

TOA Paint (Thailand) Public Company Limited
and its subsidiaries
Review report and consolidated and separate
financial information
For the three-month and six-month periods ended
30 June 2024

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 financial information of TOA Paint (Thailand) Public Company Limited and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the six-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 periods (collectively "the interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

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*.

Serm Brisuthikun
Certified Public Accountant (Thailand) No. 9452

EY Office Limited
Bangkok: 14 August 2024

TOA Paint (Thailand) Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2024

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		3,522,316	3,401,950	2,421,600	2,113,035
Other current financial assets	3	3,790,977	4,339,571	3,409,275	4,101,965
Trade and other receivables	4	3,669,151	3,815,785	2,880,001	2,837,534
Current portion of hire purchase receivables		53,627	53,355	51,917	51,544
Short-term loans to related parties and interest receivables	2	-	-	536,584	501,637
Short-term loans to others		10,952	10,324	-	-
Inventories		3,338,270	2,824,237	1,916,378	1,646,291
Other current assets		417,743	354,869	123,731	93,457
Total current assets		14,803,036	14,800,091	11,339,486	11,345,463
Non-current assets					
Non-current portion of trade receivables	4	-	-	724,425	781,898
Hire purchase receivables		212,039	208,681	209,831	205,788
Other non-current financial assets	5	227,098	124,935	227,098	124,935
Investments in subsidiaries		-	-	4,543,857	4,543,857
Investment properties		3,456	4,774	3,456	4,774
Property, plant and equipment	6	4,154,788	3,965,758	1,452,282	1,334,047
Right-of-use assets	7	1,176,222	1,251,307	876,563	940,807
Intangible assets		180,621	216,161	115,161	143,945
Goodwill		355,345	355,345	-	-
Advance payments for property, plant and equipment		-	111,252	-	-
Deferred tax assets		171,414	164,720	114,389	110,335
Other non-current assets		47,614	75,700	1,817	1,817
Total non-current assets		6,528,597	6,478,633	8,268,879	8,192,203
Total assets		21,331,633	21,278,724	19,608,365	19,537,666

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 30 June 2024

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>30 June 2024</u>	<u>31 December 2023</u>	<u>30 June 2024</u>	<u>31 December 2023</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions		134,011	72,312	-	-
Trade and other payables		4,178,778	4,153,780	3,340,379	3,189,224
Short-term loans from others		-	571	-	-
Current portion of long-term loans from financial institution	8	84,763	79,041	-	-
Income tax payable		411,103	331,642	369,960	288,084
Current portion of lease liabilities		183,980	189,998	141,682	139,943
Derivatives liabilities		251	1,946	244	1,716
Other current liabilities		84,907	99,380	51,515	60,190
Total current liabilities		5,077,793	4,928,670	3,903,780	3,679,157
Non-current liabilities					
Long-term loans from financial institution - net of current portion	8	155,082	177,842	-	-
Lease liabilities - net of current portion		857,589	932,601	780,010	843,207
Provision for long-term employee benefits		353,515	334,116	289,992	275,908
Deferred tax liabilities		79,193	82,546	-	-
Other non-current liabilities		4,580	4,871	-	-
Total non-current liabilities		1,449,959	1,531,976	1,070,002	1,119,115
Total liabilities		6,527,752	6,460,646	4,973,782	4,798,272

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 30 June 2024

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity					
Share capital					
Registered					
2,029,000,000 ordinary shares of Baht 1 each		2,029,000	2,029,000	2,029,000	2,029,000
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
- treasury shares reserve	9	718,479	-	718,479	-
Unappropriated		6,888,963	7,026,905	6,678,109	6,791,031
Treasury shares	9	(718,479)	-	(718,479)	-
Other components of shareholders' equity		(850,041)	(949,267)	(36,959)	(45,070)
Equity attributable to equity holders of the Company		14,032,355	14,071,071	14,634,583	14,739,394
Non-controlling interests of the subsidiaries		771,526	747,007	-	-
Total shareholders' equity		14,803,881	14,818,078	14,634,583	14,739,394
Total liabilities and shareholders' equity		21,331,633	21,278,724	19,608,365	19,537,666
		-	-	-	-

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

Directors

(Unaudited but reviewed)

TOA Paint (Thailand) Public Company Limited and its subsidiaries**Statement of comprehensive income****For the three-month period ended 30 June 2024**

