

Independent Auditor's Report

To the Shareholders of Union Textile Industries Public Company Limited

Opinion

I have audited the accompanying financial statements, in which the equity method is applied, of Union Textile Industries Public Company Limited (the Company), which comprise the statement of financial position as at 31 December 2022, and the related statements of income, 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, and have also audited the separate financial statements of Union Textile Industries Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Union Textile Industries 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 Matter

I draw attention to Note 1.2 to the financial statements related to discontinued operation that on 22 December 2020, the Company submitted the notification on the Resolutions of the Board of Directors' Meeting No. 12/2020 to The Stock Exchange of Thailand related to the cessation of textile operations (spinning and weaving) and the seeking of a new business. These resolutions have been acknowledged by the Annual General Meeting of the Company's shareholders on 30 March 2021. The Company ceased the textile operations (spinning and weaving) in September 2021, and it is currently considering and studying the feasibility of investing in new businesses in the future.

Therefore, 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.



Sineenart Jirachaikhuan
Certified Public Accountant (Thailand) No. 6287

EY Office Limited
Bangkok: 28 February 2023

Union Textile Industries Public Company Limited

Statements of financial position

As at 31 December 2022

(Unit: Baht)

		Financial statements in which the equity method is applied/ Separate financial statements	
	<u>Note</u>	<u>2022</u>	<u>2021</u>
Assets			
Current assets			
Cash and cash equivalents	7	75,207,728	34,239,886
Other receivables	8	1,196,455	947,509
Restricted bond - maturity within one year portion	26	7,000,000	-
Other current financial assets	9	400,000,000	370,000,000
Other current assets		24,607	395,249
		<u>483,428,790</u>	<u>405,582,644</u>
Assets held for sale	13	-	7,327,241
Total current assets		<u>483,428,790</u>	<u>412,909,885</u>
Non-current assets			
Restricted bond - net from maturity within one year portion	26	-	7,000,000
Other non-current financial assets	10	636,803,906	616,421,413
Investments in associated company	11	-	-
Investment properties	12	47,351,741	47,351,741
Property, plant and equipment	13	34,106,237	59,039,503
Other non-current assets	14	2,432,006	3,228,760
Total non-current assets		<u>720,693,890</u>	<u>733,041,417</u>
Total assets		<u><u>1,204,122,680</u></u>	<u><u>1,145,951,302</u></u>

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

Union Textile Industries Public Company Limited

Statements of financial position (continued)

As at 31 December 2022

(Unit: Baht)

		Financial statements in which the equity method is applied/ Separate financial statements	
	<u>Note</u>	<u>2022</u>	<u>2021</u>
Liabilities and shareholders' equity			
Current liabilities			
Trade and other payables	15	2,879,400	2,867,868
Provision for long-term employee benefits - due within one year portion	16	1,061,576	2,879,023
Other current liabilities		207,126	310,320
Total current liabilities		4,148,102	6,057,211
Non-current liabilities			
Provision for long-term employee benefits - net from due within one year portion	16	6,080,107	6,335,213
Deferred tax liabilities	21	98,852,465	94,361,455
Total non-current liabilities		104,932,572	100,696,668
Total liabilities		109,080,674	106,753,879
Shareholders' equity			
Share capital			
Registered			
15,000,000 preference shares of Baht 10 each	17	150,000,000	150,000,000
45,000,000 ordinary shares of Baht 10 each		450,000,000	450,000,000
		600,000,000	600,000,000
Issued and fully paid-up			
15,000,000 preference shares of Baht 10 each	17	150,000,000	150,000,000
45,000,000 ordinary shares of Baht 10 each		450,000,000	450,000,000
Retained earnings			
Appropriated - statutory reserve	18	150,000,000	150,000,000
Unappropriated		255,402,172	215,863,583
Other components of shareholders' equity		89,639,834	73,333,840
Total shareholders' equity		1,095,042,006	1,039,197,423
Total liabilities and shareholders' equity		1,204,122,680	1,145,951,302

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