

**SCG Packaging Public Company Limited
and its Subsidiaries**

Interim consolidated financial statements
and
Interim financial statements
for the three-month and nine-month periods ended
30 September 2022
and
Independent auditor's report
on review of interim financial information

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To the Board of Directors of SCG Packaging Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of SCG Packaging Public Company Limited and its subsidiaries as at 30 September 2022; the consolidated income statement and statements of comprehensive income for the three-month and nine-month periods ended 30 September 2022, the consolidated statements of changes in shareholders' equity and cash flows for the nine-month period ended 30 September 2022; and condensed notes ("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".

(Pornthip Rimdusit)
Certified Public Accountant
Registration No. 5565

KPMG Phoomchai Audit Ltd.
Bangkok
11 November 2022

SCG Packaging Public Company Limited and its Subsidiaries

Consolidated statement of financial position

As at 30 September 2022

Assets	Note	30 September 2022 (Unaudited)	31 December 2021
<i>(in thousand Baht)</i>			
Current assets			
Cash and cash equivalents		8,862,756	7,310,312
Investments in short-term debt instruments	8	1,286,825	12,911,559
Trade and other current receivables	4, 5	26,947,679	24,910,096
Advance payment for assets		914,791	571,197
Inventories		25,075,448	23,307,925
Other current assets		286,713	175,141
Total current assets		63,374,212	69,186,230
Non-current assets			
Investments in associates		1,040,171	873,034
Other non-current receivables	4	715,097	740,976
Investment property		140,418	138,230
Property, plant and equipment		99,131,700	97,181,239
Goodwill	3	30,607,594	29,482,758
Other intangible assets	3	11,261,523	7,750,002
Deferred tax assets		970,542	920,301
Others non-current assets		986,190	550,971
Total non-current assets		144,853,235	137,637,511
Total assets		208,227,447	206,823,741

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

SCG Packaging Public Company Limited and its Subsidiaries

Consolidated statement of financial position

As at 30 September 2022

Liabilities and shareholders' equity	Note	30 September 2022 (Unaudited)	31 December 2021
<i>(in thousand Baht)</i>			
Current liabilities			
Bank overdrafts and short-term borrowings			
from financial institutions	8	21,498,344	30,547,449
Trade and other current payables	4	16,573,000	15,261,285
Current portion of long-term borrowings			
from financial institutions		1,716,282	1,864,933
Current portion of lease liabilities	4	608,738	476,647
Corporate income tax payable		508,097	609,559
Other current liabilities	3	426,980	3,216,706
Total current liabilities		41,331,441	51,976,579
Non-current liabilities			
Long-term borrowings from financial institutions		15,333,656	16,670,734
Lease liabilities	4	2,001,756	1,718,428
Debentures	8	10,488,273	5,493,051
Deferred tax liabilities		5,561,727	4,491,388
Non-current provisions for employee benefits		4,190,228	3,877,591
Other non-current liabilities		74,334	296,026
Total non-current liabilities		37,649,974	32,547,218
Total liabilities		78,981,415	84,523,797

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

SCG Packaging Public Company Limited and its Subsidiaries

Consolidated statement of financial position

As at 30 September 2022

Liabilities and shareholders' equity	30 September 2022 (Unaudited)	31 December 2021
	<i>(in thousand Baht)</i>	
Shareholders' equity		
Share capital		
<i>Authorized share capital</i>		
<i>(4,500 million ordinary shares,</i>		
<i>par value at Baht 1 per share)</i>	4,500,000	4,500,000
<i>Issued and paid share capital</i>		
<i>(4,293 million ordinary shares,</i>		
<i>par value at Baht 1 per share)</i>	4,292,920	4,292,920
Share premium	40,860,245	40,860,245
Other deficits	(1,445,045)	(1,445,045)
Retained earnings		
<i>Appropriated</i>		
Legal reserve	450,000	450,000
General reserve	3,000	3,000
<i>Unappropriated</i>	54,691,768	52,106,464
Other components of shareholders' equity	2,960,366	569,616
Total equity attributable to owners of the Company	101,813,254	96,837,200
Non-controlling interests	27,432,778	25,462,744
Total shareholders' equity	129,246,032	122,299,944
Total liabilities and shareholders' equity	208,227,447	206,823,741

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

SCG Packaging Public Company Limited and its Subsidiaries

Consolidated income statement

For the three-month period ended 30 September 2022 (Unaudited)

	<i>Note</i>	2022	2021
		<i>(in thousand Baht)</i>	
Revenue from sales	4	37,943,189	31,930,346
Cost of sales	4	(31,517,806)	(26,416,565)
Gross profit		6,425,383	5,513,781
Gain on exchange rate		234,643	391,234
Other income	4	421,875	192,004
Profit before expenses		7,081,901	6,097,019
Distribution costs	4	(2,470,887)	(1,862,751)
Administrative expenses	4	(1,606,242)	(1,509,266)
Total expenses		(4,077,129)	(3,372,017)
Profit from operations		3,004,772	2,725,002
Finance costs		(403,967)	(283,088)
Share of profit of associates			
accounted for using equity method		33,340	17,636
Profit before income tax		2,634,145	2,459,550
Tax expense		(469,608)	(407,049)
Profit for the period		2,164,537	2,052,501
Profit attributable to			
Owners of the Company		1,837,300	1,780,867
Non-controlling interests		327,237	271,634
		2,164,537	2,052,501
Basic earnings per share (in Baht)			
Attributable to owners of the Company		0.43	0.41

