

T.A.C. Consumer Public Company Limited and its subsidiary
Review report and interim financial information
For the three-month and six-month periods ended 30 June 2023



EY Office Limited
33rd Floor, Lake Rajada Office Complex
193/136-137 Rajadapisek Road
Klongtoey, Klongtoey, Bangkok 10110
Tel: +66 2264 9090
Fax: +66 2264 0789-90
ey.com

บริษัท สำนักงาน อีวาย จำกัด
ชั้น 33 อาคารเลคร์จาดา
193/136-137 ถนนรัชดาภิเษก
แขวงคลองเตย เขตคลองเตย กรุงเทพฯ 10110
โทรศัพท์: +66 2264 9090
โทรสาร: +66 2264 0790
ey.com

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of T.A.C. Consumer Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of T.A.C. Consumer Public Company Limited and its subsidiary as at 30 June 2023, the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, 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 reviews the separate financial information of T.A.C. Consumer Public Company Limited for the same periods (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

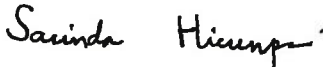
I conducted my review in accordance with Thai Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting 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.

Emphasis of matter

I draw attention to the Note 5 to the interim financial statements regarding the acquisition of Blush Beauty (Thai) Limited's business from their former shareholders in March 2023. At present, the subsidiary is in the process of assessing the fair value of identifiable assets acquired at the acquisition date. The assessment process is ongoing and mainly relates to the identification and valuation of intangible assets and certain tangible assets. The assessment shall be completed within measurement period of 12 months from the acquisition date pursuant to the period allowed by Thai Financial Reporting Standard No. 3 "Business Combinations". During the measurement period, the subsidiary will make further retrospective adjustment of the provisional amounts recognised at the acquisition date when it obtains complete accounting information for reporting in the financial statements. My conclusion is not modified in respect of this matter.



Sarinda Hirunprasurtwutti
Certified Public Accountant (Thailand) No. 4799

EY Office Limited
Bangkok: 10 August 2023

T.A.C. Consumer Public Company Limited and its subsidiary

Statement of financial position

As at 30 June 2023

(Unit: Thousand Baht)

	Note	Consolidated	Financial statements	Separate financial statements	
		financial	in which the equity	30 June 2023	31 December 2022
		statements	method is applied	30 June 2023	31 December 2022
		30 June 2023	31 December 2022	30 June 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		159,892	150,804	152,192	150,804
Trade and other receivables	3	302,809	310,089	302,224	310,089
Inventories		55,196	50,334	45,823	50,334
Other current financial assets	4	384,178	504,148	384,178	504,148
Other current assets		10,505	5,900	4,762	5,900
Total current assets		912,580	1,021,275	889,179	1,021,275
Non-current assets					
Investment in subsidiary	5	-	-	44,500	-
Investment in associate	6	22,360	27,252	30,000	30,000
Property, plant and equipment	7	104,681	93,932	100,415	93,932
Right-of-use assets		19,034	18,649	16,421	18,649
Intangible assets		15,669	225	203	225
Deferred tax assets		11,767	12,866	9,889	12,866
Other non-current financial assets		4,736	4,502	4,502	4,502
Total non-current assets		178,247	157,426	205,930	160,174
Total assets		1,090,827	1,178,701	1,095,109	1,181,449

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

T.A.C. Consumer Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 30 June 2023

(Unit: Thousand Baht)

	Note	Consolidated	Financial statements		
		financial	in which the equity		
		statements	method is applied	Separate financial statements	
		30 June 2023	31 December 2022	30 June 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loan from financial institution	9	-	30,000	-	30,000
Trade and other payables	10	256,860	299,624	253,595	299,624
Advance received from customers		7,813	6,228	7,773	6,228
Current portion of lease liabilities		7,536	6,466	6,572	6,466
Income tax payable		23,835	28,766	23,835	28,766
Other current liabilities		6,229	6,098	6,062	6,098
Total current liabilities		302,273	377,182	297,837	377,182
Non-current liabilities					
Lease liabilities, net of current portion		11,213	11,899	9,448	11,899
Provision for long-term employee benefits		28,851	26,726	28,851	26,726
Other non-current liabilities		112	-	-	-
Total non-current liabilities		40,176	38,625	38,299	38,625
Total liabilities		342,449	415,807	336,136	415,807

