

TOA Paint (Thailand) Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month period ended 31 March 2023

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of TOA Paint (Thailand) Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of TOA Paint (Thailand) Public Company Limited and its subsidiaries as at 31 March 2023, the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of TOA Paint (Thailand) Public Company Limited for the same period (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Other Matter

The consolidated statement of financial position of TOA Paint (Thailand) Public Company Limited and its subsidiaries, and the separate statement of financial position of TOA Paint (Thailand) Public Company Limited as at 31 December 2022, presented herein as comparative information, were audited by another auditor who expressed an unmodified opinion on those statements, under her report dated 27 February 2023.

The consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period ended 31 March 2022 of TOA Paint (Thailand) Public Company Limited and its subsidiaries, and the separate statements of comprehensive income, changes in shareholders equity and cash flow for the three-month period then ended of TOA Paint (Thailand) Public Company Limited (before restatement), were also reviewed by the aforementioned auditor who concluded, under her report dated 12 May 2022, that nothing had come to her attention that caused her to believe that the interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.

Pornanan Kitjanawanchai

Certified Public Accountant (Thailand) No. 7792

EY Office Limited

Bangkok: 12 May 2023

TOA Paint (Thailand) Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2023

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 March 2023	31 December 2022	31 March 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		2,180,851	2,207,858	1,147,205	1,192,102
Financial assets measured at fair value					
through profit or loss	3	5,296,085	4,114,794	4,981,780	3,853,371
Trade and other receivables	4	3,866,578	3,639,956	3,188,071	2,951,174
Current portion of hire purchase receivables		49,630	51,695	47,669	49,647
Short-term loans to related parties and interest receivables	2	-	-	104,383	177,328
Short-term loans to others		9,651	9,522	-	-
Inventories		2,997,386	3,292,673	1,586,207	1,798,686
Derivative assets		11,320	10,394	11,320	10,107
Other current assets		224,965	203,465	74,857	62,623
Total current assets		14,636,466	13,530,357	11,141,492	10,095,038
Non-current assets					
Non-current portion of trade receivables	4	-	-	720,266	623,593
Hire purchase receivables		193,615	185,279	189,880	181,301
Investments in subsidiaries	5	-	-	4,707,061	4,705,857
Investment properties		6,770	7,424	6,770	7,424
Property, plant and equipment	6	3,417,182	3,480,648	1,270,663	1,284,449
Right-of-use assets	7	1,237,409	1,226,441	994,783	976,641
Intangible assets		264,689	239,920	173,680	177,964
Goodwill		383,124	383,124	-	-
Deferred tax assets		156,270	168,105	108,012	104,879
Other non-current assets		118,662	117,075	1,925	1,919
Total non-current assets		5,777,721	5,808,016	8,173,040	8,064,027
Total assets		20,414,187	19,338,373	19,314,532	18,159,065

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

TOA Paint (Thailand) Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>31 March 2023</u>	<u>31 December 2022</u>	<u>31 March 2023</u>	<u>31 December 2022</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity				
Current liabilities				
Short-term loans from financial institutions	79,252	101,334	-	-
Trade and other payables	4,076,833	3,881,930	3,265,147	2,956,615
Short-term loans from others	3,223	4,093	-	-
Current portion of long-term loans from financial institutions	9,266	3,302	-	-
Income tax payable	378,319	206,618	354,734	192,217
Current portion of lease liabilities	165,080	162,398	136,890	131,442
Other current liabilities	99,730	89,095	71,267	53,731
Total current liabilities	4,811,703	4,448,770	3,828,038	3,334,005
Non-current liabilities				
Long-term loans from financial institutions - net of current portion	64,860	49,535	-	-
Lease liabilities - net of current portion	954,652	916,813	918,553	878,906
Provision for long-term employee benefits	360,588	352,091	274,829	268,098
Deferred tax liabilities	79,425	80,930	-	-
Other non-current liabilities	6,109	6,231	-	-
Total non-current liabilities	1,465,634	1,405,600	1,193,382	1,147,004
Total liabilities	6,277,337	5,854,370	5,021,420	4,481,009