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

SCG Packaging Public Company Limited and its Subsidiaries**Consolidated statement of comprehensive income****For the three-month period ended 30 September 2022 (Unaudited)**

	2022	2021
	<i>(in thousand Baht)</i>	
Profit for the period	2,164,537	2,052,501
Other comprehensive income		
<i>Items that will be reclassified subsequently to profit or loss</i>		
Exchange differences on translating financial statements	3,071,520	3,313,094
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Gain (loss) on investments in equity instruments measured at fair value	4,504	(68)
Gain on remeasurements of defined benefit plans	11,342	4,314
Income tax relating to items that will not be reclassified subsequently to profit or loss	(3,747)	(863)
Total items that will not be reclassified subsequently to profit or loss	12,099	3,383
Other comprehensive income for the period, net of tax	3,083,619	3,316,477
Total comprehensive income for the period	5,248,156	5,368,978
Total comprehensive income attributable to		
Owners of the Company	4,140,895	4,169,080
Non-controlling interests	1,107,261	1,199,898
	5,248,156	5,368,978

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

SCG Packaging Public Company Limited and its Subsidiaries

Consolidated income statement

For the nine-month period ended 30 September 2022 (Unaudited)

	<i>Note</i>	2022	2021
		<i>(in thousand Baht)</i>	
Revenue from sales	4	112,559,440	89,078,496
Cost of sales	4	(93,166,267)	(71,369,101)
Gross profit		19,393,173	17,709,395
Gain on exchange rate		556,031	454,764
Other income	4	979,248	824,287
Profit before expenses		20,928,452	18,988,446
Distribution costs	4	(6,956,908)	(4,785,666)
Administrative expenses	4	(5,312,050)	(4,477,805)
Total expenses		(12,268,958)	(9,263,471)
Profit from operations		8,659,494	9,724,975
Finance costs		(1,000,644)	(850,780)
Share of profit of associates			
accounted for using equity method		60,991	47,491
Profit before income tax		7,719,841	8,921,686
Tax expense		(1,327,248)	(1,585,176)
Profit for the period		6,392,593	7,336,510
Profit attributable to			
Owners of the Company		5,351,190	6,178,859
Non-controlling interests		1,041,403	1,157,651
		6,392,593	7,336,510
Basic earnings per share (in Baht)			
Attributable to owners of the Company		1.25	1.44

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

SCG Packaging Public Company Limited and its Subsidiaries
Consolidated statement of comprehensive income
For the nine-month period ended 30 September 2022 (Unaudited)

	2022	2021
	<i>(in thousand Baht)</i>	
Profit for the period	6,392,593	7,336,510
Other comprehensive income		
<i>Items that will be reclassified subsequently to profit or loss</i>		
Exchange differences on translating financial statements	3,488,565	5,859,239
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Gain on investments in equity instruments		
measured at fair value	4,683	1,550
Gain (loss) on remeasurements of defined benefit plans	49,352	(8,250)
Share of other comprehensive income of associates		
accounted for using equity method	2,239	7,151
Income tax relating to items that will not be		
reclassified subsequently to profit or loss	(14,924)	4,092
Total items that will not be reclassified		
 subsequently to profit or loss	41,350	4,543
Other comprehensive income for the period, net of tax	3,529,915	5,863,782
Total comprehensive income for the period	9,922,508	13,200,292
Total comprehensive income attributable to		
Owners of the Company	7,766,239	10,511,038
Non-controlling interests	2,156,269	2,689,254
	9,922,508	13,200,292

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

For the nine-month period ended 30 September 2022 (Unaudited)

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

SCG Packaging Public Company Limited and its Subsidiaries

Consolidated statement of changes in shareholders' equity

For the nine-month period ended 30 September 2022 (Unaudited)

	Note	Retained earnings					Other components of shareholders' equity						
		Issued and paid share capital	Share premium	Other deficits	Legal reserve	General reserve	Appropriated	Unappropriated	Loss on				
							Exchange differences on translating financial statement	investments in equity instruments measured at fair value	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Non- controlling interests	Total shareholders' equity	
(in thousand Baht)													
Balance at 1 January 2022		4,292,920	40,860,245	(1,445,045)	450,000	3,000	52,106,464	576,089	(6,473)	569,616	96,837,200	25,462,744	122,299,944
Transactions with owners, recorded directly in shareholders' equity													
Contributions by and distributions to owners													
Dividends	7	-	-	-	-	-	(2,790,185)	-	-	-	(2,790,185)	(821,534)	(3,611,719)
Total contributions by and distributions to owners													
		-	-	-	-	-	(2,790,185)	-	-	-	(2,790,185)	(821,534)	(3,611,719)
Changes in ownership interests in subsidiaries													
Changes that do not result in an acquisition or a loss of control		-	-	-	-	-	-	-	-	-	-	589,811	589,811
Changes that result in an acquisition or a loss of control		-	-	-	-	-	-	-	-	-	-	45,488	45,488
Total changes in ownership interests in subsidiaries													
		-	-	-	-	-	-	-	-	-	-	635,299	635,299
Total transactions with owners, recorded directly in shareholders' equity													
		-	-	-	-	-	(2,790,185)	-	-	-	(2,790,185)	(186,235)	(2,976,420)
Comprehensive income for the period													
Profit or loss		-	-	-	-	-	5,351,190	-	-	-	5,351,190	1,041,403	6,392,593
Other comprehensive income		-	-	-	-	-	24,299	2,387,249	3,501	2,390,750	2,415,049	1,114,866	3,529,915
Total comprehensive income for the period													
		-	-	-	-	-	5,375,489	2,387,249	3,501	2,390,750	7,766,239	2,156,269	9,922,508
Balance at 30 September 2022		4,292,920	40,860,245	(1,445,045)	450,000	3,000	54,691,768	2,963,338	(2,972)	2,960,366	101,813,254	27,432,778	129,246,032