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

T.A.C. Consumer Public Company Limited and its subsidiary

Statement of financial position (continued)

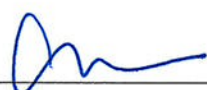
As at 30 June 2023

(Unit: Thousand Baht)

	Consolidated	Financial statements		
	financial	in which the equity		
	statements	method is applied	Separate financial statements	
Note	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity (continued)				
Shareholders' equity				
Share capital				
Registered				
608,000,000 ordinary shares of Baht 0.25 each	152,000	152,000	152,000	152,000
Issued and fully paid up				
608,000,000 ordinary shares of Baht 0.25 each	152,000	152,000	152,000	152,000
Share premium	426,989	426,989	426,989	426,989
Retained earnings				
Appropriated - statutory reserve	15,200	15,200	15,200	15,200
Unappropriated	149,619	168,705	164,784	171,453
Equity attributable to owners of the Company	743,808	762,894	758,973	765,642
Non-controlling interests of the subsidiary	4,570	-	-	-
Total shareholders' equity	748,378	762,894	758,973	765,642
Total liabilities and shareholders' equity	1,090,827	1,178,701	1,095,109	1,181,449

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





Directors


บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)

(Unaudited but reviewed)

T.A.C. Consumer Public Company Limited and its subsidiary

Statement of comprehensive income

For the three-month period ended 30 June 2023

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

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
Note	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Profit or loss:				
Revenues				
Sales and service income	447,016	384,984	445,056	384,984
Gain on exchange	601	4,352	601	4,352
Other income	<u>1,699</u>	<u>336</u>	<u>1,569</u>	<u>336</u>
Total revenues	<u>449,316</u>	<u>389,672</u>	<u>447,226</u>	<u>389,672</u>
Expenses				
Cost of sales and services	300,959	243,434	299,884	243,434
Selling and distribution expenses	45,022	38,227	39,582	38,227
Administrative expenses	<u>34,012</u>	<u>21,937</u>	<u>29,812</u>	<u>21,937</u>
Total expenses	<u>379,993</u>	<u>303,598</u>	<u>369,278</u>	<u>303,598</u>
Profit from operating activities	69,323	86,074	77,948	86,074
Share of loss from investment				
in associate	6	(2,448)	(338)	-
Finance income	302	209	301	209
Finance cost	<u>(282)</u>	<u>(303)</u>	<u>(245)</u>	<u>(303)</u>
Profit before income tax expenses	66,895	85,642	78,004	85,980
Income tax expenses	11	<u>(13,720)</u>	<u>(17,242)</u>	<u>(17,242)</u>
Profit for the period	<u>53,175</u>	<u>68,400</u>	<u>62,406</u>	<u>68,738</u>
Other comprehensive income:				
Other comprehensive income				
for the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income				
for the period	<u>53,175</u>	<u>68,400</u>	<u>62,406</u>	<u>68,738</u>

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

(Unaudited but reviewed)

T.A.C. Consumer Public Company Limited and its subsidiary

Statement of comprehensive income (continued)

For the three-month period ended 30 June 2023

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

	Consolidated	Financial statements	Separate financial statements	
	financial	in which the equity		
	statements	method is applied	2023	2022
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Profit attributable to:				
Equity holders of the Company	53,921	68,400	<u>62,406</u>	<u>68,738</u>
Non-controlling interests of the subsidiary	<u>(746)</u>	-		
Total	<u>53,175</u>	<u>68,400</u>		
Earnings per share				
Basic earnings per share				
Profit attributable to equity holders of the Company (Baht)	<u>0.09</u>	<u>0.11</u>	<u>0.10</u>	<u>0.11</u>
Weighted average number of ordinary shares (Thousand shares)	<u>608,000</u>	<u>608,000</u>	<u>608,000</u>	<u>608,000</u>

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

(Unaudited but reviewed)

