
	22		-	-	-	-	(2,444)	(2,444)
Total contributions by and distributions to owners			66,643	205,358	1,316	-	(24,444)	248,873
Comprehensive income for the year								
			-	-	-	-	85,978	85,978
			-	-	-	-	2,936	2,936
Total comprehensive income for the year			-	-	-	-	88,914	88,914
Transfer to legal reserve		17	-	-	-	4,299	(4,299)	-
Balance at 31 December 2022			295,642	453,193	1,316	27,199	492,385	1,269,735

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

Selic Corp Public Company Limited and its Subsidiaries

Statement of cash flows

		Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2022	2021	2022	2021
		(in thousand Baht)			
Cash flows from operating activities					
Profit for the year		39,696	81,528	85,978	384,698
<i>Adjustments to reconcile profit to cash receipts (payments)</i>					
Tax expense	20	11,613	22,785	8,949	13,158
Finance costs		24,017	21,293	9,255	25,084
Depreciation and amortisation	11, 12, 19	60,300	55,372	18,705	22,817
Provisions for employee benefits	15	3,527	4,121	2,206	3,650
Unrealised (gain) loss on foreign exchange		(906)	(2,421)	301	(2,285)
Share-based payment	19	3,573	-	1,316	-
(Gain) loss on fair value adjustment		3,349	(210)	29	(185)
Expected credit loss	7	2,222	2,913	164	1,228
(Reversal of) loss on inventories devaluation	8	4,335	444	278	(711)
Share of loss of a joint venture accounted for using equity method	10	6	-	-	-
Gain on disposal of equipment		(320)	(241)	(86)	(241)
Gain on sale of subsidiaries	9	-	-	-	(1,976)
Dividend income	5, 9	-	-	(50,900)	(332,249)
Interest income		(152)	(189)	(52)	(160)
		151,260	185,395	76,143	112,828
Changes in operating assets and liabilities					
Trade accounts receivables		28,591	(46,991)	70,874	(50,893)
Other current receivables		(23,330)	(15,135)	(1,047)	1,971
Inventories		23,435	(63,624)	5,867	(22,160)
Other current assets		(482)	(1,016)	531	(337)
Other non-current receivables		-	-	-	(10,878)
Other non-current assets		250	(52)	328	316
Trade accounts payables		(56,901)	65,448	(37,253)	22,484
Other current payables		27,345	13,423	330	4,650
Other current liabilities		(3,144)	(205)	52	(1,009)
Provisions for employee benefits paid	15	(29)	-	(29)	-
Net cash generated from operating activities		146,995	137,243	115,796	56,972
Taxes paid		(18,675)	(31,739)	(7,816)	(19,371)
Net cash from operating activities		128,320	105,504	107,980	37,601

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

Selic Corp Public Company Limited and its Subsidiaries

Statement of cash flows

		Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2022	2021	2022	2021
		(in thousand Baht)			
Cash flows from investing activities					
Acquisition of subsidiaries, net of cash acquired	4	(52,911)	-	(280,000)	-
Acquisition of group of assets that constitute a business	4	(513,645)	-	-	-
Acquisition of other equity securities		-	(76,050)	-	(32,000)
Acquisition of interest in a joint venture	10	(500)	-	(500)	-
Acquisition of plant and equipment		(20,265)	(22,735)	(4,756)	(2,690)
Proceeds from sale of equipment		820	248	112	248
Payment of machinery deposits		(34,705)	-	-	-
Acquisition of intangible assets		(839)	(1,853)	(135)	(288)
Proceeds from repayment of loans to related parties	4	6,424	-	-	-
Dividend received	5, 9	-	-	50,900	332,249
Interest received		152	189	52	160
Net cash from (used in) investing activities		(615,469)	(100,201)	(234,327)	297,679
Cash flows from financing activities					
Payment of change in ownership interest in subsidiaries without a change in control	9	-	-	-	(150,000)
Proceeds from change in ownership interest in subsidiaries without a change in control	9	-	-	-	104,976
Proceeds from issue of shares	16	250,001	84,000	250,001	84,000
Proceeds from short-term borrowings from financial institutions	13	310,684	121,433	30,000	-
Repayment of short-term borrowings from financial institutions	13	(267,690)	(91,772)	(5,500)	-
Proceeds from long-term borrowings from financial institutions	13	436,460	-	-	-
Repayment of long-term borrowings from financial institution	13	(126,935)	(120,120)	(26,760)	(26,760)
Payment of borrowing fee for long-term borrowings from financial institution		(755)	-	-	-
Repayment of long-term borrowing from a related party	13	-	-	(107,240)	(331,080)
Payment of lease liabilities	13	(10,873)	(9,200)	(4,192)	(4,052)
Dividends paid to owners of the Company	22	(2,444)	(20,556)	(2,444)	(20,556)
Interest paid		(22,051)	(22,675)	(8,915)	(26,659)
Net cash from (used in) financing activities		566,397	(58,890)	124,950	(370,131)

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

Selic Corp Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Net increase (decrease) in cash and cash equivalents,				
before effect of exchange rate changes	79,248	(53,587)	(1,397)	(34,851)
Effect of exchange rate changes on cash and cash equivalents	<u>4,079</u>	<u>5,088</u>	<u>478</u>	<u>1,966</u>
Net increase (decrease) in cash and cash equivalents	83,327	(48,499)	(919)	(32,885)
Cash and cash equivalents at 1 January	<u>101,195</u>	<u>149,694</u>	<u>52,320</u>	<u>85,205</u>
Cash and cash equivalents at 31 December	<u>184,522</u>	<u>101,195</u>	<u>51,401</u>	<u>52,320</u>

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

Selic Corp Public Company Limited and its Subsidiaries
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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorized for issue by the Board of Directors on 24 February 2023.

1 General information

Selic Corp Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Market for Alternative Investment (“mai”) on 18 October 2016. The Company’s registered office is at 270 Liapkhlongphasicharoenfangtai Road, Nong Khaem, Bangkok, Thailand.

The Company’s major shareholders during the financial year were Mr. Narong Suwatthanaphim, with 23.65% shareholding, Mr. Ek Suwatthanaphim, with 17.25% shareholding; both persons are directors of the Company, and Mr. Vitoon Vongkusolkrit, with 15.10% shareholding.

The principal activities of the Company and its subsidiaries (“the Group”) are production and distribution of adhesives used in industrial including self-adhesive label and healthcare products for domestic and international markets. Details of the Company’s subsidiaries as at 31 December 2022 and 2021 are given in note 9.

2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies are described in note 3 have been applied consistently to all periods presented in these financial statements.

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3 Significant accounting policies

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in a joint venture.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

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A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. The Group recognised investments in a joint venture using the equity method in the consolidated financial statements. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's dividend income and share of the profit or loss and other comprehensive income of a joint venture, until the date on which joint control ceases.

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation.

Business combinations

The Group applies the acquisition method when the Group assess that the acquired set of activities and assets include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. The acquisition date is the date on which control is transferred to the Group, other than business combinations with entities under common control. Expenses in connection with a business combination are recognised as incurred.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less net fair value of the identifiable assets acquired and liabilities assumed.

Consideration transferred includes assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, any contingent consideration and equity interests issued by the Group.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group estimates provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

(b) *Investments in subsidiaries and a joint venture*

Investments in subsidiaries and a joint venture in the separate financial statements are measured at cost less allowance for impairment losses. Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established. Gains and losses on disposal of the investments are recognised in profit or loss.

(c) *Foreign currencies*

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies of each entity in the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date. Non-monetary assets and liabilities measured at fair value in foreign currencies are translated at the exchange rates at the dates that fair value was determined.

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Foreign currency differences are generally recognised in profit or loss. However, the foreign currency differences arising from the translation of an investment in equity securities designated as at FVOCI will be recognised in other comprehensive income (except on impairment, in which case foreign currency differences are reclassified to profit or loss).

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Thai Baht at the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve until disposal of the investment, except to the extent that the translation difference is allocated to non-controlling interests.

(d) Financial instruments

(d.1) Classification and measurement

Financial assets and financial liabilities, except trade accounts receivables (see note 3(f)) are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or fair value to profit or loss (FVTPL). Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method or FVTPL. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

Equity investments measured at FVOCI are subsequently measured at fair value. Dividend income is recognised as income in profit or loss on the date on which the Group's right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(d.2) Derecognition and offset

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(d.3) Derivatives

Derivative are recognised at fair value and remeasured at fair value at each reporting date. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. The Group holds certain derivatives to hedge exposure arising from foreign currency.

(d.4) Write offs

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(d.5) Interest

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments which have maturities of three months or less from the date of acquisition.

(f) Trade accounts receivable

A trade receivable is recognised when the Group has an unconditional right to receive consideration. A trade receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find the ECLs rates. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

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(g) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is calculated using the first in first out principle. Cost includes direct costs incurred in acquiring the inventories. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to make the sale.

(h) Investment properties

Investment properties are measured at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the investment property.

Depreciation is calculated on a straight-line basis over the estimated useful lives of condominium of 20 years and recognised in profit or loss.

