

**I-TAIL CORPORATION PUBLIC COMPANY LIMITED
(FORMERLY KNOWN AS
SONGKLA CANNING PUBLIC COMPANY LIMITED)**

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

31 DECEMBER 2021

Independent Auditor's Report

To the shareholders and the Board of Directors of i-Tail Corporation Public Company Limited
(Formerly known as Songkla Canning Public Company Limited)

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of i-Tail Corporation Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2021, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2021;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

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

Responsibilities of the director for the consolidated and separate financial statements

The directors is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and 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 the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 TSAs 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 consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 Group and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Group and 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 consolidated and separate 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 Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee 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 also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

PricewaterhouseCoopers ABAS Ltd.

Pongthavee Ratanakoses

Certified Public Accountant (Thailand) No. 7795

Bangkok

22 February 2022

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)

Statement of Financial Position

As at 31 December 2021

	Notes	Consolidated financial statements			Separate financial statements	
		31 December 2021	(Restated)	(Restated)	31 December 2021	31 December 2020
			31 December 2020	1 January 2020		
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Assets						
Current assets						
Cash and cash equivalents	11	3,293	21,628	29,681	1,840	1,750
Trade and other receivables, net	12, 35	1,089,905	2,248,088	1,914,192	1,145,609	1,302,108
Short-term loans to a related party	35	555,707	-	-	555,707	-
Inventories, net	13	3,844,616	3,706,604	3,214,878	2,970,590	1,797,332
Derivative assets	38	6,521	80,570	14,354	6,521	80,570
Other current assets	14	65,077	90,529	59,929	65,077	21,953
Assets of disposal groups classified as held-for-sale from discontinued operations	15	4,894,623	-	-	285,592	-
Total current assets		10,459,742	6,147,419	5,233,034	5,030,936	3,203,713
Non-current assets						
Investment in subsidiaries using cost method	16	-	-	-	169,394	865,594
Long-term investments measured at fair value through other comprehensive income		-	63	71	-	-
Property, plant and equipment, net	17	4,171,417	3,855,046	3,816,193	4,171,417	1,608,022
Right-of-use assets, net	18	31,731	157,512	205,807	31,731	18,642
Intangible assets, net	19	8,819	20,088	28,249	8,819	8,505
Derivative assets - non-current	38	1,978	-	-	1,978	-
Deferred tax assets, net	20	36,959	27,815	22,322	36,471	5,871
Other non-current assets	21	223,147	156,848	190,412	223,147	40,159
Total non-current assets		4,474,051	4,217,372	4,263,054	4,642,957	2,546,793
Total assets		14,933,793	10,364,791	9,496,088	9,673,893	5,750,506

Director _____

Director _____

The accompanying notes are an integral part of these consolidated and separate financial statements.

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Statement of Financial Position (continued)
As at 31 December 2021

	Notes	Consolidated financial statements			Separate financial statements	
		31 December	(Restated)	(Restated)	31 December	31 December
		2021	31 December	1 January	2021	2020
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Liabilities and equity						
Current liabilities						
Bank overdrafts and short-term loans						
from financial institutions	22	-	2,310,238	2,229,841	-	1,159,130
Trade and other payables	23, 35	4,356,238	1,429,171	1,146,989	4,091,295	891,509
Short-term loans from a related party	35	672,319	1,011,863	1,180,619	-	-
Current portion of long-term loans from financial institutions	24	-	60,359	64,326	-	-
Current portion of lease liabilities, net	18	9,629	16,992	21,131	9,629	8,542
Income tax payable		-	117,907	75,704	-	6,297
Derivative liabilities	38	123,796	7,617	69	123,796	7,617
Other current liabilities		8,110	20,209	43,252	8,111	6,350
Liabilities of disposal groups classified as held-for-sale from discontinued operations	15	4,705,515	-	-	-	-
Total current liabilities		9,875,607	4,974,356	4,761,931	4,232,831	2,079,445
Non-current liabilities						
Long-term loans from a related party	35	100,260	560,111	861,848	-	-
Long-term loans from financial institutions	24	-	30,180	90,558	-	-
Lease liabilities, net	18	22,476	22,720	37,121	22,476	10,332
Employee benefit obligations	25	578,299	442,807	421,226	578,299	335,878
Derivative liabilities - non-current	38	1,925	-	-	1,925	-
Other non-current liabilities		23,753	10,673	13,572	23,753	10,673
Total non-current liabilities		726,713	1,066,491	1,424,325	626,453	356,883
Total liabilities		10,602,320	6,040,847	6,186,256	4,859,284	2,436,328