T.A.C. Consumer Public Company Limited and its subsidiary

Statement of comprehensive income

For the six-month period ended 30 June 2023

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

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
Note	2023	2022	2023	2022
Profit or loss:				
Revenues				
Sales and service income	826,915	722,318	822,661	722,318
Gain on exchange	601	4,352	601	4,352
Other income	3,413	1,785	3,278	1,785
Total revenues	830,929	728,455	826,540	728,455
Expenses				
Cost of sales and services	560,762	449,340	558,648	449,340
Selling and distribution expenses	73,681	76,250	67,114	76,250
Administrative expenses	70,273	40,538	64,279	40,538
Total expenses	704,716	566,128	690,041	566,128
Profit from operating activities	126,213	162,327	136,499	162,327
Share of loss from investment				
in associate	6 (4,892)	(669)	-	-
Finance income	520	413	519	413
Finance cost	(580)	(607)	(532)	(607)
Profit before income tax expenses	121,261	161,464	136,486	162,133
Income tax expenses	11 (25,769)	(32,915)	(27,647)	(32,915)
Profit for the period	95,492	128,549	108,839	129,218
Other comprehensive income:				
Other comprehensive income				
for the period	-	-	-	-
Total comprehensive income				
for the period	95,492	128,549	108,839	129,218

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

(Unaudited but reviewed)

T.A.C. Consumer Public Company Limited and its subsidiary

Statement of comprehensive income (continued)

For the six-month period ended 30 June 2023

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

	Consolidated	Financial statements	Separate financial statements	
	financial	in which the equity		
	statements	method is applied		
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Profit attributable to:				
Equity holders of the Company	96,422	128,549	<u>108,839</u>	<u>129,218</u>
Non-controlling interests of the subsidiary	<u>(930)</u>	<u>-</u>		
Total	<u>95,492</u>	<u>128,549</u>		
Earnings per share				
Basic earnings per share				
Profit attributable to equity holders of the Company (Baht)	<u>0.16</u>	<u>0.21</u>	<u>0.18</u>	<u>0.21</u>
Weighted average number of ordinary shares (Thousand shares)	<u>608,000</u>	<u>608,000</u>	<u>608,000</u>	<u>608,000</u>

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

(Unaudited but reviewed)

T.A.C. Consumer Public Company Limited and its subsidiary

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2023

(Unit: Thousand Baht)

	Consolidated financial statements/ Financial statements in which the equity method is applied						
	Issued and paid up share capital	Share premium	Retained earnings Appropriated - statutory reserve	Unappropriated	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiary	Total
Balance as at 1 January 2022	152,000	426,989	15,200	148,241	742,430	-	742,430
Profit for the period	-	-	-	128,549	128,549	-	128,549
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	128,549	128,549	-	128,549
Dividend paid (Note 13)	-	-	-	(109,422)	(109,422)	-	(109,422)
Balance as at 30 June 2022	<u>152,000</u>	<u>426,989</u>	<u>15,200</u>	<u>167,368</u>	<u>761,557</u>	<u>-</u>	<u>761,557</u>
Balance as at 1 January 2023	152,000	426,989	15,200	168,705	762,894	-	762,894
Increase in non-controlling interests of the subsidiary from business acquisition	-	-	-	-	-	5,500	5,500
Profit for the period	-	-	-	96,422	96,422	(930)	95,492
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	96,422	96,422	4,570	100,992
Dividend paid (Note 13)	-	-	-	(115,508)	(115,508)	-	(115,508)
Balance as at 30 June 2023	<u>152,000</u>	<u>426,989</u>	<u>15,200</u>	<u>149,619</u>	<u>743,808</u>	<u>4,570</u>	<u>748,378</u>

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

(Unaudited but reviewed)

T.A.C. Consumer Public Company Limited and its subsidiary

Statement of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2023

(Unit: Thousand Baht)