Differences between the proceeds from disposal and the carrying amount of investment property are recognised in profit or loss.

(i) Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation.

Cost includes expenditure that is directly attributable to the acquisition of the asset and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss.

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item when the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land and assets under construction.

The estimated useful lives are as follows:

Plant improvements	10 years
Buildings and building improvements	5 - 38 years
Machinery and factory equipment	5 - 20 years
Furniture, fixtures and office equipment	3 - 10 years
Vehicles	5 years

(j) Goodwill

Goodwill is measured at cost less impairment losses.

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(k) Other Intangible assets

Intangible assets that have indefinite useful lives are measured at cost less impairment losses. Other intangible assets are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate the future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss.

The estimated useful lives are as follows:

Software licences	2 - 5 years
Customer relationship	7 and 15 years

(l) Leases

At inception of a contract, the Group assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For some leases of property, the Group has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Group recognises a right-of-use asset, which presented as a part of property, plant and equipment, and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which are recognised as an expenses on a straight-line basis over the respective lease terms.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred and an estimate of restoration costs. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

At lease inception, the Group allocates the consideration in the contract to each component on the basis of their relative standalone selling prices.

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At lease inception, the Group considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

The Group recognises lease payments received under operating leases in profit or loss on a straight-line basis over the lease term as rental income. Contingent rents are recognised as rental income in the accounting period in which they are earned.

(m) Impairment of non-financial assets

The carrying amounts of the Group'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. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An Impairment loss of asset recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) Employee benefits

Defined contribution plan

Obligations for contributions to the Group's provident funds are recognised as employee benefit expenses in profit or loss as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed every year and every three years by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

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Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be reasonably estimated.

(o) *Share-based payment*

The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance 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.

(p) *Provisions*

A provision is recognised if, as a result of a past event, the Group 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. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(q) *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 in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

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

- Level 1: quoted prices 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 or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

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If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received.

(r) *Revenue from contracts with customers*

Revenue is recognised when a customer obtains control of the goods in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates. Revenue from sale of goods is recognised on the date on which the goods are delivered to the customers.

Contract liabilities including advances received from customers are the obligation to transfer goods or services to the customer. The contract liabilities including advances received from customers are recognised when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognises the related revenue. The Group presented the contract liabilities as a part of other payables.

(s) *Income tax*

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and a joint venture to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(t) *Earnings per share*

Basic earnings per share (EPS) 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 period.

(u) *Related parties*

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

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(v) **Segment reporting**

Segment results that are reported to the Group's chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

4 Acquisition of businesses

- 1) On 31 August 2022, the Company purchased 50% of the ordinary shares of Devakam Apothecary Hall Co., Ltd. ("DVK"), a manufacturer and distributor of relieving-muscle-pain products under the brand name "Namman Muay" which is incorporated in Thailand. The contract value of consideration for the shares acquisition was Baht 280 million, which, as at 31 December 2022, the Company has settled all in cash. In addition, the Company has entered into an agreement with other shareholders, which enables the Group to direct relevant activities in DVK. As a result, the Group has obtained control over DVK and its subsidiary (see note 9).

Identifiable assets acquired and liabilities assumed

	Note	Fair value (in thousand Baht)
Cash		227,089
Trade accounts receivables and other current receivables		54,982
Inventories		18,010
Other current assets		379
Restricted deposits at a financial institution	25	290
Long-term loan to related party		6,424
Investment property		14,500
Property, plant and equipment	11	145,604
Trademark	12	228,964
Other intangible assets	12	1,637
Deferred tax assets	20	192
Other non-current assets		2,257
Trade accounts payables and other current payables		(44,058)
Income tax payable		(5,338)
Other current liabilities		(3,885)
Long-term loans from financial institution	13	(34,711)
Lease liabilities		(944)
Non-current provisions for employee benefits	15	(5,987)
Deferred tax liabilities	20	(53,867)
Total identifiable net assets		551,538
Less Non-controlling interests (50%)		(275,769)
Total identifiable net assets received		275,769
Goodwill arising from the acquisition	12	4,231
Purchase consideration transferred		280,000
Cash acquired		227,089
Purchases consideration transferred - cash		(280,000)
Net cash outflows		(52,911)

The assets, liabilities and operating results have been included in the Group's consolidated financial statements for the year ended 31 December 2022 since the acquisition date. During the year from acquisition date to 31 December 2022, the subsidiaries contributed revenue of Baht 57.55 million and profit of Baht 9.96 million to the Group's results. If the acquisition had occurred on 1 January 2022, the management estimates that consolidated revenue and consolidated profit for the year ended 31 December 2022 would have increased by Baht 185.45 million and Baht 25.18 million, respectively.

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For the year ended 31 December 2022

- 2) On 3 October 2022, DVK Healthcare Co., Ltd (“DHC”), DVK’s subsidiary, entered into a partial business transfer transaction by acquiring group of assets from 3M Thailand Limited which included machinery, equipment, production formulation, brand names and trademarks, production and distribution operations data, etc. In addition, on 10 November 2022, DHC purchased group of assets from Neorex Group Co., Ltd. which comprised land and constructions, including office building, factory building and warehouse, etc. The considerations for both transactions were totaling Baht 514 million.

Identifiable assets acquired

	Note	Fair value (in thousand Baht)
Property, plant and equipment	11	204,612
Trademark	12	158,693
Customer relationship	12	20,775
Total identifiable assets received		384,080
Goodwill arising from the acquisition	12	129,565
Purchase consideration transferred		513,645

Taking control of DVK and DHC’s acquisition of assets that constitute a business, will enable the Group to expand the business growth, penetrate healthcare market, and expand its business channels from Business-to-Business (B2B) model, the previous sole focus, to Business-to-Consumer (B2C) model. The expertise and experience in healthcare business operation of DVK will contribute to the efficiency and effectiveness in the operation of the investment project of production and distribution of medical supplies of the Group.

The Group has hired an independent appraiser to determine the fair values of the identifiable assets acquired and liabilities assumed from the business acquisitions. The Group is continuing its review of this matter during the measurement period. If new information is obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date, then the acquisition accounting will be revised accordingly.

5 Related parties

Relationships with major shareholders, subsidiaries, and a joint venture are described in notes 1, 9 and 10, respectively. Other related parties were as follows:

Individuals / entities	Country of incorporation / nationality	Nature of relationships
S.O.M. International Co., Ltd.	Thailand	Having a family member of major shareholder and director of the Company has a direct major shareholding and common directors
News EVA Co., Ltd.	Thailand	Having a family member of major shareholder and director of the Company has a direct major shareholding and common directors
ILCT LTD.	Thailand	Having a family member of director as major shareholder
Big Jet Travel Co., Ltd.	Thailand	Having a director of the Company as a direct major shareholding and common directors
Narongwong Group Co., Ltd.	Thailand	Having a major shareholder and director of the Company has a direct major shareholding
Green Star Technology Co., Ltd.	Thailand	Having a major shareholder and director of the Company has a direct major shareholding

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For the year ended 31 December 2022

Individuals / entities	Country of incorporation / nationality	Nature of relationships
Humanica Public Company Limited	Thailand	Having a common director
Key management personnel	Thai	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group

<i>Significant transactions with related parties</i> <i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Subsidiaries				
Revenue from sale of goods	-	-	52,556	122,096
Dividend income	-	-	50,900	332,249
Management service income	-	-	-	29,000
Other income	-	-	993	2,036
Purchase of goods	-	-	19	40
Purchase discount	-	-	-	19
Distribution costs	-	-	-	27
Finance costs	-	-	2,023	17,276
Other related parties				
Administrative expenses	6,250	2,337	1,505	1,087
Purchase of other intangible assets	-	405	-	-
Key management personnel				
Consulting fee	1,791	2,863	1,713	1,713
Key management personnel compensation				
Short-term employee benefit	48,785	40,700	21,136	21,750
Post-employment benefits	3,091	2,585	1,799	2,345
Other benefits	6,304	2,446	2,514	2,446
Total key management personnel compensation	<u>58,180</u>	<u>45,731</u>	<u>25,449</u>	<u>26,541</u>

<i>Balance with related parties</i> <i>At 31 December</i>		Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
Trade accounts receivables					
Subsidiaries					
S Ventures Co., Ltd.		-	-	1,567	3,884
PMC Label Materials Co., Ltd.		-	-	300	50,155
Selic Australia Pty Ltd		-	-	-	1,444
Total	7	<u>-</u>	<u>-</u>	<u>1,867</u>	<u>55,483</u>

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<i>Balance with related parties</i> <i>At 31 December</i>	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
<i>Other current receivables</i>					
Subsidiaries					
Selic Australia Pty Ltd		-	-	2,605	-
DVK Healthcare Co., Ltd		-	-	573	-
Joint venture					
Belic Innotech Co., Ltd.		4	-	4	-
Key management personnel		123	124	123	124
Total		127	124	3,305	124
<i>Other non-current receivables</i>					
Subsidiary					
Selic Australia Pty Ltd		-	-	-	13,125
<i>Trade accounts payable</i>					
Subsidiaries					
PMC Label Materials Co., Ltd.		-	-	3	-
PMC Label Materials Pte. Ltd.		-	-	-	24
Total		-	-	3	24
<i>Other current payables</i>					
Other related parties					
Humanica Public Co., Ltd.		1,070	-	30	-
ILCT LTD.		347	251	-	-
Key management personnel		104	-	104	-
Total	14	1,521	251	134	-
<i>Loans from</i>					
Subsidiary					
PMC Label Materials Co., Ltd.		-	-	-	107,240
<i>Lease liability</i>					
Other related party					
Narongwong Group Co., Ltd.		19,832	21,671	19,832	21,671

Land and building rental agreement

The Company has land and building rental agreement with Narongwong Group Co., Ltd. for establishment use. The agreement is effective for 15 years and expires in June 2031 with total rental payment for the year 2022 of Baht 3.0 million (2021: Baht 3.0 million). The rental rate is adjusted every five years.