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

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Profit or loss:					
Sales		5,401,067	5,462,483	4,343,896	4,381,341
Cost of sales		(3,545,002)	(3,580,726)	(2,955,988)	(2,955,588)
Gross profit		1,856,065	1,881,757	1,387,908	1,425,753
Dividend income		718	2,549	679	17,827
Other income		54,403	42,541	77,010	49,130
Selling and distribution expenses		(702,864)	(683,493)	(445,097)	(410,516)
Administrative expenses		(420,540)	(333,759)	(232,658)	(267,735)
Exchange gain (loss)		(117,304)	49,135	(66,833)	72,735
Gain (loss) from fair value of financial assets		296	(1,766)	(1,457)	(2,398)
Operating profit		670,774	956,964	719,552	884,796
Finance cost		(14,136)	(3,946)	(7,265)	(1,137)
Profit before income tax expenses		656,638	953,018	712,287	883,659
Income tax expenses	10	(167,634)	(193,433)	(159,532)	(170,896)
Profit for the period		489,004	759,585	552,755	712,763
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		(25,614)	30,255	-	-
<i>Other comprehensive income not to be reclassified</i>					
Gain on changes in value of equity investments designated at fair value through other comprehensive income - net of income tax		(213)	539	(213)	539
Other comprehensive income for the period		(25,827)	30,794	(213)	539
Total comprehensive income for the period		463,177	790,379	552,542	713,302
Profit attributable to:					
Equity holders of the Company		476,975	741,367	552,755	712,763
Non-controlling interests of the subsidiaries		12,029	18,218		
		489,004	759,585		
Total comprehensive income attributable to:					
Equity holders of the Company		452,022	775,085	552,542	713,302
Non-controlling interests of the subsidiaries		11,155	15,294		
		463,177	790,379		
Earnings per share					
Basic earnings per share					
Profit attributable to equity holders of the Company	11	0.24	0.37	0.28	0.35

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 comprehensive income

For the six-month period ended 30 June 2024

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

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Profit or loss:					
Sales		10,836,128	11,121,099	8,891,527	9,042,536
Cost of sales		(7,034,107)	(7,381,365)	(6,009,533)	(6,171,721)
Gross profit		3,802,021	3,739,734	2,881,994	2,870,815
Dividend income		1,880	6,574	1,841	21,852
Other income		103,342	84,405	130,574	86,821
Selling and distribution expenses		(1,377,531)	(1,337,754)	(871,508)	(814,977)
Administrative expenses		(820,432)	(714,263)	(564,828)	(543,959)
Exchange gain		2,923	30,258	80,835	56,971
Gain (loss) from fair value of financial assets		29,781	(1,510)	26,894	(2,773)
Operating profit		1,741,984	1,807,444	1,685,802	1,674,750
Finance cost		(28,950)	(21,188)	(14,725)	(16,270)
Profit before income tax expenses		1,713,034	1,786,256	1,671,077	1,658,480
Income tax expenses	10	(401,819)	(383,647)	(365,034)	(330,661)
Profit for the period		1,311,215	1,402,609	1,306,043	1,327,819
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		85,442	39,438	-	-
<i>Other comprehensive income not to be reclassified</i>					
Gain on changes in value of equity investments designated at fair value through other comprehensive income - net of income tax		8,111	539	8,111	539
Other comprehensive income for the period		93,553	39,977	8,111	539
Total comprehensive income for the period		1,404,768	1,442,586	1,314,154	1,328,358
Profit attributable to:					
Equity holders of the Company		1,281,023	1,373,340	1,306,043	1,327,819
Non-controlling interests of the subsidiaries		30,192	29,269		
		1,311,215	1,402,609		
Total comprehensive income attributable to:					
Equity holders of the Company		1,380,249	1,415,381	1,314,154	1,328,358
Non-controlling interests of the subsidiaries		24,519	27,205		
		1,404,768	1,442,586		
Earnings per share					
Basic earnings per share					
Profit attributable to equity holders of the Company	11	0.64	0.68	0.65	0.65

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 six-month period ended 30 June 2024

(Unit: Thousand Baht)