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

TOA Paint (Thailand) Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>31 March 2023</u>	<u>31 December 2022</u>	<u>31 March 2023</u>	<u>31 December 2022</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
2,029,000,000 ordinary shares of Baht 1 each	<u>2,029,000</u>	<u>2,029,000</u>	<u>2,029,000</u>	<u>2,029,000</u>
Issued and fully paid				
2,029,000,000 ordinary shares of Baht 1 each	2,029,000	2,029,000	2,029,000	2,029,000
Share premium	5,761,533	5,761,533	5,761,533	5,761,533
Retained earnings				
Appropriated - statutory reserve	202,900	202,900	202,900	202,900
Unappropriated	6,268,028	5,635,543	6,334,297	5,719,241
Other components of shareholders' equity	<u>(827,770)</u>	<u>(836,094)</u>	<u>(34,618)</u>	<u>(34,618)</u>
Equity attributable to equity holders of the Company	13,433,691	12,792,882	14,293,112	13,678,056
Non-controlling interests of the subsidiaries	<u>703,159</u>	<u>691,121</u>	<u>-</u>	<u>-</u>
Total shareholders' equity	<u>14,136,850</u>	<u>13,484,003</u>	<u>14,293,112</u>	<u>13,678,056</u>
Total liabilities and shareholders' equity	<u>20,414,187</u>	<u>19,338,373</u>	<u>19,314,532</u>	<u>18,159,065</u>
	-	-	-	-

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

Directors

TOA Paint (Thailand) Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 31 March 2023

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		(Restated)			
Profit or loss:					
Sales		5,653,503	4,965,435	4,661,195	4,049,011
Cost of sales		(3,794,673)	(3,512,269)	(3,216,133)	(2,874,466)
Gross profit		1,858,830	1,453,166	1,445,062	1,174,545
Dividend income		4,025	3,601	4,025	3,601
Other income		46,977	28,159	37,691	32,564
Selling and distribution expenses		(659,896)	(579,813)	(404,461)	(356,005)
Administrative expenses		(380,035)	(320,900)	(276,224)	(234,841)
Exchange gain (loss)		(18,877)	(6,140)	(15,764)	5,094
Gain (loss) from fair value of financial assets		256	(31,039)	(375)	(31,808)
Operating profit		851,280	547,034	789,954	593,150
Finance cost		(17,242)	(9,459)	(15,133)	(8,217)
Profit before income tax expenses		834,038	537,575	774,821	584,933
Income tax expenses	8	(190,374)	(131,019)	(159,765)	(110,635)
Profit for the period		643,664	406,556	615,056	474,298
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of financial statements in foreign currencies - net of income tax		9,183	(27,210)	-	-
Other comprehensive income for the period		9,183	(27,210)	-	-
Total comprehensive income for the period		652,847	379,346	615,056	474,298
Profit (loss) attributable to:					
Equity holders of the Company		632,485	409,525	615,056	474,298
Non-controlling interests of the subsidiaries		11,179	(2,969)	-	-
		643,664	406,556		
Total comprehensive income attributable to:					
Equity holders of the Company		640,809	382,050	615,056	474,298
Non-controlling interests of the subsidiaries		12,038	(2,704)	-	-
		652,847	379,346		
Earnings per share					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.31	0.20	0.30	0.23

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

(Unaudited but reviewed)

TOA Paint (Thailand) Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2023

(Unit: Thousand Baht)