Management service agreement

The Company has management service agreement with a local subsidiary. The agreement is effective from date as specified in the agreement with a service fee as stipulated in the agreement and shall be automatically extended for one additional year unless terminated by either party upon giving 30 days advance notice. The subsidiary has, however, terminated the management service agreement, being effective on 1 November 2021.

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6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Cash on hand	822	846	430	337
Cash at banks	178,865	97,988	50,295	51,760
Others	4,835	2,361	676	223
Total	184,522	101,195	51,401	52,320

7 Trade accounts receivable

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
Related parties					
Within credit terms		-	-	1,717	15,556
Overdue:					
Less than 3 months		-	-	150	24,423
3 - 6 months		-	-	-	14,060
More than 12 months		-	-	-	1,444
	5	-	-	1,867	55,483
Others					
Within credit terms		261,078	242,167	97,730	108,581
Overdue:					
Less than 3 months		76,557	72,731	20,377	32,258
3 - 6 months		452	1,698	168	-
6 - 12 months		2,329	5,845	1,730	1,150
More than 12 months		9,453	5,807	1,771	1,245
		349,869	328,248	121,776	143,234
Total		349,869	328,248	123,643	198,717
Less allowance for expected credit loss		(7,909)	(6,261)	(2,012)	(1,942)
Net		341,960	321,987	121,631	196,775

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Allowance for expected credit loss				
At 1 January	6,261	3,388	1,942	714
Addition	3,037	2,913	526	1,228
Acquisitions through business combinations	47	-	-	-
Reversal	(815)	-	(362)	-
Write-off	(509)	(40)	-	-
Effect from foreign exchange rates	(112)	-	(94)	-
At 31 December	7,909	6,261	2,012	1,942

Information of credit risk is disclosed in note 23(b.1).

Selic Corp Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

8 Inventories

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Finished goods	56,718	54,231	22,524	27,310
Work in progress	70,860	83,315	2,271	2,006
Raw materials	182,522	190,394	65,245	64,001
Factory supplies	10,957	5,375	5,189	5,163
Spare parts	3,347	1,164	-	-
Goods in transit	32,072	31,664	10,252	13,145
Net	356,476	366,143	105,481	111,625
Inventories recognised as an expense in cost of sales of goods				
- Cost	1,258,526	1,102,179	545,670	555,683
- Write-down to net realisable value	4,335	1,155	278	604
- Reversal of write-down	-	(711)	-	(711)
Net	1,262,861	1,102,623	545,948	555,576

9 Investments in subsidiaries

<i>Material movement for the year ended 31 December</i>	<i>Note</i>	Separate	
		financial statements	
		2022	2021
		<i>(in thousand Baht)</i>	
At 1 January		1,086,997	1,039,997
Acquisitions		14,645	150,000
Acquisition of subsidiaries	4	280,000	-
Disposals		-	(103,000)
At 31 December		1,381,642	1,086,997

On 1 July 2022, the Company has additionally invested in ordinary shares of Selic Australia Pty Ltd, a subsidiary, with the existing shareholding percentage (100%), for 613,000 ordinary shares, with a par value of AUD 1 per share, totaling in AUD 613,000 or equivalent to Baht 14.64 million.

On 31 August 2022, the Company purchased 50% of the ordinary shares of Devakam Apothecary Hall Co., Ltd. ("DVK") (see note 4).

In August 2022, DVK established DVK Healthcare Co., Ltd. ("DHC") in Thailand, with registered capital of Baht 200 million. The objective is to invest in the project of production and distribution of healthcare products. DVK has 100% shareholding in DHC, as a result, the Company has 50% indirect shareholding in DHC.

On 19 April 2021, the Company has invested in share capital of PMC Label Materials Co., Ltd. with the same ownership interests (99.99%) of 1,500,000 ordinary shares, with a par value of Baht 100 per share, totaling in Baht 150 million.

On 12 November 2021, the Company has entered into a sales agreement of 2 ordinary shares (100%) of PMC Label Materials Pte. Ltd., a subsidiary of the Company, amounted of Baht 104.98 million to PMC Label Materials Co., Ltd., another subsidiary of the Company. The objective is to restructure the self-adhesive label business within the Group.

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Investments in subsidiaries as at 31 December 2022 and 2021, and dividend income for the years then ended, were as follows:

Separate financial statements									
Type of business	Country of operation	Ownership interest		Paid-up capital		At cost - net		Dividend income	
		2022	2021	2022	2021	2022	2021	2022	2021
(in thousand Baht)									
Direct subsidiaries									
S Ventures Co., Ltd.	Thailand	99.97	99.97	10,000	10,000	9,997	9,997	-	-
PMC Label Materials Co., Ltd.	Thailand	99.99	99.99	250,000	100,000	1,077,000	1,077,000	50,900	319,999
Devakam Apothecary Hall Co., Ltd.	Thailand	50.00	-	170,774	-	280,000	-	-	-
PMC Label Materials Pte. Ltd.	Singapore	-	-	SGD 2	SGD 2	-	-	-	12,250
Selic Australia Pty Ltd	Australia	100	100	AUD 613,000	AUD 1	14,645	-	-	-
Total						1,381,642	1,086,997	50,900	332,249
Indirect subsidiaries									
DVK Healthcare Co., Ltd.	Thailand	50.00	-	200,000	-	-	-	-	-
PMC Label Materials Pte. Ltd.	Singapore	99.99	99.99	SGD 2	SGD 2	-	-	-	-
PMC Label Materials (Malaysia) Sdn. Bhd.	Malaysia	99.99	99.99	MYR 1,500,000	MYR 1,500,000	-	-	-	-

Type of business:

- (1) Wholesales of industrial chemicals (2) Production and distribution of self-adhesive label (3) Production and distribution of healthcare product
(4) Distribution of self-adhesive label

None of the Group's subsidiaries are publicly listed and consequently do not have published share price quotations.

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10 Investment in a joint venture

On 1 May 2022, the Company entered into a joint venture agreement with BNB Tech Co., Ltd. (“BNB”), in order to invest in Belic Innotech Co., Ltd. (“Belic”), a legal entity incorporated and operated in Thailand. The objectives of the joint venture are to produce, research and distribute acrylic and resin products. The Company and BNB equally invested in Belic of 50% of the issued and paid-up share capital. The joint venture agreement specifies that the investors have joint control and rights to the net assets of the joint arrangement (“Belic”). Accordingly, the Company classified the investment as investment in a joint venture and recognised the investment using the equity method in the consolidated financial statements.

As at 31 December 2022, Belic has paid-up capital of Baht 1 million. Belic is not publicly listed, consequently, has no published share price quotation.

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11 Property, plant and equipment

		Consolidated financial statements					
		Land and land improvement	Right to use land, buildings and building improvements	Machinery and factory equipment	Office furniture, fixtures and equipment	Vehicles	Assets under construction and installation
	<i>Note</i>			<i>(in thousand Baht)</i>			
							Total
Cost							
At 1 January 2021		86,190	231,802	481,913	31,614	39,189	873,735
Additions		-	10,836	14,630	1,360	-	37,499
Transfers		-	7,072	5,460	121	-	-
Disposals		-	-	(1,348)	(1,823)	(539)	(3,710)
Effect of movements in exchange rates		-	1,358	334	62	154	1,898
At 31 December 2021 and 1 January 2022		86,190	251,068	500,989	31,334	38,804	909,422
Additions		-	3,619	17,763	6,446	1,249	30,279
Acquisitions through business combinations		115,892	185,100	46,252	2,048	924	350,216
Transfers	4	-	922	69	-	-	-
Disposals		-	-	(8,149)	(1,712)	(1,617)	(11,928)
Effect of movements in exchange rates		-	164	(245)	12	74	5
At 31 December 2022		202,082	440,873	556,679	38,128	39,434	1,277,994
Depreciation							
At 1 January 2021		-	123,375	361,999	29,060	25,125	539,559
Depreciation charged for the year	19	-	18,943	20,800	1,229	6,093	47,065
Disposals		-	-	(1,342)	(1,823)	(539)	(3,704)
Effect of movements in exchange rates		-	560	98	37	154	849
At 31 December 2021 and 1 January 2022		-	142,878	381,555	28,503	30,833	583,769
Depreciation charged for the year	19	21	20,372	22,579	4,003	4,220	51,195
Disposals		-	-	(4,027)	(99)	(1,617)	(5,743)
Effect of movements in exchange rates		-	179	21	15	72	287
At 31 December 2022		21	163,429	400,128	32,422	33,508	629,508

