

Miss Grand International Public Company Limited  
(formerly known as “Miss Grand International Company  
Limited”)  
Report and financial statements  
31 December 2022



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## **Independent Auditor's Report**

To the Shareholders of Miss Grand International Public Company Limited  
(formerly known as "Miss Grand International Company Limited")

### **Opinion**

I have audited the accompanying financial statements of Miss Grand International Public Company Limited (the Company), which comprise the statement of financial position as at 31 December 2022, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Miss Grand International Public Company Limited as at 31 December 2022, its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### **Basis for Opinion**

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Emphasis of matters**

I draw attention to the following Note 28 to the financial statements, on 31 January 2023, the Company has been filed lawsuits for claim of breach agreement of a local company. The case is in the process of mediation, testimony and witness testimony at the Civil court. At present, the outcome of these disputes has not been finalised. My opinion is not modified in respect of this matter.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I am responsible for the audit resulting in this independent auditor's report.

*S. Ratananurak*

Satida Ratananurak  
Certified Public Accountant (Thailand) No. 4753

EY Office Limited  
Bangkok: 28 February 2023



**Miss Grand International Public Company Limited**  
**(formerly known as "Miss Grand International Company Limited")**

**Statement of financial position**

**As at 31 December 2022**

		(Unit: Baht)	
	<u>Note</u>	<u>2022</u>	<u>2021</u>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	111,038,879	67,952,450
Trade and other receivables	8	25,794,713	10,968,690
Inventories	9	15,121,703	11,658,598
Advance payment for goods		8,069,277	3,954,245
Prepaid expenses		1,596,462	553,796
Other current financial assets		28,000	40,000
Other current assets	10	8,465,521	31,411
<b>Total current assets</b>		<u>170,114,555</u>	<u>95,159,190</u>
<b>Non-current assets</b>			
Other non-current financial assets		240,679	240,679
Building improvement and equipment	11	6,689,593	4,477,190
Right-of-use assets	12	1,121,359	1,092,110
Intangible assets	13	3,626,317	2,152,789
Deferred tax assets	20	1,976,415	1,936,243
Other non-current assets		1,636,900	1,617,758
<b>Total non-current assets</b>		<u>15,291,263</u>	<u>11,516,769</u>
<b>Total assets</b>		<u>185,405,818</u>	<u>106,675,959</u>

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

  
**นายวิวัฒน์ อิศรไกรศีล**  
  
 MISS GRAND  
 INTERNATIONAL  
 Miss Grand International Public Company Limited  
 บริษัท มิสแกรนด์ อินเตอร์เนชั่นแนล จำกัด (มหาชน)

  
**นายศักดิ์สิทธิ์ บุญวานิช**

**Miss Grand International Public Company Limited**  
**(formerly known as "Miss Grand International Company Limited")**  
**Statement of financial position (continued)**  
**As at 31 December 2022**

		(Unit: Baht)	
	<u>Note</u>	<u>2022</u>	<u>2021</u>
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Trade and other payables	14	30,714,385	17,425,915
Current portion of lease liabilities	12	791,725	771,250
Income tax payable		3,950,528	3,632,872
Current portion of deferred revenue		38,799,528	8,270,774
Other current liabilities		1,160,503	1,183,607
<b>Total current liabilities</b>		<u>75,416,669</u>	<u>31,284,418</u>
<b>Non-current liabilities</b>			
Deferred revenue, net of current portion		3,503,073	2,510,460
Lease liabilities, net of current portion	12	348,734	353,431
Provision for long-term employee benefits	15	1,722,563	1,153,661
<b>Total non-current liabilities</b>		<u>5,574,370</u>	<u>4,017,552</u>
<b>Total liabilities</b>		<u>80,991,039</u>	<u>35,301,970</u>

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

  
**นายณวัฒน์ อิศรไกรศิลป์**

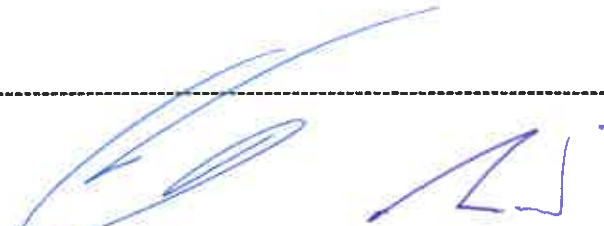


  
**นายศักดิ์สิทธิ์ บุญวานิช**

**Miss Grand International Public Company Limited**  
**(formerly known as "Miss Grand International Company Limited")**  
**Statement of financial position (continued)**  
**As at 31 December 2022**