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

SCG Packaging Public Company Limited and its Subsidiaries

Consolidated statement of cash flows

For the nine-month period ended 30 September 2022 (Unaudited)

	2022	2021
	<i>(in thousand Baht)</i>	
<i>Cash flows from operating activities</i>		
Profit for the period	6,392,593	7,336,510
<i>Adjustments for</i>		
Tax expense	1,327,248	1,585,176
Depreciation and amortization	7,188,487	6,015,754
Reversal expected credit loss	(5,876)	(8,378)
Loss on inventories devaluation (reversal)	(78,856)	134,440
Non-current provisions for employee benefit expense	300,959	271,147
Loss (gain) on foreign currency exchange	(270,679)	200,211
Share of profit of associates accounted for using equity method	(60,991)	(47,491)
Interest income	(134,447)	(160,486)
Finance costs	1,000,644	850,780
Loss on impairment of assets	153	125,259
Gain on fair value adjustments and others	(185,629)	(245,746)
Cash flows generated from operations		
before changes in operating assets and liabilities	15,473,606	16,057,176
<i>Decrease (increase) in operating assets</i>		
Trade and other receivables	842,267	(4,095,292)
Inventories	(962,698)	(6,897,548)
Other assets	(148,884)	(841,976)
Net increase in operating assets	(269,315)	(11,834,816)

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

SCG Packaging Public Company Limited and its Subsidiaries

Consolidated statement of cash flows

For the nine-month period ended 30 September 2022 (Unaudited)

	<i>Note</i>	2022	2021
		<i>(in thousand Baht)</i>	
<i>Increase (decrease) in operating liabilities</i>			
Trade and other payables		(1,061,493)	3,485,332
Non-current provisions for employee benefits		(112,670)	(75,641)
Other liabilities		14,682	(63,271)
Net increase (decrease) in operating liabilities		(1,159,481)	3,346,420
Net cash flows generated from operations		14,044,810	7,568,780
Income tax paid		(1,630,550)	(1,866,447)
Net cash flows provided by operating activities		12,414,260	5,702,333
<i>Cash flows from investing activities</i>			
Acquisitions of subsidiary, net of cash acquired	3	(6,413,167)	(10,714,812)
Proceeds from sale of debt instruments of other entities		12,132,001	1,203,704
Acquisitions of debt instruments of other entities		(520,106)	(12,478,069)
Proceeds from sales of property, plant and equipment		139,959	10,288
Acquisitions of property, plant and equipment		(4,901,215)	(4,192,590)
Acquisitions of other intangible assets		(259,273)	(130,398)
Dividends received		10,862	14,397
Interest received		134,340	157,572
Net cash flows provided by (used in) investing activities		323,401	(26,129,908)

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

SCG Packaging Public Company Limited and its Subsidiaries

Consolidated statement of cash flows

For the nine-month period ended 30 September 2022 (Unaudited)

	2022	2021
	<i>(in thousand Baht)</i>	
<i>Cash flows from financing activities</i>		
Proceeds from changes in ownership interests		
in subsidiaries that do not result in a loss of control	589,819	-
Payments of changes in ownership interests in subsidiaries		
that do not result in a loss of control	-	(1,410,490)
<i>Proceeds from (payments of) borrowings</i>		
Proceeds from (payments of) bank overdrafts		
and short-term borrowings from financial institutions	(10,125,028)	6,816,312
Proceeds from long-term borrowings from financial institutions	-	5,000,000
Payments of long-term borrowings from financial institutions	(2,125,495)	(16,436,772)
Payments of lease liabilities	(462,980)	(425,728)
Proceeds from issuance of debentures	5,000,000	5,500,000
Net increase (decrease) in borrowings	(7,713,503)	453,812
Dividends paid		
Dividends paid to owners of the Company	(2,790,185)	(3,004,085)
Dividends paid to non-controlling interests	(821,534)	(515,239)
Total dividends paid	(3,611,719)	(3,519,324)
Interest and other finance costs paid	(980,874)	(857,821)
Net cash flows used in financing activities	(11,716,277)	(5,333,823)
Net increase (decrease) in cash and cash equivalents	1,021,384	(25,761,398)
Effect of exchange rate changes on cash and cash equivalents	531,060	691,334
Cash and cash equivalents at beginning of the period	7,310,312	31,255,702
Cash and cash equivalents at end of the period	8,862,756	6,185,638
<i>Supplementary information for cash flows</i>		
Non-cash investing transactions at end of the period		
Account payables from purchase of assets	591,607	364,357
Accrued investments	849,845	4,806,148

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

SCG Packaging Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2022 (Unaudited)

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SCG Packaging Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2022 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim consolidated financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai and English languages, and were approved and authorized for issue by the audit committee, as appointed by the Board of Directors of the Company, on 11 November 2022.