The accompanying notes are an integral part of these consolidated and separate financial statements.

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Statement of Financial Position (continued)
As at 31 December 2021

	Consolidated financial statements			Separate financial statements		
	Notes		(Restated)	(Restated)		
		31 December 2021	31 December 2020	1 January 2020	31 December 2021	31 December 2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Liabilities and equity (continued)						
Equity						
Share capital	26					
Authorised share capital						
36,000,000 ordinary shares at a par value of Baht 10 per share		360,000	360,000	360,000	360,000	
Issued and fully paid-up share capital						
36,000,000 ordinary shares at a par value of Baht 10 per share		360,000	360,000	360,000	360,000	
Premium on share capital		240,000	240,000	240,000	240,000	
Retained earnings						
Appropriated - legal reserve	28	36,000	36,000	36,000	36,000	
- other reserve		44	44	44	44	
Unappropriated		4,258,330	4,147,163	3,267,319	2,603,890	
Other components of equity		(565,752)	(260,994)	(329,998)	74,244	
Total equity attributable to owners of the parent		4,328,622	4,522,213	3,573,365	3,314,178	
Non-controlling interests		2,851	(198,269)	(263,533)	-	
Total equity		4,331,473	4,323,944	3,309,832	3,314,178	
Total liabilities and equity		14,933,793	10,364,791	9,496,088	5,750,506	

The accompanying notes are an integral part of these consolidated and separate financial statements.

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Statement of Comprehensive Income
For the year ended 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		(Restated)			
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Sales	35	7,107,870	6,956,611	6,790,341	6,799,273
Cost of sales	35	(6,043,089)	(5,377,856)	(5,760,679)	(5,413,418)
Gross profit		1,064,781	1,578,755	1,029,662	1,385,855
Dividend income		-	-	2,261,543	-
Other income	30	84,265	75,940	97,043	85,199
Profit before expenses		1,149,046	1,654,695	3,388,248	1,471,054
Selling expenses		(210,145)	(173,101)	(172,254)	(102,857)
Administrative expenses		(370,076)	(403,899)	(294,670)	(337,621)
Reversal of (Loss from) impairment of financial assets, net		(12,139)	22,832	-	-
Other gains (losses), net	38	142,169	14,901	142,169	14,901
Loss from sale of investment in subsidiary	16	-	-	(76,676)	-
Operating profit		698,855	1,115,428	2,986,817	1,045,477
Finance costs	31	(24,675)	(26,276)	(11,453)	(11,013)
Profit before income tax		674,180	1,089,152	2,975,364	1,034,464
Income tax	33	19,737	(10,182)	19,249	(10,182)
Profit for the year from continuing operations		693,917	1,078,970	2,994,613	1,024,282
Profit for the year from discontinued operations	15	881,928	766,003	-	-
Profit for the year		1,575,845	1,844,973	2,994,613	1,024,282
Other comprehensive income (expenses):					
Items that will not be reclassified subsequently to profit or loss					
- Remeasurements loss of employee benefit obligations, net of income tax	25	(50,284)	-	(50,284)	-
Total items that will not be reclassified subsequently to profit or loss		(50,284)	-	(50,284)	-
Items that will be reclassified subsequently to profit or loss					
- Exchange differences on translation		(13,460)	135	-	-
- Hedging reserve reclassified to profit or loss, net of income tax	29	146,766	29,769	146,766	29,769
- Change in fair value of hedging derivatives, net of income tax	29	(330,664)	40,031	(330,664)	40,031
Total items that will be reclassified subsequently					
Other comprehensive income (expenses) for the year, net of income tax					
From continuing operations		(247,642)	69,935	(234,182)	69,800
From discontinued operations	15	112,189	(796)	-	-
Other comprehensive income (expenses) for the year, net of income tax		(135,453)	69,139	(234,182)	69,800
Total comprehensive income for the year					
From continuing operations		446,275	1,148,905	2,760,431	1,094,082
From discontinued operations	15	994,117	765,207	-	-
Total comprehensive income for the year		1,440,392	1,914,112	2,760,431	1,094,082