	Separate financial statements				
	Issued and paid up share capital	Share premium	Appropriated - statutory reserve	Unappropriated	Total
Balance as at 1 January 2022	152,000	426,989	15,200	149,625	743,814
Profit for the period	-	-	-	129,218	129,218
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	129,218	129,218
Dividend paid (Note 13)	-	-	-	(109,422)	(109,422)
Balance as at 30 June 2022	<u>152,000</u>	<u>426,989</u>	<u>15,200</u>	<u>169,421</u>	<u>763,610</u>
Balance as at 1 January 2023	152,000	426,989	15,200	171,453	765,642
Profit for the period	-	-	-	108,839	108,839
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	108,839	108,839
Dividend paid (Note 13)	-	-	-	(115,508)	(115,508)
Balance as at 30 June 2023	<u>152,000</u>	<u>426,989</u>	<u>15,200</u>	<u>164,784</u>	<u>758,973</u>

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

(Unaudited but reviewed)

T.A.C. Consumer Public Company Limited and its subsidiary**Cash flow statement****For the six-month period ended 30 June 2023**

(Unit: Thousand Baht)

	Consolidated	Financial statements		
	financial	in which the equity		
	statements	method is applied	Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash flows from operating activities				
Profit before tax	121,261	161,464	136,486	162,133
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	12,321	11,242	11,263	11,242
Allowance for expected credit losses (reversal)	(78)	1,042	(78)	1,042
Reversal of inventories reduction to netrealisable value	(1,158)	(1,355)	(1,158)	(1,355)
Gain on sales of other current financial assets	(2,122)	(1,159)	(2,122)	(1,159)
Gain on fair value adjustment of financial assets	(698)	(1,988)	(698)	(1,988)
Loss on disposal/write-off of assets	113	685	73	685
Share of loss from investment in associate	4,892	669	-	-
Provision for long-term employee benefits	2,125	1,548	2,125	1,548
Unrealised gain on exchange	(54)	(1,662)	(54)	(1,662)
Finance income	(520)	(413)	(519)	(413)
Finance cost	580	607	532	607
Profit from operating activities before changes in operating assets and liabilities	136,662	170,680	145,850	170,680
Operating assets decrease (increase):				
Trade and other receivables	7,365	(18,130)	7,950	(18,130)
Inventories	(3,704)	21,059	5,669	21,059
Other current assets	(4,605)	(2,198)	1,138	(2,198)
Other non-current financial assets	(234)	-	-	-
Operating liabilities increase (decrease):				
Trade and other payables	(42,858)	(1,190)	(46,123)	(1,190)
Advance received from customers	1,585	1,746	1,545	1,746
Other current liabilities	131	(121)	(36)	(121)
Cash from operating activities	94,342	171,846	115,993	171,846
Cash received from interest income	567	274	566	274
Cash paid for income tax	(29,601)	(31,903)	(29,601)	(31,903)
Net cash from operating activities	65,308	140,217	86,958	140,217

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

(Unaudited but reviewed)

T.A.C. Consumer Public Company Limited and its subsidiary

Cash flow statement (continued)

For the six-month period ended 30 June 2023

(Unit: Thousand Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash flows from investing activities				
Increase in investment in subsidiary	-	-	(44,500)	-
Cash paid for purchase of other current financial assets	(783,210)	(681,000)	(783,210)	(681,000)
Proceed from sales of other current financial assets	906,000	705,400	906,000	705,400
Acquisitions of plant and equipment	(18,804)	(5,465)	(14,464)	(5,465)
Proceed from disposal of equipment	37	1,076	56	1,076
Increase in intangible assets	<u>(16,045)</u>	<u>(147)</u>	<u>(45)</u>	<u>(147)</u>
Net cash from investing activities	<u>87,978</u>	<u>19,864</u>	<u>63,837</u>	<u>19,864</u>
Cash flows from financing activities				
Repayments of short-term loan from financial institution	(30,000)	-	(30,000)	-
Cash received from non-controlling interests of the subsidiary	5,500	-	-	-
Repayments of lease liabilities	(4,284)	(3,536)	(3,993)	(3,536)
Dividend paid	<u>(115,414)</u>	<u>(109,422)</u>	<u>(115,414)</u>	<u>(109,422)</u>
Net cash used in financing activities	<u>(144,198)</u>	<u>(112,958)</u>	<u>(149,407)</u>	<u>(112,958)</u>
Net increase in cash and cash equivalents	9,088	47,123	1,388	47,123
Cash and cash equivalents at beginning of period	<u>150,804</u>	<u>136,499</u>	<u>150,804</u>	<u>136,499</u>
Cash and cash equivalents at end of period	<u><u>159,892</u></u>	<u><u>183,622</u></u>	<u><u>152,192</u></u>	<u><u>183,622</u></u>