	<u>Note</u>	<u>2022</u>	<u>2021</u>
(Unit: Baht)			
<b>Liabilities and shareholders' equity (continued)</b>			
<b>Share capital</b>	16		
Registered			
210,000,000 ordinary shares of Baht 0.5 each (2021: 500,000 ordinary shares of Baht 100 each)		105,000,000	50,000,000
Issued and fully paid up			
150,000,000 ordinary shares of Baht 0.5 each (2021: 500,000 ordinary shares of Baht 100 each)		75,000,000	50,000,000
Retained earnings			
Appropriated - statutory reserve	17	5,549,912	3,051,129
Unappropriated		23,864,867	18,322,860
<b>Total shareholders' equity</b>		<b>104,414,779</b>	<b>71,373,989</b>
<b>Total liabilities and shareholders' equity</b>		<b>185,405,818</b>	<b>106,675,959</b>

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

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Directors



**Miss Grand International Public Company Limited**  
(formerly known as "Miss Grand International Company Limited")

**Statement of comprehensive income**

**For the year ended 31 December 2022**

		(Unit: Baht)	
	<u>Note</u>	<u>2022</u>	<u>2021</u>
<b>Profit or loss:</b>			
<b>Revenues</b>			
Sales and service income	18	315,090,486	342,165,038
Other income		<u>4,521,573</u>	<u>2,763,167</u>
<b>Total revenues</b>		<u>319,612,059</u>	<u>344,928,205</u>
<b>Expenses</b>			
Cost of sales	19	67,164,517	158,315,289
Cost of services		127,378,247	54,083,727
Selling and distribution expenses		23,533,126	63,289,921
Administrative expenses		<u>41,575,403</u>	<u>32,847,548</u>
<b>Total expenses</b>		<u>259,651,293</u>	<u>308,536,485</u>
<b>Operating profit</b>		59,960,766	36,391,720
Finance income		243,305	166,917
Finance cost		<u>(38,193)</u>	<u>(79,371)</u>
<b>Profit before income tax expenses</b>		60,165,878	36,479,266
Income tax expenses	20	<u>(12,314,367)</u>	<u>(7,473,692)</u>
<b>Profit for the year</b>		<u>47,851,511</u>	<u>29,005,574</u>
<b>Other comprehensive income:</b>			
Other comprehensive income not be reclassified to profit or loss in subsequent periods			
Actuarial gain		236,599	-
Less: Income tax effect		<u>(47,320)</u>	<u>-</u>
Other comprehensive income not be reclassified to profit or loss in subsequent periods - net of income tax		<u>189,279</u>	<u>-</u>
<b>Other comprehensive income for the year</b>		<u>189,279</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u>48,040,790</u>	<u>29,005,574</u>
<b>Basic earnings per share</b>			
Profit for the year	21	<u>0.34</u>	<u>0.49</u>
Weighted average number of ordinary shares (Thousand shares)		<u>139,589</u>	<u>58,920</u>

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

นายฉวีวัฒน์ อิศรไกรศีล



นายศักดิ์สิทธิ์ บุญวานิช



Miss Grand International Public Company Limited  
 (formerly known as "Miss Grand International Company Limited")  
 Statement of changes in shareholders' equity  
 For the year ended 31 December 2022

(Unit: Baht)

	Note	Issued and paid up share capital	Retained earnings		Total
			Appropriated - statutory reserve	Unappropriated	
<b>Balance as at 1 January 2021</b>		25,500,000	100,000	47,268,415	72,868,415
Profit for the year		-	-	29,005,574	29,005,574
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		-	-	29,005,574	29,005,574
Dividend paid	24	-	-	(55,000,000)	(55,000,000)
Transfer to statutory reserve	17	-	2,951,129	(2,951,129)	-
Increase in share capital during the year	16	24,500,000	-	-	24,500,000
<b>Balance as at 31 December 2021</b>		<b>50,000,000</b>	<b>3,051,129</b>	<b>18,322,860</b>	<b>71,373,989</b>
<b>Balance as at 1 January 2022</b>		50,000,000	3,051,129	18,322,860	71,373,989
Profit for the year		-	-	47,851,511	47,851,511
Other comprehensive income for the year		-	-	189,279	189,279
Total comprehensive income for the year		-	-	48,040,790	48,040,790
Dividend paid	24	-	-	(40,000,000)	(40,000,000)
Transfer to statutory reserve	17	-	2,498,783	(2,498,783)	-
Increase in share capital during the year	16	25,000,000	-	-	25,000,000
<b>Balance as at 31 December 2022</b>		<b>75,000,000</b>	<b>5,549,912</b>	<b>23,864,867</b>	<b>104,414,779</b>