Consolidated financial statements													
Equity attributable to owners of the Company													
Other components of shareholders' equity													
Other comprehensive income													
Retained earnings				Exchange differences on translation of financial statements in foreign currencies	Actuarial loss	Deficit on changes in fair value through other comprehensive income of investments in equity		Deficit on business combination under common control	Deficit on change in ownership interests in subsidiaries	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Unappropriated										
Balance as at 1 January 2022	2,029,000	5,761,533	202,900	5,110,080	(285,274)	(71,446)	(4,568)	(194,894)	(260,543)	(816,725)	12,286,788	164,274	12,451,062
Profit for the period - restated	-	-	-	409,525	-	-	-	-	-	-	409,525	(2,969)	406,556
Other comprehensive income for the period	-	-	-	-	(27,475)	-	-	-	-	(27,475)	(27,475)	265	(27,210)
Total comprehensive income for the period - restated	-	-	-	409,525	(27,475)	-	-	-	-	(27,475)	382,050	(2,704)	379,346
Increase in non-controlling interests of the subsidiaries from additional investment in subsidiaries - restated	-	-	-	-	-	-	-	-	-	-	-	513,831	513,831
Balance as at 31 March 2022 - restated	<u>2,029,000</u>	<u>5,761,533</u>	<u>202,900</u>	<u>5,519,605</u>	<u>(312,749)</u>	<u>(71,446)</u>	<u>(4,568)</u>	<u>(194,894)</u>	<u>(260,543)</u>	<u>(844,200)</u>	<u>12,668,838</u>	<u>675,401</u>	<u>13,344,239</u>
Balance as at 1 January 2023	2,029,000	5,761,533	202,900	5,635,543	(361,840)	(14,515)	(4,302)	(194,894)	(260,543)	(836,094)	12,792,882	691,121	13,484,003
Profit for the period	-	-	-	632,485	-	-	-	-	-	-	632,485	11,179	643,664
Other comprehensive income for the period	-	-	-	-	8,324	-	-	-	-	8,324	8,324	859	9,183
Total comprehensive income for the period	-	-	-	632,485	8,324	-	-	-	-	8,324	640,809	12,038	652,847
Balance as at 31 March 2023	<u>2,029,000</u>	<u>5,761,533</u>	<u>202,900</u>	<u>6,268,028</u>	<u>(353,516)</u>	<u>(14,515)</u>	<u>(4,302)</u>	<u>(194,894)</u>	<u>(260,543)</u>	<u>(827,770)</u>	<u>13,433,691</u>	<u>703,159</u>	<u>14,136,850</u>
	-	-	-	-	-	-	-	-	-	-	-	-	-

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

(Unaudited but reviewed)

TOA Paint (Thailand) Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2023

(Unit: Thousand Baht)

	Separate financial statements												
					Other components of shareholders' equity								
					Other comprehensive income		Total other components of shareholders' equity	Total shareholders' equity					
					Actuarial loss	income of investments in equity							
	Retained earnings				Deficit on changes in fair value through other comprehensive income of								
	Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Unappropriated									
Balance as at 1 January 2022	2,029,000	5,761,533	202,900	4,896,174	(74,778)	(4,568)	(79,346)	12,810,261					
Total comprehensive income for the period	-	-	-	474,298	-	-	-	474,298					
Balance as at 31 March 2022	2,029,000	5,761,533	202,900	5,370,472	(74,778)	(4,568)	(79,346)	13,284,559					
Balance as at 1 January 2023	2,029,000	5,761,533	202,900	5,719,241	(30,316)	(4,302)	(34,618)	13,678,056					
Total comprehensive income for the period	-	-	-	615,056	-	-	-	615,056					
Balance as at 31 March 2023	2,029,000	5,761,533	202,900	6,334,297	(30,316)	(4,302)	(34,618)	14,293,112					
				-			-	-					

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

TOA Paint (Thailand) Public Company Limited and its subsidiaries

Cash flow statement

For the three-month period ended 31 March 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u> (Restated)	<u>2023</u>	<u>2022</u>
Cash flows from operating activities				
Profit before income tax	834,038	537,575	774,821	584,933
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	183,285	156,897	110,205	99,744
Allowance for expected credit loss	9,057	60,099	2,789	9,259
Reduction of inventories to net realisable value (reversal)	15,614	(5,415)	1,358	(7,002)
Loss (gain) on disposals and write-off of property, plant and equipment	59	112	(59)	(32)
Gain on sales of intangible assets	-	-	-	(1,402)
Loss (gain) from lease cancellation and modification	(437)	(229)	(47)	7
Loss (gain) on sale of financial assets measured at fair value through profit or loss	2,938	(764)	3,095	(695)
Provision for long-term employee benefits	12,279	10,361	8,791	7,864
Gain on derivative	(926)	-	(1,213)	-
Loss (gain) from fair value of financial assets measured at fair value through profit or loss	(3,194)	31,803	(2,720)	32,503
Interest income	(10,311)	(6,710)	(10,837)	(7,448)
Finance costs	17,242	9,459	15,133	8,217
Dividend income	(4,025)	(3,601)	(4,025)	(3,601)
Unrealised loss (gain) on exchange rates	<u>25,722</u>	<u>(1,310)</u>	<u>15,533</u>	<u>1,376</u>
Profit from operating activities before changes in operating assets and liabilities	1,081,341	788,277	912,824	723,723
Operating assets (increase) decrease				
Trade and other receivables	(229,149)	(286,438)	(339,703)	(440,570)
Hire purchase receivables	(2,357)	193	(2,687)	640
Inventories	275,825	26,586	210,278	15,471
Other current assets	(8,724)	9,226	(2,139)	13,646
Other non-current assets	(1,587)	21,822	(6)	(39)
Operating liabilities increase (decrease)				
Trade and other payables	176,156	(35,375)	299,585	(27,181)
Other current liabilities	(1,843)	(9,756)	7,442	(3,869)
Cash paid for long-term employee benefits	(4,473)	(4,982)	(2,060)	(4,976)
Other non-current liabilities	<u>(122)</u>	<u>84</u>	<u>-</u>	<u>-</u>
Cash flows from operating activities	1,285,067	509,637	1,083,534	276,845
Interest received	4,366	1,444	4,761	1,444
Interest paid	(3,035)	(666)	-	(72)
Cash paid for income tax	<u>(10,890)</u>	<u>(27,350)</u>	<u>(381)</u>	<u>(472)</u>
Net cash flows from operating activities	<u>1,275,508</u>	<u>483,065</u>	<u>1,087,914</u>	<u>277,745</u>