1 General information

SCG Packaging Public Company Limited, the “Company”, is incorporated in Thailand. The Company’s registered office is at 1 Siam Cement Road, Bangsue, Bangkok 10800, Thailand.

The parent company is The Siam Cement Public Company Limited. It was incorporated in Thailand.

The Company and its subsidiaries, the “Group”, are a comprehensive packaging solutions providers comprising of two main operating businesses (1) Integrated Packaging Business; and (2) Fibrous Business.

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim consolidated financial statements are presented in the same format as the annual consolidated financial statements and together with notes to the interim financial statements on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 “*Interim Financial Reporting*”, guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The interim consolidated financial statements focus on new activities, events and circumstances to avoid repetition of information previously reported in annual consolidated financial statements. Accordingly, these interim consolidated financial statements should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2021.

In preparing these interim consolidated financial statements, judgements and estimates are made by management in applying the Group’s accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those described in the financial statements for the year ended 31 December 2021 unless otherwise stated.

The Group has adopted the amendments in accordance with TFRS No. 9 “*Financial Instruments*” and TFRS No. 7 “*Disclosure of Financial Instruments*”, which apply to transactions directly affected by interest rate benchmark reform (IBOR). The Group is currently in the process of preparing to amend contractual terms in order to response to IBOR reform.

(b) Functional and presentation currency

The interim consolidated financial statements are prepared and presented in Thai Baht, which is the Company’s functional currency. All financial information presented in Thai Baht has been rounded in the notes to the interim financial statements to the nearest thousand unless otherwise stated.

SCG Packaging Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2022 (Unaudited)

3 Acquisition of business

In the first quarter of 2022, the determination of the fair values of assets acquired and liabilities assumed from acquisition of Deltalab, S.L. (“Deltalab”), Spain, in the fourth quarter of 2021 has been completed. The Group recorded the fair value of the assets acquired and liabilities assumed accordingly, mainly from an increase of other intangible assets of Baht 2,105 million, and recognized a decrease in goodwill of Baht 1,770 million. This adjustment is in accordance with the accounting adjustment condition for business acquisition.

Later in the second quarter of 2022, the Group has reached a final agreement with the former shareholder of Duy Tan Plastics Manufacturing Corporation Joint Stock Company (“Duy Tan”), Vietnam, which has been acquired since the third quarter of 2021, to pay the remaining amount of VND 2,340 billion or equivalent to Baht 3,527 million. This resulted in an increase in the remaining of the provision of contingent consideration by VND 394 billion or equivalent to Baht 582 million, which consists of the recognition an increase of goodwill of Baht 195 million and loss from estimate adjustment of Baht 387 million which presented in administrative expenses in the consolidated income statement. In July 2022, the Group has already paid the remaining amount to the former shareholder.

During the third quarter of 2022, the Group acquired significant business as follows:

(1) Peute Recycling B.V. and its subsidiaries, the Netherlands

On 15 July 2022, SCGP Solutions (Singapore) Pte. Ltd., which is a wholly owned subsidiary of the Group, acquired 100% stake in Peute Recycling B.V. (“Peute”), a packaging materials recycling of recovered paper and plastic, registered in the Netherlands. This investment has total consideration of EUR 84.07 million or equivalent to Baht 3,104 million.

Acquisition in Peute is an expansion of business into the rapidly growing packaging material recycling business. This transaction would strengthen all levels of packaging business from raw material sources and production through to the offering of integrated packaging solutions to customers and improving sourcing capabilities.

(2) Jordan Trading Inc., the United States

On 2 September 2022, SKIC International Co., Ltd., which is a wholly owned subsidiary of the Company, acquired 90.1% stake in Jordan Trading Inc. (“Jordan”), a trader and distributor of recovered paper in the United States. This investment has total consideration of USD 1.98 million or equivalent to Baht 73 million.

Acquisition in Jordan is an expansion of business into packaging material recycling business. This investment would augment the Group with direct access to the source of high quality American Old Corrugated Containers (“AOCC”) which is key raw material that strengthen packaging paper and fiber packaging productions. Together with Peute, the addition of Jordan would also enhance sourcing capabilities and international network of recovered materials.

According to the Peute’s acquisition, the Group has engaged an independent appraiser to determine the fair values of net assets and liabilities acquired. As at 30 September 2022, the determination of the fair values has not been completed. Therefore, they have been recorded at provisional amounts in consolidated statement of financial position as at 30 September 2022. The fair values of the assets acquired and liabilities assumed and goodwill may be adjusted when the report of the appraiser is completed.