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		Consolidated financial statements					
		Right to use land, buildings and building improvements	Machinery and factory equipment	Office furniture, fixtures and equipment <i>(in thousand Baht)</i>	Vehicles	Assets under construction and installation	Total
<i>Net book value</i> At 31 December 2021	Owned assets	86,190	113,695	2,831	236	1,037	279,640
	Right-of-use assets	-	5,739	-	7,735	-	46,013
		86,190	119,434	2,831	7,971	1,037	325,653
At 31 December 2022	Owned assets	202,061	149,304	5,706	965	798	610,735
	Right-of-use assets	-	7,247	-	4,961	-	37,751
		202,061	156,551	5,706	5,926	798	648,486

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		Separate financial statements				
	Note	Right to use land, buildings and building improvements	Machinery and factory equipment	Office furniture, fixtures and equipment (in thousand Baht)	Vehicles	Assets under construction and installation
						Total
Cost						
At 1 January 2021		74,827	198,181	18,137	12,256	303,987
Additions		-	1,823	577	-	2,628
Transfers		228	-	-	-	-
Disposals		-	(1,348)	(1,823)	(539)	(3,710)
At 31 December 2021 and 1 January 2022		75,055	198,656	16,891	11,717	302,905
Additions		558	4,351	1,605	1,249	7,832
Transfers		-	69	-	-	-
Disposals		-	(73)	(1,613)	(1,617)	(3,303)
At 31 December 2022		75,613	203,003	16,883	11,349	307,434
Depreciation						
At 1 January 2021		43,050	133,716	16,949	6,249	199,964
Depreciation charged for the year	19	4,114	14,410	591	2,382	21,497
Disposals		-	(1,342)	(1,823)	(539)	(3,704)
At 31 December 2021 and 1 January 2022		47,164	146,784	15,717	8,092	217,757
Depreciation charged for the year	19	3,741	11,414	586	2,144	17,885
Disposals		-	(47)	-	(1,617)	(1,664)
At 31 December 2022		50,905	158,151	16,303	8,619	233,978

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Separate financial statements					
	Right to use land, buildings and building improvements	Machinery and factory equipment	Office furniture, fixtures and equipment <i>(in thousand Baht)</i>	Assets under construction and installation	Total
<i>Net book value</i>					
At 31 December 2021					
Owned assets	5,014	51,872	1,174	586	58,648
Right-of-use assets	22,877	-	-	-	26,500
	27,891	51,872	1,174	586	85,148
At 31 December 2022					
Owned assets	4,032	44,852	580	586	50,050
Right-of-use assets	20,676	-	-	-	23,406
	24,708	44,852	580	586	73,456

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In 2022, additions to the right-of-use assets of the Group and the company were Baht 0.5 million and Baht 0.5 million, respectively. (2021: Baht 14.7 million and nil, respectively).

The Group leases a number of vehicles, machinery, factory equipment and properties which comprise land, buildings and office for 3 - 15 years, with extension options at the end of lease term. The rental is primarily payable monthly as specified in the contract.

Extension options

The Group has extension options on certain property leases exercisable up to one year before the end of the non-cancellable contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options and will regularly reassess so if there are material change in circumstances under the Group's control.

<i>For the year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Amounts recognised in profit or loss</i>				
Depreciation of right-of-use assets:				
- Properties, plants and offices	6,221	6,041	2,727	2,728
- Vehicles	4,023	4,166	2,142	2,285
- Machinery and factory equipment	1,468	216	-	-
Interest on lease liabilities	2,027	2,290	1,353	1,620
Expenses relating to short-term leases and low-value assets	1,086	693	428	337

In 2022, total cash outflow for leases of the Group and the Company were Baht 14.0 million and Baht 6.0 million, respectively (2021: Baht 12.3 million and Baht 6.0 million, respectively).

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12 Goodwill and other intangible assets

	<i>Note</i>	Goodwill	Consolidated financial statements				
			Other intangible assets				Total other intangible assets
			Software licences	Software under installation (in thousand Baht)	Trademark	Customer relationship	
Cost							
At 1 January 2021		380,288	19,034	640	76,888	82,505	179,067
Additions		-	586	1,267	-	-	1,853
Transfers		-	852	(852)	-	-	-
Effect of movements in exchange rates		(4,700)	113	-	808	679	1,600
At 31 December 2021 and 1 January 2022		375,588	20,585	1,055	77,696	83,184	182,520
Additions		-	298	656	-	-	954
Acquisitions through business combinations		133,796	1,637	-	387,657	20,775	410,070
Transfers	4	-	1,206	(1,206)	-	-	-
Disposals		-	(117)	-	-	-	(117)
Effect of movements in exchange rates		(2,235)	6	-	383	323	712
At 31 December 2022		507,149	23,615	505	465,736	104,282	594,138
Amortisation							
At 1 January 2021		-	13,183	-	-	11,011	24,194
Amortisation for the year	19	-	2,675	-	-	5,632	8,307
Effect of movements in exchange rates		-	46	-	-	-	46
At 31 December 2021 and 1 January 2022		-	15,904	-	-	16,643	32,547
Amortisation for the year	19	-	2,413	-	-	6,352	8,765
Disposals		-	(117)	-	-	-	(117)
Effect of movements in exchange rates		-	9	-	-	-	9
At 31 December 2022		-	18,209	-	-	22,995	41,204
Net book value							
At 31 December 2021		375,588	4,681	1,055	77,696	66,541	149,973
At 31 December 2022		507,149	5,406	505	465,736	81,287	552,934

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	Note	Separate financial statements		
		Software licences	Software under installation (in thousand Baht)	Total
Cost				
At 1 January 2021		10,260	539	10,799
Additions		-	288	288
Transfers		827	(827)	-
At 31 December 2021 and 1 January 2022		11,087	-	11,087
Additions		136	-	136
Transfers		(117)	-	(117)
At 31 December 2022		11,106	-	11,106
Amortisation				
At 1 January 2021		8,648	-	8,648
Amortisation for the year	19	1,320	-	1,320
At 31 December 2021 and 1 January 2022		9,968	-	9,968
Amortisation for the year	19	820	-	820
Disposals		(117)	-	(117)
At 31 December 2022		10,671	-	10,671
Net book value				
At 31 December 2021		1,119	-	1,119
At 31 December 2022		435	-	435

Impairment testing for CGUs containing goodwill and indefinite-lived intangible asset

For the purposes of impairment testing, goodwill and indefinite-lived intangible asset, which is trademark have been allocated to the Group's CGUs (operating divisions) as follows:

	Consolidated financial statements			
	2022		2021	
	Goodwill	Trademark	Goodwill	Trademark
	(in thousand Baht)			
Manufacturing and distribution of self-adhesive labels business				
- PMCT	328,682	68,051	328,684	68,051
- PMCS	44,671	10,028	46,904	9,645
Healthcare products business				
- DVK	4,231	228,964	-	-
- DHC	129,565	158,693	-	-
Total	507,149	465,736	375,588	77,696

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The recoverable amount of each CGU was based on its value in use which exceeded its carrying amount. Therefore, no impairment loss was recognised in the financial statements as at 31 December 2022 and 2021. The key assumptions used in the estimation of value in use as at 31 December 2022 were as follows:

	PMCT	PMCS	DVK (%)	DHC
Discount rate (WACC)	10.78	7.36	10.02	9.78
Estimated sales and EBITDA growth rate	3.00	3.00	5.00	2.00
Terminal value growth rate of cash flow	1.00	1.00	1.00	2.00

The cash flow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate was determined based on management's estimate of the long-term compound annual earnings before interest, taxes, depreciation and amortisation (EBITDA) growth rate. Budgeted EBITDA was based on past experience, adjusted for expectations of market development. The discount rate was estimated based on the weighted average cost of capital of the Group and average rate of the industry in which the Group operated.

The management considered that, as at 31 December 2022, if terminal value growth rate of cash flow of each CGU decreases to 0%, there will be no impairment loss and if discount rate is changed to be amount in the following table, the recoverable amount will be equal to the carrying amount.