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

TOA Paint (Thailand) Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the three-month period ended 31 March 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
		(Restated)		
Cash flows from investing activities				
Payments for additional investments in subsidiaries	-	-	(1,204)	(800,000)
Net cash payments for acquisition of subsidiaries	-	(753,015)	-	-
Payments for purchase of intangible assets	(12,290)	(8,633)	(4,265)	(5,568)
Payments for purchase of property, plant and equipment	(49,301)	(90,587)	(34,366)	(69,277)
Increase in short-term loans to others	-	(148)	-	-
Payments for purchase of financial assets measured at fair value through profit or loss	(4,146,247)	(3,546,913)	(3,814,174)	(3,192,093)
Proceeds from sales of financial assets measured at fair value through profit or loss	2,970,899	3,260,547	2,690,899	2,958,047
Proceeds from sales of property, plant and equipment	61	4,911	61	38
Proceeds from sales of intangible assets	-	-	-	10,675
Decrease in short-term loans to related parties	-	-	74,050	8,440
Dividends received	3,037	2,459	3,037	2,459
Net cash flows used in investing activities	<u>(1,233,841)</u>	<u>(1,131,379)</u>	<u>(1,085,962)</u>	<u>(1,087,279)</u>
Cash flows from financing activities				
Payments for lease liabilities	(51,086)	(50,977)	(43,367)	(41,794)
Repayments of short-term loans from financial institutions	(136,030)	-	-	(200,000)
Repayments of long-term loans from financial institutions	-	(269,496)	-	-
Repayments of short-term loans from others	(870)	-	-	-
Proceeds from short-term loans from financial institutions	109,873	73,751	-	-
Proceeds from long-term loans from financial institutions	19,869	-	-	-
Net cash flows used in financing activities	<u>(58,244)</u>	<u>(246,722)</u>	<u>(43,367)</u>	<u>(241,794)</u>
Effect of exchange rate on cash and cash equivalents	(12,276)	1,613	(3,482)	1,617
Increase (decrease) in translation adjustments	1,846	(13,701)	-	-
Net decrease in cash and cash equivalents	<u>(27,007)</u>	<u>(907,124)</u>	<u>(44,897)</u>	<u>(1,049,711)</u>
Cash and cash equivalents at beginning of the period	<u>2,207,858</u>	<u>3,011,172</u>	<u>1,192,102</u>	<u>2,001,479</u>
Cash and cash equivalents at end of the period	<u><u>2,180,851</u></u>	<u><u>2,104,048</u></u>	<u><u>1,147,205</u></u>	<u><u>951,768</u></u>
	-	-	-	-
Supplemental cash flows information				
<i>Non-cash transactions:</i>				
Transfer of inventories to equipment	3,540	616	844	(34)
Transfer of construction in process to intangible assets	22,037	-	-	-
Dividend receivables	1,042	1,180	1,042	-
Payables from purchases of property, plant and equipment and intangible assets	45,515	86,308	40,174	60,499
Payables from purchases of financial assets measured at fair value through profit or loss	11,026	2,293	11,026	293
Receivables from sales of financial assets measured at fair value through profit or loss	4,440	213	4,440	213
Acquisition of right-of-use assets under lease contracts	82,869	27,931	76,054	1,414