Supplemental cash flows information

Non-cash transactions

Acquisition of right-of-use assets

under lease contracts 4,050 2,570 1,116 2,570

Transfer right-of-use assets to equipment 2 1,203 2 1,203

Dividend payable 946 - 946 -

Assets retirement obligation 112 - - -

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

T.A.C. Consumer Public Company Limited and its subsidiary
Notes to consolidated interim financial statements
For the three-month and six-month periods ended 30 June 2023

1. General information

1.1 Company information

T.A.C. Consumer Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of beverage. The registered office of the Company is at 9/231-233, 23rd Floor, UM Tower, Ramkhamhaeng Road, Suanluang, Suanluang, Bangkok, and its branch address is at 99/112 and 99/114, Moo 1, Nongbondaeng, Banbueng, Chonburi.

1.2 Basis for the 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 Thai language financial statements.

1.3 Basis of consolidation

- a) The interim consolidated financial statements include the financial statements of T.A.C. Consumer Public Company Limited (“the Company”) and its subsidiary company (“the subsidiary”) (collectively as “the Group”) as follows:

Company’s name	Nature of business	Country of incorporation	Percentage of shareholding	
			2023 Percent	2022 Percent
Health Inspired Planet Co., Ltd.	Distribution of dietary supplement, skin care and beauty product	Thai	89	-

During the current period, there has been change in the composition of the Group structure as described in Note 5 to the financial statements.

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiary is fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiary are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

1.4 Significant accounting policies

- a) 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, except the change in the following accounting policy:

Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at the acquisition date fair value, the amount of any non-controlling interests in the acquiree and the acquisition date fair value of the Group's previously held equity interest in the acquiree, in a business combination achieved in stages.

For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group measures the identifiable assets acquired and the liabilities assumed at acquisition date fair value, and classifies and designates them in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the Group will be recognised at fair value at the acquisition date. A contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. A contingent consideration classified as an asset or liability is measured at fair value, with changes in fair value recognised in profit or loss.

Goodwill is initially recorded at cost, which equals the excess of cost of the business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of the business combination, the excess is immediately recognised as a gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

- b) 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

Directors and management's benefits

During the three-month and six-month periods ended 30 June 2023 and 2022, the Group had employee benefit expenses payable to its directors and management as below.

(Unit: Thousand Baht)

	Financial statements		Separate financial statements	
	Consolidated financial statements	in which the equity method is applied	Consolidated financial statements	in which the equity method is applied
For the three-month periods ended 30 June				
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	13,149	12,665	13,149	12,665
Post-employment benefits	834	759	834	759
Total	<u>13,983</u>	<u>13,424</u>	<u>13,983</u>	<u>13,424</u>

(Unit: Thousand Baht)

	Financial statements		Separate financial statements	
	Consolidated financial statements	in which the equity method is applied	Consolidated financial statements	in which the equity method is applied
For the six-month periods ended 30 June				
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	24,501	23,517	24,501	23,517
Post-employment benefits	1,638	1,500	1,638	1,500
Total	<u>26,139</u>	<u>25,017</u>	<u>26,139</u>	<u>25,017</u>

(Unaudited but reviewed)

3. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate	
			financial statements	financial statements
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	298,097	292,769	297,522	292,769
Past due				
Up to 3 months	3,966	14,631	3,966	14,631
3 - 6 months	136	539	136	539
6 - 12 months	240	1,092	240	1,092
Over 12 months	1,464	524	1,464	524
Total	303,903	309,555	303,328	309,555
Less: Allowance for expected credit losses	(1,595)	(1,668)	(1,595)	(1,668)
Total trade accounts receivable - unrelated parties - net	302,308	307,887	301,733	307,887
<u>Other receivables</u>				
Other receivables - unrelated parties	635	2,294	625	2,294
Less: Allowance for expected credit losses	(219)	(224)	(219)	(224)
Other receivables - unrelated parties - net	416	2,070	406	2,070
Interest receivable	85	132	85	132
Total other receivables - net	501	2,202	491	2,202
Total trade and other receivables - net	302,809	310,089	302,224	310,089