	PMCT	PMCS	DVK (%)	DHC
Discount rate (WACC)	12.53	8.92	11.95	14.39

13 Interest-bearing liabilities

Note	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Secured				
Long-term loans from financial institutions	742,009	397,860	105,844	132,478
	742,009	397,860	105,844	132,478
Unsecured				
Short-term loans from financial institutions	108,764	65,771	40,000	15,500
Lease liabilities	35,184	43,065	22,407	25,135
Long-term loans from related party	5	-	-	107,240
	143,948	108,836	62,407	147,875
Total interest-bearing liabilities	885,957	506,696	168,251	280,353

Long-term loans from financial institution

- 1) The Company and PMC Label Materials Co., Ltd. (PMCT), a subsidiary, have entered into long-term loan agreements with a local financial institution dated on 4 January 2019 and 2 January 2019, respectively, for a total credit facility of Baht 900 million. The objective of the loans is to use as source of fund for business acquisition. The loans bear interest rate at MLR less margin per annum and shall be repayable in 95 monthly and will be due within November 2024. As at 31 December 2022, the Group has unutilised credit facility of Baht 200 million. Under the terms and conditions of the agreements of long-term loans from financial institution, the Company and PMCT shall comply on certain conditions such as maintaining percentage of shareholding and financial ratios.

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The Company's long-term loans are guaranteed by PMCT and PMC Label Materials Pte. Ltd., which are subsidiaries. The collaterals used to secure the loans are the Company's inventories, claims to receive payment from the Company's debtors and PMCT's shares owned by the Company.

PMCT's long-term loans are guaranteed by PMC Label Materials Pte. Ltd., a subsidiary. The collaterals used to secure the loans are land, building and machineries which the carrying amounts as at 31 December 2022 were Baht 43.7 million, Baht 41.1 million and Baht 11, respectively (*2021: Baht 43.7 million, Baht 45.1 million and Baht 1.2 million, respectively*) including PMCT's inventories, claims to receive payment from PMCT's debtors and PMCT's shares owned by the Company.

- 2) On 18 March 2022, PMCT, a subsidiary, has entered into a long-term loan agreement with a local financial institution for a total credit facility of Baht 151 million. The objective of the loan is to use as source of fund for machinery acquisition (see note 25). The loan bears a fixed annual interest rate for the first 12-month period commencing from the first drawdown date, and an interest rate at MLR less margin per annum for the period starting from the 13th month onwards, and shall be repayable equally in 44 monthly installments commencing from September 2023. PMCT will use the machinery as collateral to secure the long-term loan when the ownership of the machinery is completely registered. In addition, PMCT shall comply with certain conditions under the loan agreement which cover maintaining financial ratios. As at 31 December 2022, PMCT has unutilised credit facility of Baht 114.54 million.
- 3) Devakam Apothecary Hall Co., Ltd. ("DVK"), a subsidiary, has entered into long-term loan agreements with several local financial institutions. The objective of the loans is to use as working capital within the entity. As at 31 December 2022, DVK has fully utilised the credit facility. DVK's long-term loans are secured with certain collaterals, including investment property, land and buildings, which the carrying amounts in the Group's consolidated financial statements as at 31 December 2022 were Baht 14.16 million and Baht 128.02 million, respectively. In addition, Thai Credit Guarantee Corporation ("TCG") was a guarantor on the loans.
- 4) On 27 October 2022, DVK Healthcare Co., Ltd. ("DHC"), an indirect subsidiary, has entered into two long-term loan agreements with a local financial institution for the credit facilities of Baht 220 million and Baht 180 million, respectively. The objectives of the loans are to use as source of fund for the assets acquisition from Neorex Group Co., Ltd. (see note 4) and use as working capital for business operation. The loans bear interest rate at MLR less margin per annum and the principals shall be repayable equally in 96 monthly installments commencing from December 2023. DHC has mortgaged land and constructions, secured machineries, inventories and claims to receive payment from DHC's debtors and DHC's ordinary shares as collaterals for the loans. The Company and DVK were guarantors. In addition, DHC shall comply with certain conditions under the loan agreements which cover maintaining financial ratios and the Company shall maintain the shareholding in DVK of not less than 50% of the total authorised share capital of DVK throughout the term of the loan agreements.

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Changes in liabilities arising from financing activities

	Consolidated financial statements		
	Loans from financial institutions	Lease liabilities (in thousand Baht)	Total
2022			
At 1 January	463,631	43,065	506,696
Changes from financing cash flows			
- Principle	(394,713)	(10,884)	(405,597)
- Interest paid	(667)	(2,026)	(2,693)
Addition	747,144	3,231	785,086
Interest expense	667	2,026	2,693
The effect of changes in foreign exchange rates	-	(1,143)	(1,143)
Changes arising from business acquisition	34,711	915	915
At 31 December	850,773	35,184	885,957
2021			
At 1 January	553,535	38,174	591,709
Changes from financing cash flows			
- Principle	(211,337)	(8,754)	(220,091)
- Interest paid	(555)	(2,279)	(2,834)
Addition	121,433	14,293	135,726
Interest expense	555	2,279	2,834
The effect of changes in foreign exchange rates	-	(648)	(648)
At 31 December	463,631	43,065	506,696

	Separate financial statements			
	Loans from financial institutions	Loans from related party <i>(in thousand Baht)</i>	Lease liabilities	Total
2022				
At 1 January	147,978	107,240	25,135	280,353
Changes from financing cash flows				
- Principle	(32,134)	(107,240)	(4,192)	(143,566)
- Interest paid	(126)	-	(1,353)	(1,479)
Addition	30,000	-	1,464	31,464
Interest expense	126	-	1,353	1,479
At 31 December	145,844	-	22,407	168,251
2021				
At 1 January	174,612	438,320	29,187	642,119
Changes from financing cash flows				
- Principle	(26,634)	(331,080)	(4,052)	(361,766)
- Interest paid	(126)	-	(1,620)	(1,746)
Interest expense	126	-	1,620	1,746
At 31 December	147,978	107,240	25,135	280,353

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14 Other payables

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
Other current payables					
Related parties	5	<u>1,521</u>	<u>251</u>	<u>134</u>	<u>-</u>
Others					
Accrued operating expenses		28,871	12,204	7,306	4,409
Post-dated cheque		5,265	-	-	-
Freight payable		3,729	7,585	1,657	3,619
Refund liability		1,889	-	-	-
Advance received		1,715	4,146	1,610	2,741
Others		16,596	7,943	4,014	3,536
		<u>58,065</u>	<u>31,878</u>	<u>14,587</u>	<u>14,305</u>
Total other current payables		<u>59,586</u>	<u>32,129</u>	<u>14,721</u>	<u>14,305</u>
Other non-current payable					
Consideration payable		<u>206,000</u>	<u>206,000</u>	<u>206,000</u>	<u>206,000</u>

The consideration payable incurred from the acquisition of subsidiary in 2019 and will be paid to the former shareholders who sold the shares to the Company when the terms and conditions of the Share Sale and Purchase Agreement are met. Under such terms, the payment shall be made in two installments.

15 Non-current provisions for employee benefits

Defined benefit plan

The Group and the Company operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Group to actuarial risks, such as longevity risk and interest rate.

Present value of the defined benefit obligations		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
At 1 January		23,673	19,552	19,291	15,641
Recognised in profit or loss:					
Current service cost		3,066	3,623	1,886	3,277
Interest on obligation		462	498	320	373
Recognised in other comprehensive income:					
Actuarial gain (loss)					
- Demographic assumptions		3,141	-	3,141	-
- Financial assumptions		(1,869)	-	(1,557)	-
- Experience adjustment		(6,310)	-	(5,254)	-
Addition through business acquisition	4	5,987	-	-	-
Benefit paid		(29)	-	(29)	-
At 31 December		<u>28,121</u>	<u>23,673</u>	<u>17,798</u>	<u>19,291</u>

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<i>Principal actuarial assumptions</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
		(%)		
Discount rate	2.25 - 3.44	2.64 - 3.19	2.25	2.64
Future salary growth	4.00 - 5.00	4.00 - 5.00	4.00	5.00

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2022, the weighted-average duration of the defined benefit obligation was 8 - 17 years (2021: 8 - 14 years).

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.

<i>Effect to the defined benefit obligation At 31 December</i>	Consolidated financial statements			
	1% increase in assumption 2022	1% decrease in assumption 2021	1% increase in assumption 2022	1% decrease in assumption 2021
		(in thousand Baht)		
Discount rate	(2,762)	(1,897)	3,224	2,181
Future salary growth	3,063	2,704	(2,663)	(2,347)

<i>Effect to the defined benefit obligation At 31 December</i>	Separate financial statements			
	1% increase in assumption 2022	1% decrease in assumption 2021	1% increase in assumption 2022	1% decrease in assumption 2021
		(in thousand Baht)		
Discount rate	(1,547)	(1,355)	1,786	1,540
Future salary growth	1,663	1,963	(1,460)	(1,722)

16 Share capital

	Par value per share (in Baht)	2022		2021	
		Number	Amount	Number	Amount
		(thousand shares /	in thousand Baht)		
Authorised					
At 1 January					
- ordinary shares	0.5	457,999	228,999	358,000	179,000
Reduction of shares					
- ordinary shares	0.5	(2)	-	(28,001)	(14,001)
Increase of new shares					
- ordinary shares	0.5	133,286	66,643	128,000	64,000
At 31 December					
- ordinary shares	0.5	<u>591,283</u>	<u>295,642</u>	<u>457,999</u>	<u>228,999</u>
Issued and paid-up					
At 1 January					
- ordinary shares	0.5	457,998	228,999	329,999	164,999
Increase of new shares					
- ordinary shares	0.5	133,285	66,643	127,999	64,000
At 31 December					
- ordinary shares	0.5	<u>591,283</u>	<u>295,642</u>	<u>457,998</u>	<u>228,999</u>

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On 17 May 2022, the Company registered the decrease of capital with the Ministry of Commerce by cancelling the ordinary shares that have not been issued of Baht 409, which remained from share dividend payment of 818 shares. As a result, the original registered capital of Baht 228,999,358.5 were reduced to a new registered capital of Baht 228,998,949.5.