Consolidated financial statements																
Equity attributable to owners of the Company																
	Issued and paid-up share capital		Retained earnings				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		
			Appropriated		Unappropriated	Treasury shares	Exchange differences on translation of financial statements in foreign currencies	Other comprehensive income		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
			- statutory reserve	- treasury shares reserve				Actuarial loss	income of							
Balance as at 1 January 2023	2,029,000	5,761,533	202,900	-	5,634,496	-	(361,840)	(14,515)	(4,302)	(194,894)	(260,543)	(836,094)	12,791,835	697,804	13,489,639	
Profit for the period	-	-	-	-	1,373,340	-	-	-	-	-	-	-	1,373,340	29,269	1,402,609	
Other comprehensive income for the period	-	-	-	-	-	-	41,502	-	539	-	-	42,041	42,041	(2,064)	39,977	
Total comprehensive income for the period	-	-	-	-	1,373,340	-	41,502	-	539	-	-	42,041	1,415,381	27,205	1,442,586	
Dividend paid (Note 13)	-	-	-	-	(507,248)	-	-	-	-	-	-	-	(507,248)	(16,907)	(524,155)	
Balance as at 30 June 2023	<u>2,029,000</u>	<u>5,761,533</u>	<u>202,900</u>	-	<u>6,500,588</u>	-	<u>(320,338)</u>	<u>(14,515)</u>	<u>(3,763)</u>	<u>(194,894)</u>	<u>(260,543)</u>	<u>(794,053)</u>	<u>13,699,968</u>	<u>708,102</u>	<u>14,408,070</u>	
Balance as at 1 January 2024	2,029,000	5,761,533	202,900	-	7,026,905	-	(464,560)	(14,515)	(14,755)	(194,894)	(260,543)	(949,267)	14,071,071	747,007	14,818,078	
Profit for the period	-	-	-	-	1,281,023	-	-	-	-	-	-	-	1,281,023	30,192	1,311,215	
Other comprehensive income for the period	-	-	-	-	-	-	91,115	-	8,111	-	-	99,226	99,226	(5,673)	93,553	
Total comprehensive income for the period	-	-	-	-	1,281,023	-	91,115	-	8,111	-	-	99,226	1,380,249	24,519	1,404,768	
Dividend paid (Note 13)	-	-	-	-	(700,486)	-	-	-	-	-	-	-	(700,486)	-	(700,486)	
Treasury shares for the period (Note 9)	-	-	-	-	-	(718,479)	-	-	-	-	-	-	(718,479)	-	(718,479)	
Transfer to treasury shares reserve (Note 9)	-	-	-	718,479	(718,479)	-	-	-	-	-	-	-	-	-	-	
Balance as at 30 June 2024	<u>2,029,000</u>	<u>5,761,533</u>	<u>202,900</u>	<u>718,479</u>	<u>6,888,963</u>	<u>(718,479)</u>	<u>(373,445)</u>	<u>(14,515)</u>	<u>(6,644)</u>	<u>(194,894)</u>	<u>(260,543)</u>	<u>(850,041)</u>	<u>14,032,355</u>	<u>771,526</u>	<u>14,803,881</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 six-month period ended 30 June 2024

(Unit: Thousand Baht)

	Separate financial statements									
							Other components of shareholders' equity			
							Other comprehensive income		Total other components of shareholders' equity	Total shareholders' equity
							Deficit on changes in fair value through other comprehensive income of investments in equity			
Issued and paid-up share capital	Share premium	Retained earnings		Unappropriated	Treasury shares	Actuarial loss				
		- statutory reserve	- treasury shares reserve							
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
Profit for the period	-	-	-	-	1,327,819	-	-	-	-	1,327,819
Other comprehensive income for the period	-	-	-	-	-	-	-	539	539	539
Total comprehensive income for the period	-	-	-	-	1,327,819	-	-	539	539	1,328,358
Dividend paid (Note 13)	-	-	-	-	(507,248)	-	-	-	-	(507,248)
Balance as at 30 June 2023	<u>2,029,000</u>	<u>5,761,533</u>	<u>202,900</u>	<u>-</u>	<u>6,539,812</u>	<u>-</u>	<u>(30,316)</u>	<u>(3,763)</u>	<u>(34,079)</u>	<u>14,499,166</u>
Balance as at 1 January 2024	2,029,000	5,761,533	202,900	-	6,791,031	-	(30,315)	(14,755)	(45,070)	14,739,394
Profit for the period	-	-	-	-	1,306,043	-	-	-	-	1,306,043
Other comprehensive income for the period	-	-	-	-	-	-	-	8,111	8,111	8,111
Total comprehensive income for the period	-	-	-	-	1,306,043	-	-	8,111	8,111	1,314,154
Dividend paid (Note 13)	-	-	-	-	(700,486)	-	-	-	-	(700,486)
Treasury shares for the period (Note 9)	-	-	-	-	-	(718,479)	-	-	-	(718,479)
Transfer to treasury shares reserve (Note 9)	-	-	-	718,479	(718,479)	-	-	-	-	-
Balance as at 30 June 2024	<u>2,029,000</u>	<u>5,761,533</u>	<u>202,900</u>	<u>718,479</u>	<u>6,678,109</u>	<u>(718,479)</u>	<u>(30,315)</u>	<u>(6,644)</u>	<u>(36,959)</u>	<u>14,634,583</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