SCG Packaging Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2022 (Unaudited)

The Group has continuously reviewed fair values of the business acquired during the measurement period. If there are any new additional information obtained within one year from the acquisition date and acknowledged facts that reflect on circumstances existing at the acquisition date, then the acquisition accounting will be adjusted.

Assets acquired and liabilities assumed at the acquisition date were as follows:

	Fair Value		
	Peute	Jordan	Total
	<i>(in million Baht)</i>		
Cash and cash equivalents	230	11	241
Trade and other current receivables	1,987	60	2,047
Inventories	53	1	54
Property, plant and equipment	307	5	312
Intangible assets	1,553	-	1,553
Other non-current assets	8	-	8
Trade and other current payables	(1,763)	(33)	(1,796)
Interest-bearing liabilities	(81)	(5)	(86)
Other current liabilities	(145)	-	(145)
Deferred tax liabilities	(423)	-	(423)
Net identifiable assets and liabilities	1,726	39	1,765
<i>Less non-controlling interests</i>	<i>-</i>	<i>(4)</i>	<i>(4)</i>
Recognized value of net assets acquired	1,726	35	1,761
Goodwill from business acquisition	1,378	38	1,416
Total consideration transferred	3,104	73	3,177
Cash acquired			(241)
Total consideration transferred - Net			2,936

The assets, liabilities, and operating results of these subsidiaries have been included in the Group's consolidated financial statements for the period ended 30 September 2022 since the acquisition date with total revenue from sales of Baht 2,560 million. Revenue from sales of these subsidiaries since 1 January 2022 to the acquisition date amounting to Baht 8,715 million.

The Group incurred acquisition costs totaling Baht 82 million which have been included in administrative expenses in the consolidated income statement.

SCG Packaging Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2022 (Unaudited)

4 Related parties

Significant transactions with related parties for the three-month and nine-month periods ended 30 September are summarized as follows:

	Three-month periods		Nine-month periods	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Parent</i>				
Revenue from sales	1,300	377	3,679	5,970
Service fee	244,977	221,383	664,999	663,275
<i>Associates</i>				
Revenue from sales	150,061	120,920	421,194	330,985
Dividends income	8,012	8,697	10,862	14,397
Purchases	85,742	61,681	245,971	199,783
<i>Other related parties</i>				
Revenue from sales	2,077,440	1,747,357	6,661,889	4,371,616
Purchases	2,703,336	2,491,004	8,170,148	6,187,581
Service fee	758,950	745,506	2,333,587	2,151,569

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Balances as at 30 September 2022 and 31 December 2021 with related parties were as follows:

	30 September 2022	31 December 2021
	<i>(in thousand Baht)</i>	
<i>Trade receivables</i>		
Parent	1,057	159
Associates	72,884	56,613
Other related parties	1,205,127	1,126,461
Total	1,279,068	1,183,233
<i>Other current receivables</i>		
Parent	59,566	58,441
Associates	59,940	41,177
Other related parties	5,041	27,068
Total	124,547	126,686
<i>Other non-current receivables</i>		
Parent	128,495	163,693
Associates	116,144	120,118
Total	244,639	283,811
<i>Trade payables</i>		
Associates	32,123	29,511
Other related parties	1,370,410	1,346,290
Total	1,402,533	1,375,801
<i>Other current payables</i>		
Parent	115,776	85,467
Associates	1,195	8,549
Other related parties	75,731	39,487
Total	192,702	133,503
<i>Lease liabilities</i>		
<i>Current and non-current portion</i>		
Parent	92,534	120,409
Associates	105,333	106,831
Other related parties	258,149	240,667
Total	456,016	467,907

The Board of Directors and key management compensation

	Three-month periods		Nine-month periods	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>For the periods ended 30 September</i>				
Short-term employee benefits	34,457	26,747	107,706	89,279
Post-employment benefits	2,388	2,187	7,052	6,682
Total	36,845	28,934	114,758	95,961

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5 Trade receivables

	<i>Note</i>	30 September 2022	31 December 2021
		<i>(in thousand Baht)</i>	
Trade receivables			
Related parties			
Within credit terms		1,196,528	1,155,089
Overdue:			
Less than 1 month		59,903	19,794
1 - 3 months		21,741	1,578
Over 3 - 12 months		896	6,772
Total	4	1,279,068	1,183,233
Other companies			
Within credit terms		19,833,251	18,694,131
Overdue:			
Less than 1 month		2,158,872	1,872,669
1 - 3 months		601,864	573,732
Over 3 - 12 months		101,210	87,562
Over 12 months		171,122	163,703
		22,866,319	21,391,797
<i>Less allowance for expected credit loss</i>		<i>(167,370)</i>	<i>(161,886)</i>
Net		22,698,949	21,229,911
Total		23,978,017	22,413,144

The normal credit term granted by the Group is 30 - 90 days.

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6 Business segment information

Segment information is presented in respect of the Group's business segments. The primary format, business segments, is based on the Group's management and internal reporting structure.