On 18 May 2022, the Company registered the increase of capital with the Ministry of Commerce of Baht 22 million from the original registered capital of Baht 228,998,949.5 to Baht 250,998,949.5 to provide for share dividend payment (see note 22).

On 16 August 2022, the Company registered the decrease of capital with the Ministry of Commerce by cancelling the ordinary shares that have not been issued of Baht 433.5, which remained from share dividend payment of 867 shares. As a result, the original registered capital of Baht 250,998,949.5 were reduced to a new registered capital of Baht 250,998,516.

On 17 August 2022, the Company registered the increase of capital with the Ministry of Commerce of Baht 44.64 million from the original registered capital of Baht 250,998,516 to Baht 295,641,516 in the form of capital increase for private placement.

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

17 Legal Reserve

Section 116 of the Public Companies Act B.E. 2535 Section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution. In 2022, the Company allocated legal reserve amounted to Baht 4.3 million (2021: Baht 18.3 million).

18 Segment information

The Group has reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions are managed separately because they require different technologies and marketing strategies. For each of the strategic divisions, the chief operating decision maker reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

- Segment 1 Production and distribution of adhesive for industrial use.
- Segment 2 Production and distribution of self-adhesive labels.
- Segment 3 Production and distribution of healthcare product.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment earnings before interest, taxes, depreciation and amortisation (EBITDA) as included in the internal management reports that are reviewed by the Group's operation head. Segment EBITDA is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

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Information about reportable segments

<i>For the year ended 31 December</i>	Adhesive for industrial use		Self-adhesive labels		Healthcare products		Others		Elimination		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	<i>(in thousand Baht)</i>											
External revenues - overseas												
- Asia	142,535	134,852	303,825	257,069	635	-	-	-	-	-	446,995	391,921
- Australia	83,731	81,600	15,903	23,401	-	-	25,358	10,406	-	-	124,992	115,407
- Africa	91,545	76,383	3,093	-	-	-	-	-	-	-	94,638	76,383
- America	13,569	12,466	-	2,066	-	-	-	-	-	-	13,569	14,532
	331,380	305,301	322,821	282,536	635	-	25,358	10,406	-	-	680,194	598,243
External revenues - local	343,852	317,118	535,339	536,583	56,910	-	-	-	-	-	936,101	853,701
Inter-segment revenue	38,196	107,564	16,136	15,296	-	-	-	-	(54,332)	(122,860)	-	-
Total revenue from sale of goods	713,428	729,983	874,296	834,415	57,545	-	25,358	10,406	(54,332)	(122,860)	1,616,295	1,451,944
Earnings (losses) before interest, tax, depreciation, and amortisation (EBITDA)	121,629	447,444	57,759	86,009	9,551	-	(482)	(1,013)	(52,831)	(351,462)	135,626	180,978
Profit (loss) before tax expense	93,669	399,544	22,994	52,879	(552)	-	(2,329)	(2,462)	(62,473)	(345,648)	51,309	104,313
Segment assets as at 31 December	1,780,775	1,595,358	1,259,158	1,397,288	1,103,280	-	18,005	25,999	(1,379,280)	(1,261,730)	2,781,938	1,756,915
Segment liabilities as at 31 December	512,761	663,682	483,894	579,357	548,260	-	8,656	28,847	(6,495)	(183,056)	1,547,076	1,088,830

The Group's revenue from sale of goods is recognised when a customer obtains control of the goods, generally on delivery of the goods to the customers.

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The Group manages its business and operates manufacturing facilities principally in Thailand. There are no material non-current assets located in foreign countries.

In 2022, the Group has no external revenue from one customer or one country for the amount over 10% of the Group's total revenue from sales.

In 2021, the Group has external revenue from customer in Vietnam amounting to Baht 145.4 million, which is approximately 10% of the Group's total revenue from sales. However, the Group has no external revenue from one customer for the amount over 10% of the Group's total revenue from sales.

Promotional privileges

The Company has been granted promotional certificates by the Office of the Board of Investment for research and development of adhesive and coating for industrial use. The Company has been granted several privileges including exemption and/or reduction from payment of income tax on the net profit derived from promoted operations with certain terms and conditions prescribed in the promotional certificates, which the Company must comply with. In 2022, the Group and the Company have local revenue from sales which have been granted promotional privileges amounting to Baht 1.7 million (2021: nil).

19 Expenses by nature

		Consolidated		Separate	
		financial statements		financial statements	
	<i>Note</i>	2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
Raw materials and consumables used		1,063,265	988,711	448,442	409,233
Changes in inventories of finished goods and work in progress		(20,936)	41,064	(4,521)	10,113
Employee benefit expenses		196,157	159,532	85,419	86,082
Depreciation and amortisation	12, 13	60,300	55,372	18,705	22,817
Transportation expenses		43,579	40,770	18,624	18,935
Utility fees		18,861	15,246	5,618	5,585
Consultancy and advisory fees		9,508	8,018	4,481	2,841
Foreign exchange loss		5,991	-	-	-
Others		170,423	28,800	84,036	120,463
Total		1,547,148	1,337,513	660,804	676,069

Employee Joint Investment Program

The Company has appointed a local security company to manage the Employer and Employee Joint Investment Program ("EJIP") and to be the representative in the trading securities in the Stock Exchange of Thailand to buy the ordinary shares of the Company. EJIP is an investment program for accumulative buying shares of the Company, arranged for a purpose of compensating employees of the Company and its subsidiaries.

In 2022, the Group and the Company has recognised expenses related to EJIP as a part of employee benefit expenses amounting to Baht 8.20 million and Baht 4.01 million, respectively, and contributed EJIP payment amounting to Baht 4.63 million and Baht 2.69 million, respectively. The differences are recognised as part of other surpluses amounting to Baht 3.57 million and Baht 1.32 million, respectively.

For the year ended 31 December 2022

	Consolidated		Separate	
<i>Income tax recognised in profit or loss</i>	financial statements		financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Current tax expense				
Current year	17,284	25,494	9,498	13,889
Over tax provided in prior year	(19)	(53)	-	-
	17,265	25,441	9,498	13,889
Deferred tax expense				
Movements in temporary differences	(5,652)	(2,656)	(549)	(731)
Total income tax expense	11,613	22,785	8,949	13,158

<i>Reconciliation of effective tax rate</i>	Consolidated financial statements			
	2022		2021	
	<i>Rate</i> <i>(%)</i>	<i>(in thousand</i> <i>Baht)</i>	<i>Rate</i> <i>(%)</i>	<i>(in thousand</i> <i>Baht)</i>
Profit before income tax expense		51,309		104,313
Income tax using the Thai corporation tax rate	20	10,262	20	20,863
Income tax reduction - deferred		(2,578)		(2,412)
Effect of different tax rates in foreign jurisdictions		67		17
Income not subject to tax or double deductible expenses		(1,817)		(2,738)
Expenses not deductible for tax purposes		5,695		6,625
Utilisation of unrecognised tax losses		-		(355)
Over tax provided in prior year		(19)		(53)
The effect from foreign exchange rates		3		838
Total	23	11,613	22	22,785

<i>Reconciliation of effective tax rate</i>	<i>Seperate financial statements</i>			
	2022		2021	
	<i>Rate</i> <i>(%)</i>	<i>(in thousand</i> <i>Baht)</i>	<i>Rate</i> <i>(%)</i>	<i>(in thousand</i> <i>Baht)</i>
Profit before income tax expense		94,927		397,856
Income tax using the Thai corporation tax rate	20	18,985	20	79,571
Income not subject to tax or double deductible expenses		(11,281)		(68,014)
Expenses not deductible for tax purposes		1,245		1,601
Total	9	8,949	3	13,158

		Consolidated financial statements				
		<u>(Charged) / Credited to</u>				
	At 1 January	Profit or loss	Other comprehensive income	Acquired in business combination	Exchange differences	At 31 December
<i>Deferred tax</i>						
<i>2022</i>						
Deferred tax assets						
Property, plant and equipment	-	139	-	20	-	159
Trade accounts receivables	757	(174)	-	9	-	592
Derivatives	-	653	-	-	-	653
Inventories	1,781	654	-	304	-	2,739