4. Other current financial assets

Other current financial assets consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate	
			financial statements	financial statements
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Fixed deposits at amortised cost	63,068	62,858	63,068	62,858
Financial assets at fair value through profit or loss				
Investments in mutual fund	321,110	441,290	321,110	441,290
Total other current financial assets	384,178	504,148	384,178	504,148

The Company had set up a private fund for its investments which is managed by an asset management company. The investments include convertible bonds and trust securities of foreign companies or corporates.

As at 30 June 2023, the Company assessed the fair value of such investments by referring to the value quoted by the asset management company in which the fair value increased by Baht 0.7 million. The change in the fair value of such securities is included in profit or loss in the statement of comprehensive income.

5. Investment in subsidiary

Details of investment in subsidiary, which were presented in the separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding percentage		Cost	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	(Million Baht)	(Million Baht)	(Percent)	(Percent)	(Thousand Baht)	(Thousand Baht)
Health Inspired Planet Co., Ltd.	50	-	89	-	44,500	-
Total					44,500	-

On 15 December 2022, the meeting of the Company's Board of Directors passed its resolutions to approve the establishment of a subsidiary for expand the Company's business. The subsidiary's registration was completed on 18 January 2023, which the Company invested at Baht 35.6 million or equivalent to 89% of its registered shares.

On 23 January 2023, the subsidiary has entered into sales and purchase agreement with Blush Beauty (Thai) Limited ("seller") to acquire trademark and distribution of dietary supplement, skin care and beauty product business at the contract value of Baht 16 million. As a result of the agreement, on 1 March 2023, the subsidiary acquired trademark, products' formulas, and inventory from the seller, including engaged seller's managements as advisors to transfer know-how to operate business, and provide business consult and advice during start-up phase. At present, the subsidiary is in the process of assessing the fair value of the assets acquired at the acquisition date, in order to allocate costs of the business acquisition to the identifiable items, it is to be completed within the period of twelve months from the acquisition date allowed under TFRS 3 (revised 2019) Business Combinations. As of 30 June 2023, the subsidiary paid all of the purchase price and recorded the business acquisition amount including under intangible assets in the consolidated statement of financial position.

On 21 April 2023, the Extraordinary General Meeting 1/2566 of the subsidiary's shareholders passed the resolution to approve increase of its share capital by issuing new 100,000 shares at Bath 100 per share or equal to Baht 10 million. The Company paid the share subscription of Baht 8.9 million in May 2023 to maintain the Company's portion.

6. Investment in associate

6.1 Details of investment in associate

(Unit: Thousand Baht)

Company's name	Investment			
	Consolidated financial statements		Separate financial statements	
	in which the equity method is applied		in which the cost method is applied	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Thai Canatech Innovation Company Limited	22,360	27,252	30,000	30,000
Total	22,360	27,252	30,000	30,000

6.2 Share of loss from investment in associate

During the three-month and six-month periods ended 30 June 2023 and 2022, the Company recognised its share of loss from investment in associate in the financial statements as follows:

(Unit: Thousand Baht)

Associates	Financial statements in which the equity method is applied		Financial statements in which the equity method is applied	
	Consolidated financial statements		Consolidated financial statements	
	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2023	2022	2023	2022
Thai Canatech Innovation Company Limited	2,448	338	4,892	669
Total	2,448	338	4,892	669

(Unaudited but reviewed)

7. Property, plant and equipment

Movements in the property, plant and equipment account during the six-month period ended 30 June 2023 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2023	93,932	93,932
Acquisitions during the period - at cost	18,804	14,464
Disposals during the period - net book value at disposal date	(112)	(129)
Transfers from right-of-use assets - net book value	2	2
Depreciation for the period	(7,945)	(7,854)
Net book value as at 30 June 2023	104,681	100,415

The Company has mortgaged its land with structures thereon with the net book value as at 30 June 2023 of approximately Baht 15.1 million (31 December 2022: Baht 15.2 million) as collateral for bank overdrafts and credit facilities granted by a commercial bank as discussed in Note 8.