Cash flow statement

For the six-month period ended 30 June 2024

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Cash flows from operating activities				
Profit before income tax	1,713,034	1,786,256	1,671,077	1,658,480
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	387,086	347,411	200,360	189,924
Allowance for expected credit loss	34,801	25,657	52,780	11,197
Reduction of inventories to net realisable value	11,813	22,790	6,313	4,377
Loss (gain) on disposals and write-off of plant and equipment	23,559	(400)	(598)	(304)
Gain on sale of other current financial assets	(14,194)	(1,802)	(13,072)	(1,234)
Loss (gain) from fair value of other current financial assets	(15,586)	3,312	(13,822)	4,007
Loss (gain) from lease cancellation and modification	(1,004)	(188)	-	201
Provision for long-term employee benefits (reversal)	22,701	(8,047)	17,386	17,490
Loss (gain) on derivative	(1,695)	10,394	(1,472)	10,107
Impairment loss on investment subsidiaries	-	-	-	5,303
Interest income	(47,775)	(26,077)	(51,667)	(27,165)
Finance costs	28,950	21,188	14,725	16,270
Dividend income	(1,880)	(6,574)	(1,841)	(21,852)
Unrealised gain on exchange rates	(106,225)	(10,680)	(166,333)	(59,081)
Profit from operating activities before changes in operating assets and liabilities	2,033,585	2,163,240	1,713,836	1,807,720
Operating assets (increase) decrease				
Trade and other receivables	121,001	(84,640)	53,728	(164,082)
Hire purchase receivables	(4,512)	(5,416)	(5,386)	(6,350)
Inventories	(520,714)	251,402	(274,716)	147,943
Other current assets	(65,478)	(33,885)	(38,948)	(6,570)
Other non-current assets	28,143	8,513	-	(3)
Operating liabilities increase (decrease)				
Trade and other payables	1,754	337,456	91,037	355,773
Other current liabilities	(11,509)	(11,553)	-	367
Cash paid for long-term employee benefits	(3,302)	(3,830)	(3,302)	(3,065)
Other non-current liabilities	(291)	(162)	-	-
Cash flows from operating activities	1,578,677	2,621,125	1,536,249	2,131,733
Cash paid for income tax	(333,566)	(209,903)	(289,240)	(193,723)
Net cash flows from operating activities	<u>1,245,111</u>	<u>2,411,222</u>	<u>1,247,009</u>	<u>1,938,010</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**Cash flow statement (continued)****For the six-month period ended 30 June 2024**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Cash flows from investing activities				
Payments for additional investments in subsidiaries	-	-	-	(5,303)
Increase in short-term loans to others	-	(1,090)	-	-
Payments for purchase of other current financial assets	(13,321,834)	(8,546,197)	(12,556,121)	(7,889,764)
Proceeds from sales of other current financial assets	13,900,417	7,584,280	13,275,917	6,924,712
Payments for purchase of other non-current financial assets	(92,025)	(88,000)	(92,025)	(88,000)
Proceeds from sales of property, plant and equipment	1,218	1,282	1,068	312
Payments for purchase of intangible assets	(11,212)	(30,741)	(8,927)	(20,931)
Payments for purchase of property, plant and equipment	(313,918)	(334,764)	(211,914)	(79,820)
Advance payments for property, plant and equipment	-	(296,923)	-	-
Increase in short-term loans to related parties	-	-	(17,342)	(356,962)
Proceeds from short-term loans to related parties	-	-	-	106,728
Interest received	43,186	17,215	41,085	17,049
Dividends received	1,917	6,628	1,878	21,906
Net cash flows from (used in) investing activities	<u>207,749</u>	<u>(1,688,310)</u>	<u>433,619</u>	<u>(1,370,073)</u>
Cash flows from financing activities				
Increase in short-term loans from financial institutions	64,417	2,283	-	-
Repayments of short-term loans from others	(571)	(1,746)	-	-
Repayments of long-term loans from financial institutions	(44,221)	-	-	-
Proceeds from long-term loans from financial institutions	25,966	109,143	-	-
Payments for lease liabilities	(98,197)	(98,332)	(70,337)	(70,649)
Interest paid	(28,950)	(21,188)	(14,725)	(16,270)
Dividend paid	(642,766)	(524,155)	(642,766)	(507,248)
Payments for treasury stock	(718,479)	-	(718,479)	-
Net cash flows used in financing activities	<u>(1,442,801)</u>	<u>(533,995)</u>	<u>(1,446,307)</u>	<u>(594,167)</u>
Effect of exchange rate on cash and cash equivalents	66,809	26,808	74,244	27,442
Increase (decrease) in translation adjustments	43,498	(14,861)	-	-
Net increase in cash and cash equivalents	120,366	200,864	308,565	1,212
Cash and cash equivalents at beginning of the period	<u>3,401,950</u>	<u>2,207,858</u>	<u>2,113,035</u>	<u>1,192,102</u>
Cash and cash equivalents at end of the period	<u>3,522,316</u>	<u>2,408,722</u>	<u>2,421,600</u>	<u>1,193,314</u>
	-	-	-	-
Supplemental cash flows information				
<i>Non-cash transactions:</i>				
Dividend payable	57,720	-	57,720	-
Transfer of inventories to equipment	5,132	-	1,684	-
Transfer of construction in process to intangible assets	-	27,885	-	-
Transfer of intangible assets to equipment	4,458	-	3,975	-
Payables from purchases of property, plant and equipment and intangible assets	58,311	42,044	54,765	38,907
Transfer of advance payments to property, plant and equipment	111,252	-	-	-
Payables from purchases of other current financial assets	143	404	146	404
Receivables from sales of other current financial assets	-	2,469	-	2,469
Acquisition of right-of-use assets under lease contracts	25,813	232,486	8,879	97,786