Segment assets, revenues and results of operations include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Business segments

The Group comprises the following main business segments:

<i>Integrated Packaging Business</i>	Comprise of Packaging Paper, Performance and Polymer Packaging (PPP), both flexible packaging and rigid packaging in the industries of consumer, food and beverage, and medical supplies and labware, and Fiber-Based Packaging, such as corrugated containers, retail display packaging, recycled paper bags for consumer products, and industrial bags
<i>Fibrous Business</i>	Comprise of foodservice products, printing and writing paper, and pulp products
<i>Recycling Business and Others</i>	Comprise of packaging materials recycling and holding company

The business segment information is used by management to evaluate the performance of segments and to allocate resources. The Group evaluates operating performance based on EBITDA.

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Information relating to business segments for nine-month periods ended 30 September was as follows:

	Integrated Packaging				Recycling Business		Intersegment			
	Business		Fibrous Business		and Others		Elimination		Consolidated SCGP	
	30 Sep	31 Dec	30 Sep	31 Dec	30 Sep	31 Dec	30 Sep	31 Dec	30 Sep	31 Dec
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(in thousand Baht)									
Information from										
statement of financial position										
Current assets	50,235,221	47,856,212	9,469,086	9,312,989	52,311,254	56,478,895	(48,641,349)	(44,461,866)	63,374,212	69,186,230
Investments in associates	106,536	-	433,940	415,278	499,695	457,756	-	-	1,040,171	873,034
Investments in equity instrument	818,279	813,757	-	-	42,049,272	40,577,172	(42,855,230)	(41,383,130)	12,321	7,799
Property, plant and equipment	81,218,617	79,031,095	17,808,495	18,363,871	639,799	344,752	(535,211)	(558,479)	99,131,700	97,181,239
Others non-current assets	35,186,253	32,903,865	5,892,156	6,308,368	3,857,295	626,436	(266,661)	(263,230)	44,669,043	39,575,439
Total assets	167,564,906	160,604,929	33,603,677	34,400,506	99,357,315	98,485,011	(92,298,451)	(86,666,705)	208,227,447	206,823,741
Short-term borrowings	58,071,022	57,925,539	911,363	1,939,983	6,222,121	16,551,186	(41,381,142)	(43,527,679)	23,823,364	32,889,029
Other current liabilities	13,550,067	17,326,102	2,824,104	2,449,183	2,210,164	249,204	(1,076,258)	(936,939)	17,508,077	19,087,550
Long-term borrowings	6,643,602	7,733,271	1,403,371	1,398,288	20,611,633	15,594,539	(834,921)	(843,885)	27,823,685	23,882,213
Other non-current liabilities	7,863,771	7,053,880	1,018,297	1,074,915	944,221	536,210	-	-	9,826,289	8,665,005
Total liabilities	86,128,462	90,038,792	6,157,135	6,862,369	29,988,139	32,931,139	(43,292,321)	(45,308,503)	78,981,415	84,523,797
Shareholders' equity	81,436,444	70,566,137	27,446,542	27,538,137	69,369,176	65,553,872	(49,006,130)	(41,358,202)	129,246,032	122,299,944
Total liabilities and shareholders' equity	167,564,906	160,604,929	33,603,677	34,400,506	99,357,315	98,485,011	(92,298,451)	(86,666,705)	208,227,447	206,823,741

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	Integrated Packaging		Fibrous Business		Recycling Business		Intersegment		Consolidated SCGP	
	Business				Others		Elimination			
	1 Jan - 30 Sep		1 Jan - 30 Sep		1 Jan - 30 Sep		1 Jan - 30 Sep		1 Jan - 30 Sep	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(in thousand Baht)									
Information from income statement										
Revenue from sales										
External customers	91,966,061	75,224,738	18,032,860	13,853,758	2,560,519	-	-	-	112,559,440	89,078,496
Intersegment	212,703	187,618	2,043,175	1,541,597	-	-	(2,255,878)	(1,729,215)	-	-
Total revenue from sales	92,178,764	75,412,356	20,076,035	15,395,355	2,560,519	-	(2,255,878)	(1,729,215)	112,559,440	89,078,496
Cost of sales	(76,690,103)	(60,877,119)	(16,814,888)	(12,504,842)	(2,070,337)	-	2,409,061	2,012,860	(93,166,267)	(71,369,101)
Gross profit	15,488,661	14,535,237	3,261,147	2,890,513	490,182	-	153,183	283,645	19,393,173	17,709,395
Other income	979,561	670,543	348,061	254,595	6,024,027	6,368,605	(5,816,370)	(6,014,692)	1,535,279	1,279,051
Profit before expenses	16,468,222	15,205,780	3,609,208	3,145,108	6,514,209	6,368,605	(5,663,187)	(5,731,047)	20,928,452	18,988,446
Operating expenses	(9,939,058)	(7,244,623)	(2,021,952)	(1,937,560)	(2,483,311)	(1,673,732)	2,175,363	1,592,444	(12,268,958)	(9,263,471)
Profit before finance cost										
and income tax	6,529,164	7,961,157	1,587,256	1,207,548	4,030,898	4,694,873	(3,487,824)	(4,138,603)	8,659,494	9,724,975
Finance cost	(1,146,249)	(967,656)	(136,021)	(116,170)	(375,567)	(379,654)	657,193	612,700	(1,000,644)	(850,780)
Profit before income tax	5,382,915	6,993,501	1,451,235	1,091,378	3,655,331	4,315,219	(2,830,631)	(3,525,903)	7,658,850	8,874,195
Tax expense	(960,496)	(1,279,188)	(329,821)	(252,617)	(36,526)	(53,326)	(405)	(45)	(1,327,248)	(1,585,176)
Profit after income tax	4,422,419	5,714,313	1,121,414	838,761	3,618,805	4,261,893	(2,831,036)	(3,525,948)	6,331,602	7,289,019
Share of profit (loss) of associates										
accounted for using equity method	(197)	-	21,512	30,151	39,676	17,340	-	-	60,991	47,491
Profit for the period	4,422,222	5,714,313	1,142,926	868,912	3,658,481	4,279,233	(2,831,036)	(3,525,948)	6,392,593	7,336,510