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



นายณวัฒน์ อิศรไกรศิลป์




นายศักดิ์สิทธิ์ บุญวานิช


**Miss Grand International Public Company Limited**  
**(formerly known as "Miss Grand International Company Limited")**

**Cash flow statement**

**For the year ended 31 December 2022**

	(Unit: Baht)	
	<u>2022</u>	<u>2021</u>
<b>Cash flows from operating activities</b>		
Profit before tax	60,165,878	36,479,266
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:		
Depreciation and amortisation	2,006,284	1,439,318
Expected credit loss	205,879	-
Reduction of cost of inventories to net realisable value	423,406	-
Loss on disposals of equipment	46,732	-
Loss on write-off assets under construction	1,175,258	-
Impairment loss on intangible assets	-	585,052
Provision for long-term employee benefits	805,500	943,534
Finance income	(243,305)	(166,917)
Finance expense	38,193	79,371
Profit from operating activities before changes in operating assets and liabilities	64,623,825	39,359,624
Operating assets (increase) decrease:		
Trade and other receivables	(15,031,902)	33,528,944
Inventories	(3,886,511)	(2,095,826)
Advance payment for goods	(4,115,032)	1,893,320
Prepaid expenses	(1,042,666)	(94,985)
Other current assets	(8,432,008)	878,404
Other current financial assets	12,000	(40,000)
Operating liabilities increase (decrease):		
Trade and other payables	13,288,470	(7,339,823)
Deferred revenue	31,521,367	7,865,490
Other current liabilities	(23,104)	(1,511,253)
Cash from operating activities	76,914,439	72,443,895
Cash received from interest income	241,203	166,917
Cash paid for interest expenses	(38,193)	(79,371)
Cash paid for corporate income tax	(12,084,202)	(15,640,813)
<b>Net cash from operating activities</b>	<u>65,033,247</u>	<u>56,890,628</u>

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

  
**นายฉวีวัฒน์ อิศรโกศล**



  
**นายศักดิ์สิทธิ์ บุญวานิช**

**Miss Grand International Public Company Limited**  
**(formerly known as "Miss Grand International Company Limited")**  
**Cash flow statement (continued)**  
**For the year ended 31 December 2022**

	(Unit: Baht)	
	<u>2022</u>	<u>2021</u>
<b>Cash flows from investing activities</b>		
Proceeds from disposals of equipment	1,054	-
Cash paid for acquisitions of equipment	(4,665,722)	(3,613,844)
Cash paid for acquisitions of intangible assets	(1,488,250)	(1,052,352)
Increase in other non-current assets	(19,142)	(643,953)
Increase in other non-current assets financial assets	-	(105,579)
<b>Net cash used in investing activities</b>	<u>(6,172,060)</u>	<u>(5,415,728)</u>
<b>Cash flows from financing activities</b>		
Cash paid for lease liabilities	(774,758)	(702,001)
Cash received from increase in share capital	25,000,000	24,500,000
Dividend paid	(40,000,000)	(55,000,000)
<b>Net cash used in financing activities</b>	<u>(15,774,758)</u>	<u>(31,202,001)</u>
<b>Net increase in cash and cash equivalents</b>	43,086,429	20,272,899
Cash and cash equivalents at beginning of year	67,952,450	47,679,551
<b>Cash and cash equivalents at end of year (Note 7)</b>	<u><u>111,038,879</u></u>	<u><u>67,952,450</u></u>

**Supplemental cash flows information**

Non-cash transactions

Right-of-use assets increase from lease agreements	-	717,581
Right-of-use assets increase from lease reassessment	790,536	-

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

  
**นายณวัฒน์ อิศรโกศล**



  
**นายศักดิ์สิทธิ์ บุญวานิช**

**Miss Grand International Public Company Limited**  
**(formerly known as “Miss Grand International Company Limited”)**  
**Notes to financial statements**  
**For the year ended 31 December 2022**

**1. General information**

Miss Grand International Company Limited (“the Company”) is a limited company under Thai laws and registered the transformation to a public company under the Public Limited Companies Act on 15 June 2022 and domiciled in Thailand. The Company is principally engaged in the wholesale and retail for beauty product, cosmetics product, skincare product, food dietary supplement, and food products under Company’s branding name. Moreover, the Company is beauty pageant organiser for the stage “Miss Grand Thailand” and “Miss Grand International” and also artist management agency. The registered office of the Company is at 1213/414 Lat Phrao 94 (Panjamit), Lat Phrao Rd., Phlapphla, Wang Thong Lang, Bangkok. There are two branches located at Bangkok.

On 8 June 2022, the Extraordinary General Meeting of shareholders of the Company passed a resolution to change the Company’s name to conform with the transformation to a public company. The change was from “Miss Grand International Company Limited” to “Miss Grand International Public Company Limited”. The Company registered the change of the Company’s name with the Ministry of Commerce on 15 June 2022.

**2. Basis of preparation**

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

### **3. New financial reporting standards**

#### **3.1 Financial reporting standards that became effective in the current year**

During the year, the Company has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

#### **3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2023**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements.