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

TOA Paint (Thailand) Public Company Limited and its subsidiaries

Condensed notes to interim financial statements

For the three-month and six-month periods ended 30 June 2024

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 presenting condensed interim financial statements. 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 and has presented notes to the interim financial statements on a condensed basis.

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 2023. There has been no significant change in shareholding structure of subsidiaries during the current period.

1.3 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 2023.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2024, 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 30 June			
	Consolidated financial statements		Separate financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Transactions with subsidiaries				
(eliminated from the consolidated financial statements)				
Sales of goods	-	-	205,372	185,443
Purchases of goods	-	-	391,704	394,016
Revenue from services	-	-	12,829	10,135
Rental income	-	-	900	900
Other income	-	-	13,359	894
Interest income	-	-	4,223	1,763
Promotion expenses	-	-	7,592	6,992
Consultant fee	-	-	-	7,740
Dividend income	-	-	-	15,313
Transactions with related companies				
Sales of goods	119,314	114,947	118,993	114,713
Purchases of goods	128,479	107,611	125,334	108,924
Revenue from services	991	937	991	937
Rental income	2,293	2,253	2,293	2,253
Subcontractor expenses	603	603	603	603
Rental expenses	360	125	360	125
Payments on lease liabilities	35,202	35,580	34,983	35,362
Interest expenses from lease liabilities	6,515	305	6,507	292

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the six-month periods ended 30 June

	Consolidated financial statements		Separate financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Transactions with subsidiaries				
(eliminated from the consolidated financial statements)				
Sales of goods	-	-	420,051	380,323
Purchases of goods	-	-	810,607	788,037
Revenue from services	-	-	23,105	15,711
Rental income	-	-	1,800	1,800
Other income	-	-	14,519	1,452
Interest income	-	-	8,295	2,934
Promotion expenses	-	-	14,381	12,683
Consultant fee	-	-	-	15,480
Dividend income	-	-	-	15,313
Transactions with related companies				
Sales of goods	219,233	255,900	217,029	254,187
Purchases of goods	251,943	243,069	248,076	242,557
Revenue from services	2,005	1,879	2,005	1,879
Rental income	4,591	4,511	4,591	4,511
Subcontractor expenses	1,206	1,206	1,206	1,206
Rental expenses	563	250	563	250
Payments on lease liabilities	70,560	71,160	70,123	70,724
Interest expenses from lease liabilities	13,232	14,809	13,215	14,781