The accompanying notes are an integral part of these consolidated and separate financial statements.

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Statement of Comprehensive Income
For the year ended 31 December 2021

	Consolidated financial statements		Separate financial statements	
	(Restated)			
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Note	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Profit (loss) attributable to:				
Owners of the parent				
From continuing operations	726,450	1,021,051	2,994,613	1,024,282
From discontinued operations	872,231	758,793	-	-
Total	1,598,681	1,779,844	2,994,613	1,024,282
Non-controlling interests				
From continuing operations	(32,533)	57,919	-	-
From discontinued operations	9,697	7,210	-	-
Total	(22,836)	65,129	-	-
Profit for the year	1,575,845	1,844,973	2,994,613	1,024,282
Total comprehensive income attributable to:				
Owners of the parent				
From continuing operations	498,000	1,090,851	2,760,431	1,094,082
From discontinued operations	984,761	757,997	-	-
From discontinued operations	9,356	7,210	-	-
Total	9,356	7,210	-	-
Total comprehensive income for the year	#REF!	#REF!	#REF!	#REF!
Earnings per share for profit attributable to the owners of the parent (Baht)				
Basic earnings per share (Baht)	34			
From continuing operations	20.18	28.36	83.18	28.45
From discontinued operations	24.23	21.08	-	-
Total basic earnings per share (Baht)	44.41	49.44	83.18	28.45

The accompanying notes are an integral part of these consolidated and separate financial statements.

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Statement of Changes in Equity
For the year ended 31 December 2021

Consolidated financial statements																	
Attributable to owners of the parent																	
Notes	Retained earnings				Other components of equity							Total equity attributable to owners of the parent	Non-controlling interests from business combination under common control		Total interests		Total equity
	Issued and paid-up share capital	Premium on share capital	Appropriated		Unappropriated	Exchange differences on translation	Changes in value of long-term investments	Changes in ownership interest in subsidiaries	Hedging reserves (Note 29)	Surplus arising from business combination under common control	Total other components of equity		Non-controlling interests	Non-controlling interests	Total interests		
			Legal reserve	Other reserve												Thousand Baht	
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Opening balance as at 1 January 2020																	
- As previously reported	360,000	240,000	36,000	44	3,285,218	(149,178)	(29)	(185,235)	4,444	-	(329,998)	3,591,264	-	7,440	7,440	3,598,704	
- Impact from business combination under common control	5	-	-	-	(17,899)	-	-	-	-	-	-	(17,899)	(270,973)	-	(270,973)	(288,872)	
- Restated	360,000	240,000	36,000	44	3,267,319	(149,178)	(29)	(185,235)	4,444	-	(329,998)	3,573,365	(270,973)	7,440	(263,533)	3,309,832	
Dividend payment	27	-	-	-	(900,000)	-	-	-	-	-	-	(900,000)	-	-	-	(900,000)	
Profit for the year	-	-	-	-	1,779,844	-	-	-	-	-	-	1,779,844	57,919	7,210	65,129	1,844,973	
Other comprehensive income (expenses) for the year	-	-	-	-	-	(787)	(9)	-	69,800	-	69,004	69,004	135	-	135	69,139	
Closing balance as at 31 December 2020																	
- Restated	360,000	240,000	36,000	44	4,147,163	(149,965)	(38)	(185,235)	74,244	-	(260,994)	4,522,213	(212,919)	14,650	(198,269)	4,323,944	
Opening balance as at 1 January 2021																	
- As previously reported	360,000	240,000	36,000	44	4,167,005	(149,965)	(38)	(185,235)	74,244	-	(260,994)	4,542,055	-	14,650	14,650	4,556,705	
- Impact from business combination under common control	5	-	-	-	(19,842)	-	-	-	-	-	-	(19,842)	(212,919)	-	(212,919)	(232,761)	
- Restated	360,000	240,000	36,000	44	4,147,163	(149,965)	(38)	(185,235)	74,244	-	(260,994)	4,522,213	(212,919)	14,650	(198,269)	4,323,944	
Dividend payment	27	-	-	-	(1,260,000)	-	-	-	-	-	-	(1,260,000)	-	(21,300)	(21,300)	(1,281,300)	
Non-controlling interests on acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	144	144	144	
Business combination under common control	40	-	-	-	-	-	-	-	-	(416,352)	(416,352)	(416,352)	264,645	-	264,645	(151,707)	
Reclassification	-	-	-	-	(143,396)	-	-	143,396	-	-	143,396	-	-	-	-	-	
Profit for the year	-	-	-	-	1,598,681	-	-	-	-	-	-	1,598,681	(32,533)	9,697	(22,836)	1,575,845	
Other comprehensive income (expenses) for the year	-	-	-	-	(84,118)	152,087	9	-	(183,898)	-	(31,802)	(115,920)	(19,193)	(340)	(19,533)	(135,453)	
Closing balance as at 31 December 2021																	
- Restated	360,000	240,000	36,000	44	4,258,330	2,122	(29)	(41,839)	(109,654)	(416,352)	(565,752)	4,328,622	-	2,851	2,851	4,331,473	