### **4. Significant accounting policies**

#### **4.1 Revenue and expense recognition**

##### ***Sales of goods***

Revenue from sales of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting goods returns, discounts and allowances.

### ***Service income***

- a) Revenue from contest organise/concerts is recognised at a point in time upon completion of the service.
- b) Revenue from entertainment business is recognised at a point in time upon completion of the service or recognised over the period of the service depend on the nature of the agreements.
- c) Other service income is recognised at a point in time upon completion of the service.

The obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer is presented under the caption of "Deferred revenues" in the statement of financial position. Deferred revenues are recognised as revenue when the Company performs under the contract.

### ***Interest income***

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

### ***Finance cost***

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

## **4.2 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

## **4.3 Inventories**

Inventories are valued at the lower of cost (average) and net realisable value. Cost is comprised all costs of purchase or other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Reduce cost of inventories to net realisable value will be set up for deteriorated, obsolete and slowing stock by management reviewing.

#### 4.4 Building improvement and equipment

Building improvement and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of building improvement and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Building improvement	-	5 years
Furniture and office equipment	-	5 years
Vehicles	-	5 years
Computer and equipment	-	5 years

Depreciation is included in determining income.

No depreciation is provided on assets under construction.

An item of building improvement and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

#### 4.5 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	5 years

Intangible assets with indefinite useful lives are trademark.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite useful lives of the intangible assets is reviewed annually.

## 4.6 Leases

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

### **The Company as lessee**

The Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

### ***Right-of-use assets***

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Building and building improvement	2 - 3 years
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If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

### ***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.



The Company discounted the present value of the lease payments by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

#### ***Short-term leases and leases of low-value assets***

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

#### **4.7 Related party transactions**

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

#### **4.8 Foreign currencies**

The financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

#### **4.9 Impairment of non-financial assets**

At the end of each reporting period, the Company performs impairment reviews in respect of non-financial assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

#### **4.10 Employee benefits**

##### ***Short-term employee benefits***

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

##### ***Post-employment benefits***

###### ***Defined benefit plans***

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

#### **4.11 Provisions**

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### **4.12 Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

#### **4.13 Financial instruments**

The Company initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

##### **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

##### ***Financial assets at amortised cost***

The Company measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

##### ***Financial assets at FVTPL***

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Company has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

## **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Company's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Company takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

## **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

## **Impairment of financial assets**

The Company recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Company considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due, and considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECL are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **4.14 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure its assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation techniques that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## 5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

### Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Company's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

### Reduction of inventories to net realisable value

In determining the net realisable value of inventories, the management needs to make judgment and estimates of loss that may be incurred from substandard or deteriorated inventories, and the effect from the reduction of the selling price of inventories.

## 6. Related party transactions

During the years, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

	<u>2022</u>	<u>2021</u>	(Unit: Million Baht) <u>Transfer Pricing Policy</u>
<u>Transactions with management and directors</u>			
Rental	0.4	0.4	Contract price

The outstanding balances of the accounts as at 31 December 2022 and 2021 between the Company and related party are as follows:

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
<u>Deposit - related person</u>		
Management and directors	109	109
Total deposit - related party	<u>109</u>	<u>109</u>

Directors and management's benefits

During the years ended 31 December 2022 and 2021, the Company had employee benefit expenses payable to its directors and management as below.

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Short-term employee benefits	8,880	9,480
Post-employment benefits	662	713
Total	<u>9,542</u>	<u>10,193</u>

**7. Cash and cash equivalents**

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Cash	70	65
Bank deposits	110,969	67,887
Total	<u>111,039</u>	<u>67,952</u>

As at 31 December 2022, bank deposits in savings carried interests 0.2 - 0.3 percent per annum (2021: 0.1 - 0.4 percent per annum).

## 8. Trade and other receivables

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
<b><u>Trade accounts receivable - unrelated parties</u></b>		
Aged on the basis of due dates		
Not yet due	17,361	9,750
Past due		
Up to 3 months	3,412	94
3 - 6 months	872	50
6 - 12 months	-	1,046
Total trade receivables - unrelated parties	<u>21,645</u>	<u>10,940</u>
Less: Allowance for expected credit losses	(205)	-
Total trade accounts receivable - unrelated parties - net	<u>21,440</u>	<u>10,940</u>
<b><u>Other receivables</u></b>		
Post date cheques	557	-
Advance payments	542	29
Accrued income	3,248	-
Others	8	-
Total other receivables	<u>4,355</u>	<u>29</u>
Total trade and other receivables	<u>25,795</u>	<u>10,969</u>

Set out below is the movement in allowance for expected credit losses of trade receivables.