(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	
	30 June	31 December	30 June	31 December
	2024	2023	2024	2023
		(Audited)		(Audited)
Trade and other receivables (Note 4)				
Subsidiaries	-	-	1,249,707	1,278,631
Related companies	134,578	151,457	134,316	149,753
Total	<u>134,578</u>	<u>151,457</u>	<u>1,384,023</u>	<u>1,428,384</u>
Trade and other payables				
Subsidiaries	-	-	133,520	133,915
Related companies	118,648	125,247	116,430	123,908
Total	<u>118,648</u>	<u>125,247</u>	<u>249,950</u>	<u>257,823</u>
Lease liabilities				
Related companies	835,304	904,533	834,316	903,126
Total	<u>835,304</u>	<u>904,533</u>	<u>834,316</u>	<u>903,126</u>

Short-term loans to subsidiaries and interest receivables

(Unit: Thousand Baht)

	Separate financial statements
Balance as at 1 January 2024	501,637
Increase in loan principal	17,342
Increase in interest income	8,295
Proceeds from interest income	(2,279)
Unrealised gain on exchange	29,513
Increase in allowance for expected credit losses	(17,924)
Balance as at 30 June 2024	<u>536,584</u>

As at 30 June 2024, the short-term loans are due at call and carry interest at rates between 3.00% - 3.50% per annum (31 December 2023: between 3.00% and 3.50% per annum) and unsecured.

(Unaudited but reviewed)

Directors and management's benefits

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Short-term employee benefits	27,152	24,918	27,152	24,918
Post-employment benefits	1,085	594	1,085	594
Total	<u>28,237</u>	<u>25,512</u>	<u>28,237</u>	<u>25,512</u>

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Short-term employee benefits	48,543	43,411	48,543	43,411
Post-employment benefits	1,438	1,187	1,438	1,187
Total	<u>49,981</u>	<u>44,598</u>	<u>49,981</u>	<u>44,598</u>

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its subsidiaries, as described in Note 14.3 to the interim financial statements.

3. Other current financial assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
		(Audited)		(Audited)
Investments measured at fair value through profit or loss				
Debt instruments	3,400,812	4,033,479	3,021,253	3,798,731
Listed equity investments	390,165	306,092	388,022	303,234
Total other current financial assets	<u>3,790,977</u>	<u>4,339,571</u>	<u>3,409,275</u>	<u>4,101,965</u>

(Unaudited but reviewed)

Movements of other current financial assets for the six-month period ended 30 June 2024 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2024	4,339,571	4,101,965
Additions	13,321,977	12,556,267
Disposals	(13,886,157)	(13,262,779)
Change in fair value	15,586	13,822
Balance as at 30 June 2024	3,790,977	3,409,275

4. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2024	2023	2024	2023
		(Audited)		(Audited)
Trade accounts receivable - related parties (Note 2)				
Aged on the basis of due dates				
Past due				
Up to 3 months	126,449	144,112	383,535	338,483
3 - 6 months	3,958	4,456	57,104	70,733
6 - 12 months	-	-	86,432	114,304
Over 12 months	-	-	1,004,554	1,041,240
Total	130,407	148,568	1,531,625	1,564,760
Less: Allowance for expected credit losses	-	-	(174,448)	(147,909)
Total trade accounts receivable - related parties, net	130,407	148,568	1,357,177	1,416,851
Trade accounts receivable - unrelated parties				
Aged on the basis of due dates				
Past due				
Up to 3 months	3,231,534	3,308,584	2,118,337	2,025,076
3 - 6 months	90,165	68,312	10,761	6,392
6 - 12 months	38,502	57,443	3,824	11,803
Over 12 months	391,557	369,470	160,251	157,589
Total	3,751,758	3,803,809	2,293,173	2,200,860
Less: Allowance for expected credit losses	(384,882)	(352,137)	(170,170)	(161,417)
Total trade accounts receivable - unrelated parties, net	3,366,876	3,451,672	2,123,003	2,039,443
Total trade accounts receivable - net	3,497,283	3,600,240	3,480,180	3,456,294

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2024	2023	2024	2023
		(Audited)		(Audited)
Other receivables				
Other receivables - related parties (Note 2)	2,546	2,889	19,958	11,401
Other receivables - unrelated parties	38,839	64,212	16,861	48,318
Accrued income - related parties (Note 2)	1,625	-	6,888	132
Prepaid expenses	109,180	136,209	65,401	95,607
Others	19,678	12,235	15,138	7,680
Total other receivables	171,868	215,545	124,246	163,138
Total trade and other receivables, net	3,669,151	3,815,785	3,604,426	3,619,432
Trade and other receivables				
Trade and other receivables	3,669,151	3,815,785	2,880,001	2,837,534
Non-current portion of trade receivables	-	-	724,425	781,898
Total trade and other receivables	3,669,151	3,815,785	3,604,426	3,619,432