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Consolidated financial statements						
	(Charged) / Credited to					
	At 1	Profit or	Other	Acquired in	Exchange	At 31
	January	loss	comprehensive	business	differences	December
<i>Deferred tax</i>			income	combination		
			<i>(in thousand Baht)</i>			
Provisions for employee benefits	4,733	702	(1,008)	1,197	-	5,624
Refund liabilities	-	83	-	295	-	378
Lease liabilities	489	914	-	-	-	1,403
Share-based payment	-	720	-	-	-	720
Loss carry forward	-	2,578	-	-	-	2,578
Total	7,760	6,269	(1,008)	1,825	-	14,846
Deferred tax liabilities						
Property, plant and equipment	(40,851)	(434)	-	(6,889)	-	(48,174)
Intangible assets	(9,211)	1,268	-	(45,793)	(131)	(53,867)
Derivatives	(46)	8	-	-	-	(38)
Rebates receivables	-	(1,913)	-	-	-	(1,913)
Lease liabilities	-	(758)	-	-	-	(758)
Investment property	-	1,212	-	(2,819)	-	(1,607)
Total	(50,108)	(617)	-	(55,501)	(131)	(106,357)
Net	(42,348)	5,652	(1,008)	(53,676)	(131)	(91,511)
2021						
Deferred tax assets						
Trade accounts receivables	535	222	-	-	-	757
Inventories	2,574	(793)	-	-	-	1,781
Provisions for employee benefits	3,910	823	-	-	-	4,733
Lease liabilities	258	231	-	-	-	489
Others	10	(10)	-	-	-	-
Total	7,287	473	-	-	-	7,760
Deferred tax liabilities						
Property, plant and equipment	(22,443)	(18,408)	-	-	-	(40,851)
Intangible assets	(29,676)	20,637	-	-	(172)	(9,211)
Others	-	(46)	-	-	-	(46)
Total	(52,119)	2,183	-	-	(172)	(50,108)
Net	(44,832)	2,656	-	-	(172)	(42,348)

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	At 1 January	Separate financial statements (Charged) / Credited to		At 31 December
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax				
2022				
Deferred tax assets				
Inventories	533	21	-	554
Provisions for employee benefits	3,857	435	(734)	3,558
Lease liabilities	458	150	-	608
Share-based payment	-	263	-	263
Total	4,848	869	(734)	4,983
Deferred tax liabilities				
Rebates receivables	-	(327)	-	(327)
Others	(36)	7	-	(29)
Total	(36)	(320)	-	(356)
Net	4,812	549	(734)	4,627
2021				
Deferred tax assets				
Inventories	675	(142)	-	533
Provisions for employee benefits	3,127	730	-	3,857
Lease liabilities	261	197	-	458
Others	18	(18)	-	-
Total	4,081	767	-	4,848
Deferred tax liabilities				
Others	-	(36)	-	(36)
Net	4,081	731	-	4,812

21 Basic earnings per share

The calculations of basic earnings per share for the year ended 31 December 2022 and 2021 were based on the profit for the year attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the year, adjusted for the change in the number of ordinary shares as a result of the increase in capital arising from the share dividend issued, in the calculations of earnings per share for all years presented as if the event had occurred at the beginning of the earliest year presented, and adjusted for the effect of capital increase under a general mandate to offer shares to private placement in the calculations of earnings per share for the current year, as described in notes 16 and 22. The details are as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in thousand Baht / thousand shares)			
Profit attributable to ordinary shareholders of the Company	40,245	81,527	85,978	384,698
Number of ordinary shares outstanding at 1 January	501,997	501,997	501,997	501,997
Effect of shares issued	33,513	-	33,513	-
Weighted average number of ordinary shares outstanding	535,510	501,997	535,510	501,997
Basic earnings per share (in Baht)	0.075	0.162	0.161	0.766

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The Group and the Company have no potential ordinary shares. Diluted earnings per share are therefore equal to basic earnings per share.

22 Dividends

At the annual general meeting of the shareholders of the Company, held on 27 April 2022, the shareholders approved the allocation of legal reserve and payment of share dividend and cash dividend. The dividends were paid to shareholders on 24 May 2022 as the following details:

	Rate per share	Number of shares (million shares)	Amount (in million Baht)
<i>Dividend payment from retained earnings for the year 2021</i>			
Share dividend	10.40904316 existing shares per 1 share dividend	44.00	22.00
Cash dividend	Baht 0.00533728	-	2.44

At the annual general meeting of the shareholders of the Company, held on 22 April 2021, the shareholders approved the payment of share dividend and cash dividend. The dividends were paid to shareholders on 19 May 2021 as the following details:

	Rate per share	Number (million shares)	Amount (in million Baht)
<i>Dividend payment from retained earnings for the year 2020</i>			
Share dividend	3.299987 existing shares per 1 share dividend	100.00	50.00
Cash dividend	Baht 0.0168350824	-	5.56
<i>Dividend payment from net profit for the year 2020</i>			
Cash dividend	Baht 0.04545472	-	15.00

23 Financial instruments

(a) Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

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	Consolidated financial statements					Fair value
	Carrying amount			Total (in thousand Baht)	Level 2	
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Financial instruments measured at amortised cost			
At 31 December 2022						
Financial assets and financial liabilities						
Foreign currency forward contracts	152	-	-	152	152	-
Investment in equity instruments	-	73,227	-	73,227	-	73,227
Long-term loans from financial institutions	-	-	(742,009)	(742,009)	(727,585)	-
Foreign currency forward contracts	(3,264)	-	-	(3,264)	(3,264)	-
At 31 December 2021						
Financial assets and financial liabilities						
Foreign currency forward contracts	237	-	-	237	237	-
Investment in equity instruments	-	76,647	-	76,647	-	76,647
Long-term loans from financial institutions	-	-	(397,860)	(397,860)	(393,954)	-

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	Separate financial statements					Fair value
	Carrying amount		(in thousand Baht)			
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Financial instruments measured at amortised cost	Total		Total
<i>At 31 December 2022</i>						
<i>Financial assets and financial liabilities</i>						
Foreign currency forward contracts	152	-	-	152	152	-
Investment in equity instruments	-	32,000	-	32,000	-	32,000
Long-term loans from financial institutions	-	-	(105,844)	(105,844)	(105,350)	-
<i>At 31 December 2021</i>						
<i>Financial assets and financial liabilities</i>						
Foreign currency forward contracts	181	-	-	181	181	-
Investment in equity instruments	-	32,000	-	32,000	-	32,000
Long-term loans from financial institutions	-	-	(132,478)	(132,478)	(130,755)	-
Long-term loan from a related party	-	-	(107,240)	(107,240)	(105,329)	-

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Foreign currency forward contracts

Valuation technique

Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.

The Group and the Company have entered into currency forward contracts with local financial institutions. The detail of the contracts as at and 31 December 2022 and 2021 are as follows:

	Consolidated financial statements			
	Foreign currency		Equivalent to Baht	
	2022	2021	2022	2021
	(in thousand)		(in thousand Baht)	
Foreign currency forward contracts -buy foreign currency				
United States Dollar	1,037	962	38,541	31,836
Euro	-	77	-	2,887
Foreign currency forward contracts -sell foreign currency				
United States Dollar	591	16	20,451	516
Australian Dollar	100	-	2,343	-
	Separate financial statements			
	Foreign currency		Equivalent to Baht	
	2022	2021	2022	2021
	(in thousand)		(in thousand Baht)	
Foreign currency forward contracts -buy foreign currency				
United States Dollar	-	409	-	13,454
Foreign currency forward contracts -sell foreign currency				
United States Dollar	591	16	20,451	516
Australian Dollar	100	-	2,343	-

The above contracts will be gradually due within May 2023 (31 December 2021: due within June 2022).

(b) Financial risk management policies

Risk management framework

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established the Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The Committee reports regularly to the Board of Directors on its activities.

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The Group's risk management policies are established to identify and analyse the risks faced by the Group to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

(b.1) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

(b.1.1) Trade accounts receivable

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. Detail of concentration of revenue are included in note 18.

The management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's commercial terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, industry information and in some cases bank references. Sale limits are established for each customer and reviewed regularly.

The Group limits its exposure to credit risk from trade accounts receivable by granting the normal credit term ranging from 15 days to 180 days. Information relevant to trade accounts receivable are disclosed in note 7.

(b.1.2) Cash and cash equivalent and derivatives

The Group's exposure to credit risk arising from cash and cash equivalents and derivative assets is limited because the counterparties are banks which have low credit risk.

(b.1.3) Guarantees

As at 31 December 2022, the Company and subsidiary provided guarantees for long-term loans from financial institutions of the Group (see note 13).

(b.2) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and loan repayment.