8. Bank overdrafts

The bank overdrafts are secured by the mortgage of the Company's land with structures thereon.

As at 30 June 2023, the Company had bank overdrafts which had not yet been drawn down amounting to Baht 89.8 million (31 December 2022: Baht 89.8 million).

9. Short-term loan from financial institution

As at 31 December 2022, the Company had short-term loans from financial institution in form of unsecured promissory note of Baht 30 million. The carrying interest was at 2.55 percent per annum. The Company repaid such loan in January 2023.

10. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Trade payables - unrelated parties	167,076	171,447	166,613	171,447
Other payables - unrelated parties	44,615	62,561	42,034	62,561
Accrued expenses	45,169	65,616	44,948	65,616
Total trade and other payables	256,860	299,624	253,595	299,624

11. Income tax

Interim corporate income tax is 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 2023 and 2022 are made up as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	Consolidated financial statements	in which the equity method is applied	Separate financial statements	
For the three-month periods ended 30 June				
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current income tax:				
Interim corporate income tax charge	14,466	16,832	14,466	16,832
Deferred tax:				
Relating to origination and reversal of temporary differences	(746)	410	1,132	410
Income tax expenses reported in the statements of comprehensive income	<u>13,720</u>	<u>17,242</u>	<u>15,598</u>	<u>17,242</u>

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	Consolidated financial statements	in which the equity method is applied	Separate financial statements	
For the six-month periods ended 30 June				
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current income tax:				
Interim corporate income tax charge	24,670	32,475	24,670	32,475
Deferred tax:				
Relating to origination and reversal of temporary differences	1,099	440	2,977	440
Income tax expenses reported in the statements of comprehensive income	<u>25,769</u>	<u>32,915</u>	<u>27,647</u>	<u>32,915</u>

12. Segment information

The Group is organised into business units based on its products and services. During the current period, the Group has not changed the organisation of their reportable segments.

Revenue and profit information presented by type of the service of the Group for the three-month and six-month periods ended 30 June 2023 and 2022 can be set out below.

(Unit: Thousand Baht)

	For the three-month periods ended 30 June									
	Manufacture and distribution of beverage		Distribution of dietary supplement and beauty product		Total reportable segment		Eliminations		Consolidated	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue										
Revenue from external customers	445,056	384,984	1,960	-	447,016	384,984	-	-	447,016	384,984
Total revenue	<u>445,056</u>	<u>384,984</u>	<u>1,960</u>	<u>-</u>	<u>447,016</u>	<u>384,984</u>	<u>-</u>	<u>-</u>	<u>447,016</u>	<u>384,984</u>
Operating results	145,172	141,550	885	-	146,057	141,550	-	-	146,057	141,550
Segment operating profit										
Gain on exchange									601	4,352
Other income									1,699	336
Selling and distribution expenses									(45,022)	(38,227)
Administrative expenses									(34,012)	(21,937)
Share of loss from investment in associated company									(2,448)	(338)
Finance income									302	209
Finance cost									(282)	(303)
Profit before income tax expense									66,895	85,642
Income tax expense									(13,720)	(17,242)
Profit for the period									<u>53,175</u>	<u>68,400</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the six-month periods ended 30 June									
	Manufacture and distribution of beverage		Distribution of dietary supplement and beauty product		Total reportable segment		Eliminations		Consolidated	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue										
Revenue from external customers	822,661	722,318	4,254	-	826,915	722,318	-	-	826,915	722,318
Total revenue	<u>822,661</u>	<u>722,318</u>	<u>4,254</u>	<u>-</u>	<u>826,915</u>	<u>722,318</u>	<u>-</u>	<u>-</u>	<u>826,915</u>	<u>722,318</u>
Operating results	264,013	272,978	2,140	-	266,153	272,978	-	-	266,153	272,978
Segment operating profit										
Gain on exchange									601	4,352
Other income									3,413	1,785
Selling and distribution expenses									(73,681)	(76,250)
Administrative expenses									(70,273)	(40,538)
Share of loss from investment in associated company									(4,892)	(669)
Finance income									520	413
Finance cost									(580)	(607)
Profit before income tax expense									121,260	161,464
Income tax expense									(25,769)	(32,915)
Profit for the period									<u>95,492</u>	<u>128,549</u>

The Group has another segment i.e., sales of license of cartoon characters. However, at present the operation of the sales of license of cartoon characters is insignificant. Therefore, the Group includes its operation within manufacture and distribution of beverage segment.