5. Other non-current financial assets

(Unit: Thousand Baht)

	Consolidated/Separate	
	financial statements	
	30 June 2024	31 December 2023
		(Audited)
Debt instruments at amortised cost		
Corporate bond	50,000	50,000
Investments measured at fair value through other comprehensive income		
Non-listed equity investments	177,098	74,935
Total other non-current financial assets	227,098	124,935

(Unaudited but reviewed)

Movements of other non-current financial assets for the six-month period ended 30 June 2024 are summarised below:

	(Unit: Thousand Baht)
	Consolidated/Separate financial statements
Balance as at 1 January 2024	124,935
Additions	92,025
Change in fair value	5,483
Unrealised gain on exchanges rate	4,655
Balance as at 30 June 2024	<u>227,098</u>

6. Property, plant and equipment

Movements of property, plant and equipment for the six-month period ended 30 June 2024 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2024	3,965,758	1,334,047
Acquisitions during the period	313,775	212,639
Disposals and write-off during the period		
- net book value on disposal and write-off date	(24,777)	(470)
Transfer in	82,530	5,659
Depreciation for the period	(247,321)	(99,593)
Translation adjustment	64,823	-
Net book value as at 30 June 2024	<u>4,154,788</u>	<u>1,452,282</u>

The Group has mortgaged its property, plant and equipment with net book value as at 30 June 2024 of Baht 229 million (31 December 2023: Baht 236 million) to secure its credit facilities received from financial institutions.

(Unaudited but reviewed)

7. Right-of-use assets

Movements of right-of-use assets for the six-month period ended 30 June 2024 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Net book value as at 1 January 2024	1,251,307	940,807
Acquisitions during the period	25,813	8,879
Lease cancellation	(8,916)	-
Amortisation for the period	(103,372)	(73,123)
Translation adjustment	11,390	-
Net book value as at 30 June 2024	<u>1,176,222</u>	<u>876,563</u>

8. Long-term loans from financial institutions

Movements in the long-term loans from financial institutions for the six-month period ended 30 June 2024 are summarised below.

	(Unit: Thousand Baht)
	Consolidated
	<u>financial statements</u>
Balance as at 1 January 2024	256,883
Add: Additional borrowing	25,966
Less: Repayments	(44,221)
Translation adjustment	1,217
Balance as at 30 June 2024	<u>239,845</u>
Less: Current portion due within one year	<u>(84,763)</u>
Long-term loans - net of current portion	<u>155,082</u>

The loans carry interest at floating rates and guaranteed by the Company.

The loan agreements contain several covenants which, among other things, require the subsidiary to maintain debt-to-equity ratio at the rate prescribed in the agreements.

(Unaudited but reviewed)

The long-term credit facilities of the Group which have not yet been drawn down are as follows.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	30 June 2024	31 December 2023
		(Audited)
Long-term credit facilities which have not yet been drawn down	-	92,319

9. Treasury shares

During the period, the Company purchased 30,415,500 treasury shares with a par value of Baht 1 each, representing 1.5 percent of the total number of shares in issue. The total cost of the share repurchase amounted to Baht 718.5 million.

According to letter No. Gor Lor Tor. Chor Sor. (Wor) 2/2005 of the Office of the Securities and Exchange Commission, dated 14 February 2005, concerning the acquisition of treasury shares, a public limited company may buy back treasury shares in an amount not exceeding the amount of its retained earnings and is to appropriate an equal amount of retained earnings to a reserve for treasury shares, which must be maintained until the Company either sells the treasury shares or reduces its paid up share capital by an amount equal to the value of the treasury shares which it could not sell. As at 30 June 2024, the Company has already appropriated the required amount to retained earnings as a reserve for the treasury shares, amounting to Baht 718.5 million.