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Beginning balance	-	-
Increase in allowance for expected credit losses	205	-
Ending balance	<u>205</u>	<u>-</u>



## 9. Inventories

(Unit: Thousand Baht)

	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Finished goods	15,545	11,659	(423)	-	15,122	11,659
Total	<u>15,545</u>	<u>11,659</u>	<u>(423)</u>	<u>-</u>	<u>15,122</u>	<u>11,659</u>

During the current year, the Company reduced cost of inventories by Baht 0.4 million, to reflect the net realisable value. This was included in cost of sales.

## 10. Other current assets

(Unit: Thousand Baht)

	<u>2022</u>	<u>2021</u>
Advance payment for media production cost	8,400	-
Others	66	31
Total other current assets	<u>8,466</u>	<u>31</u>

## 11. Building improvement and equipment

(Unit: Thousand Baht)

	Building improvement	Furniture and office equipment	Vehicles	Computer and equipment	Assets under construction	Total
<b>Cost</b>						
1 January 2021	-	437	202	686	237	1,562
Additions	469	1,552	-	655	938	3,614
31 December 2021	469	1,989	202	1,341	1,175	5,176
Additions	164	299	3,790	412	-	4,665
Disposals/write-off	-	(6)	-	(67)	(1,175)	(1,248)
31 December 2022	633	2,282	3,992	1,686	-	8,593
<b>Accumulated depreciation</b>						
1 January 2021	-	8	52	11	-	71
Depreciation for the year	60	305	40	223	-	628
31 December 2021	60	313	92	234	-	699
Accumulated depreciation of disposal assets	124	428	356	322	-	1,230
Depreciation for the year	-	(3)	-	(23)	-	(26)
31 December 2022	184	738	448	533	-	1,903
<b>Net book value</b>						
31 December 2021	409	1,676	110	1,107	1,175	4,477
31 December 2022	449	1,544	3,544	1,153	-	6,690
<b>Depreciation for the year</b>						
2021 (Baht 0.6 million included in administrative expenses)						628
2022 (Baht 1.2 million included in administrative expenses)						1,230

## 12. Lease

The Company as lessee, has lease contracts for various items of assets used in its operations. Leases generally have lease terms between 2 - 3 years.

### 12.1 Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2022 and 2021 are summarised below.

	(Unit: Thousand Baht)
	Building and building improvement
1 January 2021	1,106
Increase during the year	718
Depreciation for the year	(732)
31 December 2021	1,092
Adjustment from lease reassessment	790
Depreciation for the year	(761)
31 December 2022	1,121

### 12.2 Lease liabilities

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Lease liabilities	1,170	1,170
Less: Deferred interest expenses	(30)	(45)
Total	1,140	1,125
Less: Portion due within one year	(791)	(771)
Lease liabilities - net of current portion	349	354

Movements in lease liabilities during the years ended 31 December 2022 and 2021 are summarised below.

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Balance at beginning of year	1,125	1,109
Add: Additions during the year	-	757
Adjustment from lease reassessment	790	-
Accretion of interest	38	40
Less: Payments during the year	(813)	(781)
Balance at end of year	<u>1,140</u>	<u>1,125</u>

A maturity analysis of lease payments is disclosed in Note 26 under the liquidity risk.

### 12.3 Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Depreciation expenses of right-of-use assets	761	731
Interest expenses on lease liabilities	38	79
Expense relating to short-term leases	53	189
Expenses relating to leases of low-value assets	40	82

### 12.4 Others

The Company had total cash outflows for leases for the year ended 31 December 2022 of Baht 0.9 million (2021: Baht 1.1 million), including the cash outflow related to short-term lease and leases of low-value assets.

### 13. Intangible assets

The net book value of intangible assets, as at 31 December 2022 and 2021 is presented below.

(Unit: Thousand Baht)

	Movie	Computer software	Trademark	Total
As at 31 December 2022				
Cost	10,648	74	3,588	14,310
Less: accumulated amortisation	(747)	(36)	-	(783)
Less: allowance of impairment loss	(9,901)	-	-	(9,901)
Net book value	-	38	3,588	3,626

(Unit: Thousand Baht)

	Movie	Computer software	Trademark	Total
As at 31 December 2021				
Cost	10,648	73	2,100	12,821
Less: accumulated amortisation	(747)	(20)	-	(767)
Less: allowance of impairment loss	(9,901)	-	-	(9,901)
Net book value	-	53	2,100	2,153

A reconciliation of the net book value of intangible assets for the years 2022 and 2021 is presented below.