Revenue from sales of integrated packaging chain's proportion in 82% of the total revenue from sales includes packaging paper 45%, fiber-based packaging 25%, and performance and polymer packaging 12%.

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	Integrated Packaging Business		Fibrous Business		Recycling Business Others		Intersegment Elimination		Consolidated SCGP	
	1 Jan - 30 Sep		1 Jan - 30 Sep		1 Jan - 30 Sep		1 Jan - 30 Sep		1 Jan - 30 Sep	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	<i>(in thousand Baht)</i>									
Profit (loss) attributable to:										
Owners of the Company	3,992,540	4,963,437	1,137,672	878,890	3,659,386	4,279,233	(3,438,408)	(3,942,701)	5,351,190	6,178,859
Non-controlling interests	429,682	750,876	5,254	(9,978)	(905)	-	607,372	416,753	1,041,403	1,157,651
	<u>4,422,222</u>	<u>5,714,313</u>	<u>1,142,926</u>	<u>868,912</u>	<u>3,658,481</u>	<u>4,279,233</u>	<u>(2,831,036)</u>	<u>(3,525,948)</u>	<u>6,392,593</u>	<u>7,336,510</u>
Interest income	121,542	132,641	4,473	801	619,829	613,203	(611,397)	(586,159)	134,447	160,486
Depreciation and amortization	<u>5,531,714</u>	<u>4,459,380</u>	<u>1,574,012</u>	<u>1,523,202</u>	<u>107,479</u>	<u>58,461</u>	<u>(24,718)</u>	<u>(25,289)</u>	<u>7,188,487</u>	<u>6,015,754</u>
Other non-monetary items:										
- Loss on inventories devaluation (reversal)	(20,743)	51,527	(58,113)	82,913	-	-	-	-	(78,856)	134,440
- Loss on impairment of assets (reversal)	18,104	24,310	(17,951)	100,949	-	-	-	-	153	125,259

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7 Dividends

The dividends paid by the Company to shareholders were as follows:

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in million Baht)
2022				
Annual dividend 2021	29 March 2022	25 April 2022	0.40	1,717
Interim dividend 2022	26 July 2022	24 August 2022	0.25	1,073
Total			0.65	2,790
2021				
Annual dividend 2020	30 March 2021	22 April 2021	0.45	1,931
Interim dividend 2021	27 July 2021	25 August 2021	0.25	1,073
Total			0.70	3,004

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8 Financial instruments

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 for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities measured at amortized cost if the carrying amount is a reasonable approximation of fair value.

	Carrying amount			Fair value				
	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
<i>(in thousand Baht)</i>								
Balance at 30 September 2022								
Financial assets								
Cash and cash equivalents	-	-	8,862,756	8,862,756				
Investments in short-term debt instruments								
- Deposit at financial institutions	-	-	1,286,825	1,286,825				
Trade receivables	-	-	23,978,017	23,978,017				
Derivatives assets	330,069	-	-	330,069	-	330,069	-	330,069
Investments in debt instruments								
- Deposit at financial institutions	-	-	21,597	21,597				
- Investments in convertible loan and debenture	119,598	-	-	119,598	-	-	119,598	119,598
Investments in equity instruments	2,164	12,321	-	14,485	2,164	-	12,321	14,485
Total financial assets	451,831	12,321	34,149,195	34,613,347				
Financial liabilities								
Bank overdrafts and short-term borrowings	-	-	21,498,344	21,498,344				
Trade payables	-	-	11,761,792	11,761,792				
Derivatives liabilities	47,689	-	-	47,689	-	47,689	-	47,689
Long-term borrowings	-	-	17,049,938	17,049,938				
Lease liabilities	-	-	2,610,494	2,610,494				
Debentures	-	-	10,488,273	10,488,273	-	10,503,276	-	10,503,276
Total financial liabilities	47,689	-	63,408,841	63,456,530				

In the first quarter of 2022, the Company got the proceed from selling back its investment in a mutual fund with an asset management company in the amounting to Baht 12,122 million and primarily used for repayment of short-term borrowing from financial institutions.

In the second quarter of 2022, the collateral of the secured long-term borrowings from the business acquisition in Vietnam in 2021 has been settled and released all collaterals.

On 1 August 2022, the Company issued digital debenture No.1/2022 amounting to Baht 5,000 million. Term of the debenture is 2 years and 10 months with fixed interest rate at 2.80% per annum. The proceeds from the debenture is used for repayment of the borrowing from financial institution, business expansion and working capital of the Company.