(Unaudited but reviewed)

10. 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 and six-month periods ended 30 June 2024 and 2023 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Current income tax:				
Interim corporate income tax charge	180,121	198,803	164,025	172,806
Deferred tax:				
Relating to origination and reversal of temporary differences	(12,487)	(5,370)	(4,493)	(1,910)
Income tax expenses reported in profit or loss	<u>167,634</u>	<u>193,433</u>	<u>159,532</u>	<u>170,896</u>

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Current income tax:				
Interim corporate income tax charge	413,027	381,096	371,116	335,704
Deferred tax:				
Relating to origination and reversal of temporary differences	(11,208)	2,551	(6,082)	(5,043)
Income tax expenses reported in profit or loss	<u>401,819</u>	<u>383,647</u>	<u>365,034</u>	<u>330,661</u>

(Unaudited but reviewed)

The amounts of income tax relating to each component of other comprehensive income for the three-month and six-month periods ended 30 June 2024 and 2023 are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Deferred tax on gain from the change in value of equity investments	53	135	53	135
Total	53	135	53	135

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Deferred tax on gain from the change in value of equity investments	2,028	135	2,028	135
Total	2,028	135	2,028	135

11. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period (net of the treasury shares held by the Company).

The following table sets forth the computation of basic earnings per share:

	For the three-month periods ended 30 June					
	Consolidated financial statements					
	Profit for the periods		Weighted average		Earnings	
	number of ordinary shares		per share			
<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Profit attributable to equity holders of the Company	476,975	741,367	2,005,483	2,029,000	0.24	0.37

(Unaudited but reviewed)

		For the three-month periods ended 30 June					
		Separate financial statements					
		Weighted average				Earnings	
Profit for the periods		number of ordinary shares				per share	
<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>		
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)		
Profit attributable to equity holders of the Company	552,755	712,763	2,005,483	2,029,000	0.28	0.35	

		For the six-month periods ended 30 June					
		Consolidated financial statements					
		Weighted average				Earnings	
Profit for the periods		number of ordinary shares				per share	
<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>		
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)		
Profit attributable to equity holders of the Company	1,281,023	1,373,340	2,017,184	2,029,000	0.64	0.68	

		For the six-month periods ended 30 June					
		Separate financial statements					
		Weighted average				Earnings	
Profit for the periods		number of ordinary shares				per share	
<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>		
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)		
Profit attributable to equity holders of the Company	1,306,043	1,327,819	2,017,184	2,029,000	0.65	0.65	

12. 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.

(Unaudited but reviewed)

13. Dividend

Dividends	Approved by	Total dividends	Dividend per share
		(Million Baht)	(Baht per share)
Final dividend for 2023	Annual General Meeting of the shareholders on 29 April 2024	700.49	0.35
Total dividends for six-month period end 30 June 2024		700.49	
Final dividend for 2022	Annual General Meeting of the shareholders on 27 April 2023	507.25	0.25
Total dividends for six-month period end 30 June 2023		507.25	

14. Commitments and contingent liabilities**14.1 Capital commitments**

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	(Audited)		(Audited)	
Capital commitments relating to				
Construction of factory buildings and acquisition of machinery	217	159	212	151

14.2 Non-cancellable leases and service agreements

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	(Audited)		(Audited)	
The future aggregate minimum				
payments				
Within 1 year	41	40	12	5
Over 1 and up to 5 years	70	77	7	-

14.3 Guarantees

- a) As at 30 June 2024 and 31 December 2023, the Company has guaranteed bank credit facilities of subsidiaries as follows:

Foreign currency	30 June 2024	(Unit: Million Baht)
		31 December 2023
		(Audited)
Baht	212	335
US dollar	15	15

- b) As at 30 June 2024, there were outstanding bank guarantees of approximately Baht 39 million (31 December 2023: Baht 42 million) (The Company only: Baht 21 million, 31 December 2023: Baht 21 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.

14.4 Litigation

The Company was sued allegation of breach of hire of work contracts. The plaintiff sought the return of assets and demanded compensation. These claims amounted to approximately Baht 78 million. 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. Subsequently, both the Company and the plaintiff filed appeals with the Court of Appeal. Currently, the case is under consideration by the Court of Appeal.

15. Financial instruments**15.1 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.

15.2 Fair value hierarchy

As at 30 June 2024, 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			
	30 June 2024			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at fair value through profit or loss				
Debt instruments and equity investments	390	3,401	-	3,791
Financial assets measured at fair value through other comprehensive income				
Equity investments	-	-	177	177

(Unit: Million Baht)

	Separate financial statements			
	30 June 2024			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at fair value through profit or loss				
Debt instruments and equity investments	388	3,021	-	3,409
Financial assets measured at fair value through other comprehensive income				
Equity investments	-	-	177	177

16. Events after the reporting period

The Company's Board of Directors meetings on 14 August 2024 has a resolution to approve the payment of interim dividends at Baht 0.33 per share, totaling Baht 669.57 million.

17. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 14 August 2024.