(Unit: Thousand Baht)

	2022	2021
Net book value at beginning of year	2,153	1,765
Acquisitions during the year - at cost	1,488	1,052
Amortisation for the year	(15)	(79)
Allowance for impairment loss	-	(585)
Net book value at end of year	3,626	2,153

#### 14. Trade and other payables

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Trade payables - unrelated parties	3,214	10,452
Other payables - unrelated parties	1,683	904
Accrued beauty pageant organise expenses	5,294	3,823
Accrued expenses	20,523	2,247
Total trade and other payables	<u>30,714</u>	<u>17,426</u>

#### 15. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire from the Company, was as follows:

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
<b>Provision for long-term employee benefits</b>		
<b>at beginning of year</b>	1,154	210
Included in profit or loss:		
Current service cost	780	940
Interest cost	26	4
Included in other comprehensive income:		
Actuarial gain arising from		
Financial assumptions changes	(86)	-
Experience adjustments	(151)	-
<b>Provision for long-term employee benefits</b>		
<b>at end of year</b>	<u>1,723</u>	<u>1,154</u>

The Company does not expect to pay long-term employee benefits during the next year.

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefits is 16 years (2021: 18 years).

Significant actuarial assumptions are summarised below.

	(Unit: percent per annum)	
	<u>2022</u>	<u>2021</u>
Discount rate	3	2
Salary increase rate	5	5
Turnover rate	2 - 23	2 - 23

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2022 and 2021 are summarised below.

	(Unit: Thousand Baht)			
	2022		2021	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(79)	95	(25)	31
Salary increase rate	91	(78)	30	(25)
Turnover rate	(57)	69	(21)	26

## 16. Share capital

On 3 November 2021, the Company called up for the unpaid portion of share capital and already received in full amount.

On 12 November 2021, the Board of Director's Meeting of the Company passed a resolution to increase the registered capital of the Company of Baht 25 million (250,000 ordinary shares of Baht 100 each), from Baht 50 million (500,000 ordinary shares of Baht 100 each), to be new capital of the Company of Baht 75 million (750,000 ordinary shares of Baht 100 each).

On 11 March 2022, the Annual General Meeting of the shareholders of the Company passed a resolution to increase the registered capital of the Company of Baht 25 million (250,000 ordinary shares of Baht 100 each), from Baht 50 million (500,000 ordinary shares of Baht 100 each), to be new capital of the Company of Baht 75 million (750,000 ordinary shares of Baht 100 each). The Company registered the increase in its share capital with the Ministry of Commerce on 23 March 2022 which is called and already received the payment in full amount.

On 8 June 2022, the Extraordinary General Meeting of shareholders of the Company passed a resolution on the following matters.

1. The change in the par value of ordinary share of the Company from Baht 100 per share to Baht 0.50 per share. As a result, the Company's registered ordinary share increased from former registered ordinary share of 750,000 shares to new registered ordinary share of 150,000,000 shares.
2. The increase in the registered share capital from Baht 75 million to Baht 105 million by issuing the new ordinary share of 60 million shares at Baht 0.50 per share.
3. The allocation of the additional ordinary shares of 60 million shares to the Initial Public Offering.

The Company registered the change in the par value of ordinary share and number of shares in subject 1 and 2 with as above with the Ministry of Commerce on 15 June 2022.

## 17. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. During the current year, the Company appropriated Baht 2.50 million as statutory reserve (2021: Baht 2.95 million).

## 18. Revenue from contracts with customers

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
<b>Revenue from sales:</b>		
Sales of consumption products	87,358	182,046
Sales of consumer products	24,322	83,329
Sale of airtime	-	21,742
Sales of other products	147	413
<b>Revenue from services:</b>		
Revenue from beauty pageant organise	71,656	42,265
Revenue from entertainment business	131,034	10,747
Revenue from other services	573	1,623
Total revenue from contracts with customers	<u>315,090</u>	<u>342,165</u>
<b>Timing of revenue recognition:</b>		
Revenue recognised at a point in time	296,986	342,165
Revenue recognised over time	18,104	-
Total revenues	<u>315,090</u>	<u>342,165</u>



## 19. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Cost of media and entertainment	82,318	2,057
Cost of beauty pageant organise	44,317	47,709
Purchases of finished goods	66,741	158,315
Changes in finished goods	3,463	2,096
Cost of on-air	-	12,458
Salaries and wages and other employee benefits	24,145	20,859
Advertising and promotion expenses	11,151	50,092
Depreciation and amortisation	2,006	1,439
Transportation and distribution expenses	1,336	1,611
Managing finished goods expense	2,283	5,400

## 20. Income tax

Income tax expenses for the years ended 31 December 2022 and 2021 are made up as follows:

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
<b>Current income tax:</b>		
Current income tax charge	12,402	7,554
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	(88)	(80)
<b>Income tax expenses reported in the profit or loss</b>	<u>12,314</u>	<u>7,474</u>

The amount of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Deferred tax relating to actuarial gain	<u>47</u>	<u>-</u>

The reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Accounting profit before tax	60,166	36,479
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by income tax rate	12,033	7,295
Effects of:		
Non-deductible expenses	281	179
Total	281	179
Income tax expenses reported in the profit or loss	12,314	7,474