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

TOA Paint (Thailand) Public Company Limited and its subsidiaries

Notes to interim consolidated financial statements

For the three-month period ended 31 March 2023

1. General information

1.1 Basis of preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the interim financial statements in Thai language.

1.2 Basis of preparation of interim consolidated financial statements

The interim consolidated financial statements included the financial statements of TOA Paint (Thailand) Public Company Limited (“the Company”) and its subsidiaries (“the subsidiaries”) (Collectively as “the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2022. There has been no significant change in shareholding structure of subsidiaries during the current period, except for the additional investment in subsidiary as described in Note 5 to the interim financial statements.

1.3 Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2022.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023, do not have any significant impact on the Group’s financial statements.

2. Related party transactions

During the periods, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business. There were no significant changes in transfer pricing policy of transactions with related parties during the current period.

Summaries significant business transactions with related parties as follows.

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Transactions with subsidiaries				
(eliminated from the consolidated financial statements)				
Sales of goods	-	-	194,880	228,650
Purchases of goods	-	-	394,021	116,057
Revenue from services	-	-	5,576	3,643
Rental income	-	-	900	841
Other income	-	-	558	4,985
Interest income	-	-	1,171	459
Promotion expenses	-	-	5,691	1,276
Consultant fee	-	-	7,740	-
Transactions with related companies				
Sales of goods	140,953	138,295	139,474	136,304
Purchases of goods	135,458	347,035	133,633	339,021
Revenue from services	942	1,395	942	1,395
Rental income	2,258	2,116	2,258	2,116
Other income	-	32	-	32
Subcontractor expenses	603	603	603	603
Rental expenses	125	132	125	132
Payments on lease liabilities	35,580	24,235	35,362	24,037
Interest expenses from lease liabilities	14,504	7,614	14,489	7,593

(Unaudited but reviewed)

The balances of the accounts between the Group and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2023	31 December 2022 (Audited)	31 March 2023	31 December 2022 (Audited)
Trade and other receivables (Note 4)				
Subsidiaries	-	-	1,345,627	1,315,799
Related companies	159,256	161,021	157,867	161,021
Total	159,256	161,021	1,503,494	1,476,820
Trade and other payables				
Subsidiaries	-	-	138,500	140,917
Related companies	130,710	107,895	128,122	102,828
Total	130,710	107,895	266,622	243,745
Lease liabilities				
Subsidiaries	-	-	368	587
Related companies	977,000	925,521	974,974	923,292
Total	977,000	925,521	975,342	923,879

Short-term loans to subsidiaries and interest receivables

	(Unit: Thousand Baht)
	Separate financial statements
Balance as at 1 January 2023	177,328
Additions of interest income	131
Proceeds from principal and interest	(74,050)
Unrealised gain on exchange	974
Balance as at 31 March 2023	104,383

As at 31 March 2023, the short-term loans are due at call and carry interest at rates between 3.00% and 3.50% per annum (2022: between 3.00% and 3.50% per annum) and unsecured.

Directors and management's benefits

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	18,493	16,651	18,493	16,651
Post-employment benefits	593	318	593	318
Total	<u>19,086</u>	<u>16,969</u>	<u>19,086</u>	<u>16,969</u>

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its subsidiaries, as described in Note 10.3 to the interim financial statements.

3. Financial assets measured at fair value through profit or loss

Movements of financial assets measured at fair value through profit or loss which comprise debt instruments and equity instruments for the three-month period ended 31 March 2023 are summaries below:

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2023	4,114,794	3,853,371
Additions	4,156,119	3,823,869
Disposals	(2,978,022)	(2,698,180)
Change in fair value	3,194	2,720
Net book value as at 31 March 2023	<u>5,296,085</u>	<u>4,981,780</u>

4. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
		(Audited)		(Audited)
Trade accounts receivable - related parties (Note 2)				
Aged on the basis of due dates				
Past due				
Up to 3 months	149,775	152,552	384,474	414,087
3 - 6 months	5,905	5,817	115,996	127,455
6 - 12 months	-	-	194,305	180,240
Over 12 months	-	-	878,611	825,789
Total	155,680	158,369	1,573,386	1,547,571
Less: Allowance for expected credit losses	-	-	(80,139)	(77,837)
Total trade accounts receivable - related parties, net	155,680	158,369	1,493,247	1,469,734
Trade accounts receivable - unrelated parties				
Aged on the basis of due dates				
Past due				
Up to 3 months	3,269,991	3,012,770	2,258,919	1,975,779
3 - 6 months	104,504	192,389	11,690	15,525
6 - 12 months	79,654	87,417	12,318	5,291
Over 12 months	364,841	331,954	156,155	159,495
Total	3,818,990	3,624,530	2,439,082	2,156,090
Less: Allowance for expected credit losses	(292,725)	(283,562)	(129,846)	(129,049)
Total trade accounts receivable - unrelated parties, net	3,526,265	3,340,968	2,309,236	2,027,041
Total trade accounts receivable - net	3,681,945	3,499,337	3,802,483	3,496,775
Other receivables				
Other receivables - related parties (Note 2)	2,817	2,652	9,059	6,859
Other receivables - unrelated parties	44,188	55,370	28,899	38,731
Accrued income - related parties (Note 2)	759	-	1,188	227
Prepaid expenses	119,863	70,340	58,625	28,019
Others	17,006	12,257	8,083	4,156
Total other receivables	184,633	140,619	105,854	77,992
Total trade and other receivables - net	3,866,578	3,639,956	3,908,337	3,574,767

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
		(Audited)		(Audited)
Trade and other receivables				
Trade and other receivables	3,866,578	3,639,956	3,188,071	2,951,174
Non-current portion of trade receivables	-	-	720,266	623,593
Total trade and other receivables	3,866,578	3,639,956	3,908,337	3,574,767

5. Investments in subsidiaries

Movements of investments in subsidiaries for the three-month period ended 31 March 2023 are as follows:

(Unit: Thousand Baht)

	Separate financial statements
Net book value as at 1 January 2023	4,705,857
Increase in investments	1,204
Net book value as at 31 March 2023	4,707,061

TOA Coating Sdn. Bhd. ("TC")

In March 2023, TC increased its registered share capital from RM 4,600,000 to RM 4,753,000 through the issuance of 153,000 ordinary shares with a par value of RM 1 each. The Company invested RM 153,000, or equivalent to approximately Baht 1.2 million to maintain its existing shareholding.

Fast-Mix Company Limited ("Fast-Mix")

On 1 July 2022, the Company acquired shares of Fast-Mix from TOA Group Holding Company Limited as described in Note 33 to the 2022 annual financial statements. At the date of the acquisition, the Company's acquisition costs exceeded the estimated value of the interest acquired in the net assets of Fast-Mix by Baht 68 million.

Currently, the Company is in the process of assessing the fair value of Fast-Mix's identifiable assets acquired and liabilities assumed at the acquisition date.

Gypmantech Company Limited ("GMT")

On 9 March 2022, the Company acquired share of GMT and completed the assessment of fair value of GMT's identifiable assets acquired and liabilities assumed at the acquisition date in the fourth quarter of the year 2022 as described in Note 33 to the 2022 annual financial statements. The Company therefore restated the consolidated statements of comprehensive income, changes in shareholders' equity, and cash flows for the three-month period ended 31 March 2022, presented herein as comparative information, to reflect the fair value of the identifiable assets acquired and liabilities assumed.

The amounts of adjustments affecting the consolidated statement of comprehensive income and changes in shareholders' equity for the three-month period ended 31 March 2022 are summarised below.

	(Unit: Thousand Baht)
	<u>Increase (decrease)</u>
Consolidated statement of comprehensive income	
Cost of sales	1,388
Administrative expenses	109
Income tax expenses	(299)
Profit for the period	(1,198)
Profit attributable to equity holders of the Company	(611)
Profit attributable to non-controlling interests of the subsidiaries	(587)
Consolidated statement of changes in shareholders' equity	
Non-controlling interests of the subsidiaries	157,105

6. Property, plant and equipment

Movements of property, plant and equipment for the three-month period ended 31 March 2023 are summaries below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2023	3,480,648	1,284,449
Acquisitions during the period	43,977	26,871
Disposals and write-off during the period		
- net book value on disposal and write-off date	(120)	(2)
Transfer in (out)	(18,497)	844
Depreciation for the period	(102,508)	(41,499)
Translation adjustment	13,682	-
Net book value as at 31 March 2023	3,417,182	1,270,663

(Unaudited but reviewed)

The Group has mortgaged its property, plant and equipment with net book value as at 31 March 2023 of Baht 242 million (31 December 2022: Baht 244 million) to secure its credit facilities received from financial institutions.