The following tables are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

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Consolidated financial statements					
At 31 December	Carrying amount	1 year or less	Contractual cash flows		Total
			More than 1 year but less than 5 years	More than 5 years	
			(in thousand Baht)		
2022					
Non-derivative financial liabilities					
Trade accounts payables	244,908	244,908	-	-	244,908
Loans from financial institutions	850,773	274,640	492,934	180,167	947,741
Lease liabilities	35,184	11,189	18,302	9,300	38,791
	1,130,865	530,737	511,236	189,467	1,231,440
2021					
Non-derivative financial liabilities					
Trade accounts payables	257,751	257,751	-	-	257,751
Loans from financial institutions	463,631	199,756	296,144	-	495,900
Lease liabilities	43,065	13,841	24,849	12,488	51,178
	764,447	471,348	320,993	12,488	804,829
Separate financial statements					
At 31 December	Carrying amount	1 year or less	Contractual cash flows		Total
			More than 1 year but less than 5 years	More than 5 years	
			(in thousand Baht)		
2022					
Non-derivative financial liabilities					
Trade accounts payables	96,991	96,991	-	-	96,991
Loans from financial institutions	145,844	71,391	85,367	-	156,758
Lease liabilities	22,407	4,535	13,626	9,300	27,461
	265,242	172,917	98,993	9,300	281,210
2021					
Non-derivative financial liabilities					
Trade accounts payables	136,556	136,556	-	-	136,556
Loans from financial institutions	147,978	47,495	115,711	-	163,206
Loans from related party	107,240	8,632	105,252	-	113,884
Lease liabilities	25,135	5,496	13,452	12,488	31,436
	416,909	198,179	234,415	12,488	445,082

(b.3) Market risk

The Group is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

(b.3.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies, especially in US dollar. The Group's risk management policy is to manage the volatility of foreign exchange. Natural hedge is utilized by using of revenues denominated in foreign currencies for making payment in the same currencies. In addition, foreign currency forward contracts with financial institutions are used. However, the Group does not hedge all amounts of and all currencies of foreign currency exposure. The Group has established policies for hedged transaction at an appropriate level.

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<i>Exposure to foreign currency at 31 December</i>	2022				2021			
	USD	GBP	Others	Total (in thousand Baht)	USD	GBP	Others	Total
Cash and cash equivalents	4,580	-	203	4,783	8,184	-	183	8,367
Trade accounts receivables	78,438	-	337	78,775	119,368	-	362	119,730
Investment in equity instruments	-	41,227	-	41,227	-	44,647	-	44,647
Trade accounts payables	(87,054)	-	(8,456)	(95,510)	(107,480)	-	(4,970)	(112,450)
Net statement of financial position exposure	(4,036)	41,227	(7,916)	29,275	20,072	44,647	(4,425)	60,294
Forward exchange buying contracts	35,277	-	-	35,277	32,316	-	2,948	35,264
Forward exchange selling contracts	(22,642)	-	-	(22,642)	(532)	-	-	(532)
Net exposure	8,599	41,227	(7,916)	41,910	51,856	44,647	(1,477)	95,026

<i>Exposure to foreign currency at 31 December</i>	2022			2021		
	USD	Others	Total (in thousand Baht)	USD	Others	Total
Cash and cash equivalents	4,190	107	4,297	6,873	116	6,989
Trade accounts receivables	58,432	142	58,574	81,307	1,806	83,113
Other non-current receivables	-	2,605	2,605	7,098	6,027	13,125
Trade accounts payables	(38,111)	(173)	(38,284)	(59,245)	(2,027)	(61,272)
Net statement of financial position exposure	24,511	2,681	27,192	36,033	5,922	41,955
Forward exchange buying contracts	-	-	-	13,739	-	13,739
Forward exchange selling contracts	(22,642)	-	(22,642)	(532)	-	(532)
Net exposure	1,869	2,681	4,550	49,240	5,922	55,162

Sensitivity analysis

A reasonably possible strengthening (weakening) of Thai Baht against all other foreign currencies at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency. This analysis assumes that all other variables, in particular interest rates, remain constant

<i>Impact to profit or loss</i>	Movement (%)	Consolidated financial statements		Separate financial statements	
		Strengthening	Weakening	Strengthening	Weakening
		<i>(in thousand Baht)</i>			
<i>At 31 December 2022</i>					
USD / THB	2	(172)	172	(37)	37
GBP / THB	1	(412)	412	-	-
<i>At 31 December 2021</i>					
USD / THB	1	(519)	519	(492)	492
GBP / THB	1	(446)	446	-	-

(b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash. The Group is primarily exposed to interest rate risk from its long-term loans with variable rates (see note 13). The Group has no interest rate swap contract for such long-term loans.

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<i>Exposure to interest rate risk at 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Long-term loans	742,009	397,860	105,844	239,718

Cash flow sensitivity analysis for variable-rate instruments

A reasonable possible change of 1% in interest rates at the reporting date. Long-term loans is Thai Baht functional currency. There is no foreign currency risk.

<i>Impact to profit or loss</i>	Consolidated financial statements		Separate financial statements	
	1% increase in interest rate	1% decrease in interest rate	1% increase in interest rate	1% decrease in interest rate
	<i>(in thousand Baht)</i>			
31 December 2022				
Long-term loans	(6,377)	6,377	(941)	941
31 December 2021				
Long-term loans	(3,446)	3,446	(2,240)	2,240

24 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital, by evaluating result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

25 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Capital commitments				
Machinery, equipment and software under installation	145,234	5,380	856	1,436
Total	145,234	5,380	856	1,436
Other commitments				
Unused letters of credit for goods and raw materials	9,801	16,249	6,078	8,123
Bank guarantees	4,786	1,936	1,032	1,136
Total	14,587	18,185	7,110	9,259

As at 31 December 2022, capital commitments in consolidated financial statements included machinery purchase agreement of PMC Label Materials Co., Ltd. ("PMCT"), a subsidiary, amounting to Euro 3.7 million or equivalent to Baht 138.7 million.

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As at 31 December 2022, Devakam Apothecary Hall Co., Ltd. (“DVK”), a subsidiary, has cash at bank amounting to Baht 0.29 million that used as collateral for bank guarantee to guarantee the electricity consumption, which presented as restricted deposits at financial institution.

In addition, DVK has entered into a distribution agreement with a local company to be a distributor of products in Thailand. DVK will pay the fee as stipulated in the agreement. This agreement will expire on 31 December 2023, which shall be automatically extended for two additional years unless terminated by either party upon giving 6-month advance notice prior to the expiration date of contract.

26 Events after the reporting period

At the Board of Directors’ Meeting of the Company held on 24 February 2023, the Board of Directors passed the resolution to propose to the Annual General Shareholders’ Meeting for approval of the appropriation of legal reserve (see note 17), the appropriation of profit from the Company’s retained earnings at the end of 2022 to pay cash and share dividends and the change of the Company’s registered capital. The details are as follows:

Share and cash dividends

1) Dividend payment as ordinary shares of the Company from the unappropriated retained earnings at the end of 2022 in the amount of not greater than 20 million shares with a par value of Baht 0.50 per share to the shareholders, at the rate of 30 existing shares per 1 share dividend, totaling in amount not exceeding Baht 10 million or equivalent to the dividend payment rate of Baht 0.01691 per share. In the case that any shareholder has a fraction of existing shares from the share dividend allocation, the dividend will be paid in cash in stead of share dividend at the rate of Baht 0.01691 per share.

2) Cash dividend payment at the rate of Baht 0.02217 per share, or a total amount of not greater than Baht 13,112,000.

1) and 2) are totaling in a dividend payment at the rate of Baht 0.03908 per share, or totaling in Baht 23,112,000. All dividends are subject to withholding tax at the rate as required by law. The dividend payment is subject to the approval of the Shareholders at the Annual General Meeting to be held in April 2023.

Increase of registered capital

The increase of the registered capital of the Company under a general mandate from the original registered capital of Baht 295,641,516 to Baht 330,641,516 by issuing 70 million ordinary shares at a par value of Baht 0.50 per share. The details are as follows:

1) The allocation of the newly issued ordinary shares in the amount not exceeding 50 million shares with a par value of Baht 0.50 per share under a general mandate for an amount of not exceeding Baht 25 million.

2) The increase of the registered capital of Baht 10 million by issuing ordinary shares of not exceeding 20 million shares with a par value of Baht 0.50 per share to support the share dividend payment.

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27 Thai Financial Reporting Standards (TFRS) not yet adopted

Revised TFRSs, which are relevant to the Group's operations and have become effective for the financial statements in annual reporting periods beginning on or after 1 January 2023, are as follows:

TFRS	Topic
TFRS 9	Financial Instruments
TAS 16	Property, Plant and Equipment
TAS 37	Provisions, Contingent Liabilities and Contingent Assets

The Group has assessed the potential impact from these TFRSs and expected that there will be no material impact on the financial statements in the initial year adopted.

28 Reclassification of accounts

Certain accounts in the 2021 statement of income, which are included in the 2022 financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2022 financial statements as follows:

	Consolidated financial statements			Separate financial statements		
	Before Reclassification	Reclassification	After Reclassification	Before Reclassification	Reclassification	After Reclassification
	<i>(in thousand Baht)</i>					
<i>Statement of income</i>						
Distribution costs	59,313	23,852	83,165	24,539	9,911	34,450
Administrative expenses	175,577	<u>(23,852)</u>	151,725	95,954	<u>(9,911)</u>	86,043
		<u>-</u>			<u>-</u>	