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	Carrying amount			Fair value				
	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
<i>(in thousand Baht)</i>								
Balance at 31 December 2021								
Financial assets								
Cash and cash equivalents	-	-	7,310,312	7,310,312				
Investments in short-term debt instruments								
- Deposit at financial institutions	-	-	805,239	805,239				
- Fund	12,106,320	-	-	12,106,320	-	12,106,320	-	12,106,320
Trade receivables	-	-	22,413,144	22,413,144				
Derivatives assets	52,532	-	-	52,532	-	52,532	-	52,532
Investments in debt instruments								
- Deposit at financial institutions	-	-	19,886	19,886				
- Investments in convertible loan and debenture	38,358	-	-	38,358	-	-	38,358	38,358
Investments in equity instruments	-	7,799	-	7,799	-	-	7,799	7,799
Total financial assets	12,197,210	7,799	30,548,581	42,753,590				
Financial liabilities								
Bank overdrafts								
and short-term borrowings	-	-	30,547,449	30,547,449				
Trade payables	-	-	11,645,038	11,645,038				
Derivatives liabilities	137,291	-	-	137,291	-	137,291	-	137,291
Contingent considerations	2,965,986	-	-	2,965,986	-	-	2,965,986	2,965,986
Long-term borrowings	-	-	18,535,667	18,535,667				
Lease liabilities	-	-	2,195,075	2,195,075				
Debenture	-	-	5,493,051	5,493,051	-	5,538,286	-	5,538,286
Total financial liabilities	3,103,277	-	68,416,280	71,519,557				

Financial instruments measured at fair value

The Group determined Level 2 fair values for financial assets and financial liabilities using valuation techniques as follows:

- Investment in debt instruments which are simple over-the-counter securities were based on broker quotes. Those quotes are tested for reasonableness by discounting expected future cash flows using market interest rate for a similar financial instrument at the measurement date. Fair values reflect the credit risk of the financial instrument and include adjustments to take account of the credit risk of the Group and counterparty when appropriate.
- Derivatives assets and liabilities such as forward exchange contracts were calculated using the rates initially quoted by the Group's bankers which were based on market conditions existing at the end of the reporting period to reflect current fair values of the contracts. The fair value of interest rate swap is calculated from the difference between the present value of future cash flows based on the yield curve of the contractual interest rate and the expected interest rate based on observable market for similar financial instruments.

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The Group determined Level 3 fair values for financial assets and financial liabilities using valuation techniques as follows:

- Investments in equity instruments and investments in convertible loan which are not actively traded in market were calculated using valuation techniques such as the latest reporting net assets adjusted by relevant factors. This was because the equity instruments and convertible loan were not listed on any stock exchanges and there were no recent observable arm's length transactions in the instruments.
- Contingent consideration using the discounted cash flow technique: significant unobservable inputs such as expected cash flows and risk-adjusted discount rate.

Financial instruments measured at amortized cost

The Group determined Level 2 fair value for debentures based on quoted selling price from the Thai Bond Market Association at the closing price on the reporting date.

9 Commitments and contingent liabilities

As at 30 September 2022, the Group had:

- (a) The purchase of land, construction and installation of machinery and equipment of Baht 3,665 million (*31 December 2021: Baht 2,766 million*).
- (b) The purchase of inventories, raw materials and others of Baht 4,173 million (*31 December 2021: Baht 3,963 million*).
- (c) Contingent liability for letter of guarantees issued by local banks for the Group to government organizations and private sectors of Baht 62 million (*31 December 2021: Baht 68 million*).
- (d) Contingent liability for borrowings guarantees issued by a local bank for the Group to associate which limit is not exceed Baht 66 million (*31 December 2021: Baht 132 million*).
- (e) A subsidiary has entered into agreements with foreign company for the delivery and loading of Woodchips to Vessel. The subsidiary is committed to sell and deliver the Woodchips in volume equivalent to approximately 48,000 BDMT per year. The agreement period is for 12 years with the expiration date in December 2034.
- (f) A subsidiary has entered into agreements with local company for provide Biofuel to delivery point. The subsidiary is committed to sell and deliver the Biofuel in volume equivalent to approximately 73,000 tons per year. The agreement period is for 25 years with the expiration date in August 2037.

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10 Events after the reporting period

On 25 October 2022, the Board of Directors' Meeting of the Company approved the issuance and offering debenture No. 2/2022 in the amount of not exceeding Baht 4,000 million and the additional greenshoe of not exceeding Baht 1,000 million. Term of the debenture is 4 years with fixed interest rate at 3.50% per annum. The debenture will be issued on 1 December 2022. The proceeds from the debenture will be used for loan repayment, investment and working capital of the Company.

11 Thai Financial Reporting Standards (TFRSs) that have been issued but are not yet effective

The Federation of Accounting Professions has issued and revised TFRSs which are effective for annual accounting periods beginning on or after 1 January 2023 and have not been adopted in the preparation of these interim consolidated financial statements because they are not yet effective. The Group has assessed the potential initial impact on the consolidated financial statements of these issued and revised TFRSs and expected that there will be no material impact on the consolidated financial statements in the period of initial application.