The components of deferred tax assets as at 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
<b>Deferred tax assets</b>		
Allowance for impairment of intangible assets	1,568	1,780
Allowance for expected credit loss	41	-
Allowance for diminution in value of inventories	85	-
Provision for sale return	15	-
Depreciation of trademark	(80)	(80)
Provision for long-term employee benefits	345	231
Lease	3	6
Total	1,977	1,937

## 21. Earnings per share

Basic earnings per share is calculated by dividing profit for the period (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

The Company adjusted the number of ordinary shares in proportion to the change in the number of shares as a result of the change in the value of ordinary share from the par value of Baht 100 to Baht 0.50 per share, as described in Note 16. The number of ordinary shares of the prior year has been adjusted as if the value and the number of ordinary share had been changed at the beginning of the earliest year reported.

### 21.1 Weighted average number of ordinary shares

	(Unit: Thousand shares)	
	<u>2022</u>	<u>2021</u>
		(Restated)
Brought forward	100,000	51,000
Add: Weighted average number of ordinary shares issue during the year	<u>39,589</u>	<u>7,920</u>
Weighted average number of ordinary shares	<u>139,589</u>	<u>58,920</u>

## 22. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Company is organised into business units based on their products and services and have five reportable segments as follows:

1. Consumption products
2. Consumer products
3. Entertainment business
4. Beauty pageant organise
5. Others

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The following table presents the financial information for the years ended 31 December 2022 and 2021 of the Company by segment.

(Unit: Thousand Baht)

	Consumption products		Consumer products		Entertainment business		Beauty pageant organise		Others		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
<b>Revenue</b>												
Revenue from external customers	87,358	182,046	24,322	83,329	131,034	32,489	71,656	42,265	720	2,036	315,090	342,165
<b>Total revenue</b>	<b>87,358</b>	<b>182,046</b>	<b>24,322</b>	<b>83,329</b>	<b>131,034</b>	<b>32,489</b>	<b>71,656</b>	<b>42,265</b>	<b>720</b>	<b>2,036</b>	<b>315,090</b>	<b>342,165</b>
<b>Operating result</b>												
Segment gross profit	33,004	82,002	11,511	34,138	48,717	17,973	27,339	(5,444)	(24)	1,097	120,547	129,766
Other income											4,522	2,763
Selling and distribution expenses											(23,533)	(63,290)
Administrative expenses											(41,575)	(32,848)
Financial income											243	167
Financial cost											(38)	(79)
<b>Profit before income tax expenses</b>											<b>60,166</b>	<b>36,479</b>
Income tax expenses											(12,314)	(7,473)
<b>Profit for the year</b>											<b>47,852</b>	<b>29,006</b>

During 2022, the Company has local sale and service income approximately 85 percent of the total sale and service (2021: 100 percent of total sale and service income).

### Major customers

For the year 2022, the Company has revenue from 2 major customers in amount of Baht 72 million (2021: Baht 210 million derived from 3 major customers).

## 23. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 3 - 10 percent of basic salary. The fund, which is managed by Principal Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2022 by the Company amounting to Baht 0.5 million (2021: nil) were recognised as expenses.

## 24. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
<b><u>2022</u></b>			
The interim dividends for 2022	Board of Director's meeting 8 August 2022	40	0.27
Total dividends for 2022		40	0.27
<b><u>2021</u></b>			
Final dividend of 2020	Annual General Meeting of the shareholders' meeting on 26 October 2021	42	84
The interim dividends for 2021	Annual General Meeting of the shareholders' meeting on 26 October 2021	13	26
Total dividends for 2021		55	100

## 25. Commitments

### 25.1 Capital commitments

As at 31 December 2021, the Company had capital commitments Baht 2.74 million relating to the construction of building improvement.

### 25.2 Lease and service commitments

As of 31 December 2022 and 2021, the Company has future lease payments of low-value assets, short-term lease and other services agreements required under these lease and services agreements that have not yet commenced as follows:

	(Unit: Million Baht)	
	<u>2022</u>	<u>2021</u>
Payable within:		
In up to 1 year	7.0	4.8
In over 1 year and up to 5 years	0.5	0.4

## **26. Financial instruments**

### **26.1 Financial risk management objectives and policies**

The Company's financial instruments, principally comprise cash and cash equivalents, trade and other receivables, trade and other payables and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

#### **Credit risk**

The Company is exposed to credit risk primarily with respect to trade and other receivables, deposits with banks and financial institutions and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

#### ***Trade receivables***

The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade and other receivables are regularly monitored. Credit term provided to customers normally is between 30 days and 90 days.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of customer segments with similar credit risks. The Company classifies customer segments by customer type and rating. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade and other receivables are written-off when there are no movement and past due for more than one year and not subject to enforcement activity.