7. Right-of-use assets

Movements of right-of-use assets for the three-month period ended 31 March 2023 are summaries below:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2023	1,226,441	976,641
Acquisitions during the period	82,869	76,054
Lease cancellation	(2,694)	(2,679)
Amortisation for the period	(64,151)	(55,233)
Translation adjustment	(5,056)	-
Net book value as at 31 March 2023	1,237,409	994,783

8. Income tax

Interim income tax expenses was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month periods ended 31 March 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Restated)			
Current income tax:				
Interim corporate income tax charge	182,293	138,191	162,898	120,657
Deferred tax:				
Relating to origination and reversal of				
temporary differences	8,081	(7,172)	(3,133)	(10,022)
Income tax expenses reported in profit or loss	<u>190,374</u>	<u>131,019</u>	<u>159,765</u>	<u>110,635</u>

9. Segment information

The Group has not presented segment information since the chief operating decision-maker considers the Group only operates in one segment which is manufacture and distribution of decorative and non-decorative paint, coating products and other products. The chief operating decision-maker primarily uses of segment profit before tax, which is derived on a basis consistent with the measurement of profit for the period in the financial statements.

10. Commitments and contingent liabilities

10.1 Capital commitments

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
	(Audited)		(Audited)	
Capital commitments relating to				
Construction of factory buildings and				
acquisition of machinery	153	26	153	26
Acquisition of computer software	4	13	4	13

10.2 Non-cancellable leases and service agreements

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
	(Audited)		(Audited)	
The future aggregate minimum payments				
Within 1 year	22	14	30	8
Over 1 and up to 5 years	11	9	3	4

10.3 Guarantees

- a) As at 31 March 2023 and 31 December 2022, the Company has guaranteed bank credit facilities of subsidiaries as follows:

		(Unit: Million)
Foreign currency	31 March 2023	31 December 2022
		(Audited)
Baht	330	25
US dollar	3	3

- b) As at 31 March 2023, there were outstanding bank guarantees of approximately Baht 84 million (31 December 2022: Baht 85 million) (The Company only: Baht 65 million, 31 December 2022: Baht 69 million) issued by the banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business and litigation guarantee.

10.4 Litigation

The Company was sued in two cases regarding allegations of breach of hire of work contracts. In both instances, the plaintiff sought the return of assets and demanded compensation. These claims amounted to approximately Baht 108 million.

- In the first case, the disputed amount was Baht 78 million. However, the Company responded by filing a counterclaim against the plaintiff. In February 2023, the Court of First Instance ruled in favour of the Company, resulting in a victory. Currently, the Company and the plaintiff are in the process of filing an appeal.
- The second case, the disputed amount was Baht 30 million. The Court of First Instance and the Court of Appeal issued a ruling, ordering the Company to pay damages with full interest. Subsequently, the Company filed a petition with the Supreme Court. In March 2023, the Supreme Court rejected the petition. The Company has fully set aside provisions for liabilities in its accounts.

11. Financial instruments

11.1 Fair value of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

11.2 Fair value hierarchy

As at 31 March 2023, the Group had the financial assets and financial liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

Consolidated financial statements				
31 March 2023				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at				
fair value through profit or loss				
Debt and Equity investments	454	4,842	-	5,296
Derivatives				
Foreign currency forward contracts	-	11	-	11

(Unit: Million Baht)

Separate financial statements				
31 March 2023				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at				
fair value through profit or loss				
Debt and Equity investments	451	4,531	-	4,982
Derivatives				
Foreign currency forward contracts	-	11	-	11

12. Events after the reporting period

12.1 On 27 April 2023, the Annual General Meeting of the Company's shareholders passed a resolution approving the payment of dividend to the shareholders at the rate of Baht 0.25 per share, totaling Baht 507.25 million.

12.2 In April 2023, the Company increased in investment in TOA Paint (Cambodia) Company Limited amounting to USD 120,000, or approximately Baht 4.10 million.

13. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 12 May 2023.