13. Dividend

On 27 April 2023, the 2023 Annual General Meeting of the Company's shareholders passed the resolution to approve dividend payment in respect of the profit for the year 2022 to the Company's shareholders at Baht 0.19 per share, totaling Baht 115.52 million, which paid to the shareholders on 23 May 2023.

On 21 April 2022, the 2022 Annual General Meeting of the Company's shareholders passed the resolution to approve dividend payment in respect of the profit for the year 2021 to the Company's shareholders at Baht 0.18 per share, totaling Baht 109.42 million, which paid to the shareholders on 19 May 2022.

14. Commitments and contingent liabilities**14.1 Operating lease commitments**

The Group has entered into several operating lease agreements in respect of the lease of equipment which are short-term leases and leases of low-value assets and other related service contracts. The terms of the agreements are generally between 1 and 3 years.

Future minimum payments required under these contracts were as follows:

(Unit: Million Baht)

	Consolidated financial statements	Financial statements	Separate	
		in which the equity method	financial statements	
		is applied	30 June	31 December
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Payable				
In up to 1 year	10.0	1.9	3.3	1.9
In over 1 year and up to 3 years	0.4	-	-	-

14.2 Merchandise sub-license commitments

On 19 October 2022, the Company entered into a merchandise sub-license agreement with an overseas company. Under the terms of the agreement, the Company is granted the privilege to sell licenses of the characters. The Company agrees to pay royalty fee at the percentage of gross license fee receipts as specified in the agreement. The agreement is for a period of 5 years, from 1 January 2023 to 31 December 2027.

The Company entered into the merchandise sub-license agreements with creators and copyright holders in Thailand. Under the terms of the agreement, the Company is granted the privilege to sell licenses of the characters. The Company agrees to pay royalty fee at the percentage of gross license fee receipts as specified in the agreement. The agreement is for a period of 2 years, from 1 April 2023 to 31 March 2025.

15. Fair value hierarchy

As at 30 June 2023 and 31 December 2022, the Company had the following financial assets that were measured at fair value.

(Unit: Million Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
			30 June 2023	31 December 2022
			30 June 2023	31 December 2022
			Level 2	
Financial assets measured at fair value				
Investments in mutual fund	321	441	321	441

During the current period, there were no transfers within the fair value hierarchy.

16. Events after the reporting period

16.1 On 5 July 2023, the Extraordinary General Meeting No. 2/2566 of the subsidiary's shareholders passed the resolution to approve increase of its share capital by issuing new 55,000 shares at Bath 100 per share or equal to Baht 5.5 million. The Company purchased all new issuing shares as a result the Company's shareholding increased from 89% to 90%.

16.2 On 10 August 2023, the Board of Directors' Meeting passed the resolution to approve the following:

- a. Approved an interim dividend payment in respect of the profit for the six-month period ended 30 June 2023 to the Company's shareholders at Baht 0.17 per share, totaling Baht 103.36 million, which will be paid to the shareholders on 8 September 2023. Such dividend will be recorded in the third quarter of 2023.
- b. Approved the share repurchase program for financial management purpose in the maximum amount not exceeding Baht 50 million or approximately 11 million shares, which is approximately 1.8% of total issued shares at par value of Baht 0.25 per share by repurchasing in the Stock Exchange of Thailand, which the repurchase price shall not be exceeding 115 percent of the average closing stock price prior to 5 working days on the date of repurchase of treasury stocks. The repurchase period is from 17 August 2023 to 16 February 2024.

17. Approval of interim financial statements

These interim financial statements were authorised for issue by the Board of Directors of the Company on 10 August 2023.