#### ***Financial instruments and cash deposits***

The Company manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits may be updated throughout the year subject to approval of the Company's Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

## Foreign currency risk

The Company's exposure to the foreign currency relates primarily to the Company's operating activities.

As at 31 December 2022, there was outstanding balance of financial asset denominated in foreign currency amounting to USD 0.2 million (2021: Nil).

## Interest rate risk

The Company's exposure to interest rate risk relates primarily to its cash at banks and lease liabilities. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rates.

As at 31 December 2022 and 2021, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

As at 31 December 2022						
Fixed interest rates		Floating	Non-	Total	Effective interest rate	
Within 1 year	1 - 5 years	interest rate	interest bearing			
					(% per annum)	
<b>Financial assets</b>						
Cash and cash equivalents	-	-	111	-	111	0.2 - 0.3
Trade and other receivables	-	-	-	26	26	
	-	-	111	26	137	
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	31	31	
Lease liabilities	1	-	-	-	1	5.25 - 6.15
	1	-	-	31	32	

(Unit: Million Baht)

As at 31 December 2021

	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years				
<b>Financial assets</b>						
Cash and cash equivalents	-	-	68	-	68	0.1 - 0.4
Trade and other receivables	-	-	-	11	11	-
	<u>-</u>	<u>-</u>	<u>68</u>	<u>11</u>	<u>79</u>	
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	17	17	-
Lease liabilities	1	-	-	-	1	5.25
	<u>1</u>	<u>-</u>	<u>-</u>	<u>17</u>	<u>18</u>	

### Liquidity risk

The Company manages liquidity risk to meet its business obligations by maintains an adequate level of cash to meet its liquidity requirements. The Company has assessed that the Company has sufficient working capital to settle financial liabilities and concluded the risk to be low.

The table below summarises the maturity profile of the Company's non-derivative financial liabilities as at 31 December 2022 and 2021 based on contractual undiscounted cash flows:

(Unit: Million Baht)

As at 31 December 2022

	Less than	1 - 5	Total
	1 year	years	
Trade and other payables	31	-	31
Lease liabilities	1	-	1
<b>Total non-derivative items</b>	<u>32</u>	<u>-</u>	<u>32</u>

(Unit: Million Baht)

As at 31 December 2021

	Less than	1 - 5	Total
	1 year	years	
Trade and other payables	17	-	17
Liabilities under financial lease agreements	1	-	1
<b>Total non-derivative items</b>	<u>18</u>	<u>-</u>	<u>18</u>



## 26.2 Fair values of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or carrying interest rates closed 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.

## 27. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

As at 31 December 2022, the Company's debt-to-equity ratio was 0.8:1 (2021: 0.5:1).

## 28. Events after the reporting period

**28.1** On 31 January 2023, a local company has filed a lawsuit against the Company in the Thai Civil Court for a claim of damages for breach agreement. The total claim amount was approximately Baht 43 million. At present, the management of the Company intends to defend the case vigorously. Based on the opinion of the Company's lawyer, the case is in an initial stage and the likelihood of its defense being successful is high and it is unlikely that the Company will suffer from significant damages related to the lawsuit at this time. The Company therefore did not set up any provision in its accounts.

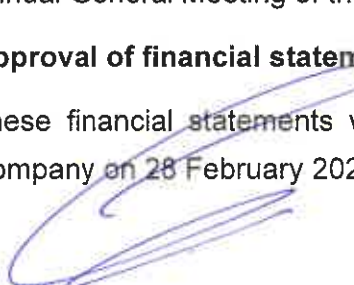
**28.2** On 8 February 2023, according to the resolution of the meeting of the Company's Board of Directors on 30 January 2023, the Company entered into a joint venture agreement and established joint venture company. to operate in the manufacture and sales of cosmetics product, skincare product and health product. The registered capital of this company is Baht 10 million, comprising 1 million ordinary shares of Baht 10 each, in which the Company holds 50% interest.

**28.3** On 18 February 2023, the Company entered into short-term contracts in respect of lease venue of Show DC Hall project to operate its performance and exhibition for one year. The Company has to pay services fee for using assets, building and other equipment amounting to Baht 20 million to the lessor within 20 February 2023. The minimum lease and service fee payment by the Company under the lease agreement was Baht 1.6 million per month.

**28.4** On 28 February 2023, the meeting of the Company's Board of Directors approved to pay a final dividend for 2022 of Baht 0.10 per share, totaling Baht 15 million. Thus, including the interim dividend of Baht 0.27 per share, the total dividend payment for 2022 amounted to Baht 0.37 per share. The payment of dividends will later be proposed for approval in the Annual General Meeting of the Company's shareholders.

## 29. Approval of financial statements

These financial statements were authorised for issue by the Board of Directors of the Company on 28 February 2023.

  
นายณวัฒน์ อิศรไกรศีล



  
นายศักดิ์สิทธิ์ บุญวานิช