The accompanying notes are an integral part of these consolidated and separate financial statements.

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Statement of Changes in Equity
For the year ended 31 December 2021

	Notes	Separate financial statements							Total equity Thousand Baht
		Issued and paid-up share capital Thousand Baht	Premium on share capital Thousand Baht	Retained earnings		Unappropriated Thousand Baht	Other components of equity		
				Appropriated	Other		Hedging reserves (Note 29) Thousand Baht	Total other components of equity Thousand Baht	
Opening balance as at 1 January 2020		360,000	240,000	36,000	44	2,479,608	4,444	4,444	3,120,096
Dividend payment	23	-	-	-	-	(900,000)	-	-	(900,000)
Profit for the year		-	-	-	-	1,024,282	-	-	1,024,282
Other comprehensive income for the year		-	-	-	-	-	69,800	69,800	69,800
Closing balance as at 31 December 2020		360,000	240,000	36,000	44	2,603,890	74,244	74,244	3,314,178
Opening balance as at 1 January 2021		360,000	240,000	36,000	44	2,603,890	74,244	74,244	3,314,178
Dividend payment	23	-	-	-	-	(1,260,000)	-	-	(1,260,000)
Profit for the year		-	-	-	-	2,994,613	-	-	2,994,613
Other comprehensive income for the year		-	-	-	-	(50,284)	(183,898)	(183,898)	(234,182)
Closing balance as at 31 December 2021		360,000	240,000	36,000	44	4,288,219	(109,654)	(109,654)	4,814,609

The accompanying notes are an integral part of these consolidated and separate financial statements.

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)

Statement of Cash Flows

For the year ended 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		(Restated)			
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from operating activities					
Profit before income taxes					
		674,180	1,089,152	2,975,364	1,034,464
	15	1,130,723	954,200	-	-
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Total		1,804,903	2,043,352	2,975,364	1,034,464
Adjustments for:					
Depreciation expenses	17, 18, 32	234,169	229,062	234,169	229,062
Amortisation expenses	19, 32	1,612	2,231	1,612	1,703
Allowance for loss on impairment of trade receivables	12	12,139	12,287	-	-
(Reversal of) Allowance for diminution in value of inventories		84,785	(47,945)	79,788	(34,958)
Employee benefit obligations	25	29,797	28,181	29,797	28,181
Loss on disposals and write-offs of property, plant and equipment, net		404	35,433	404	6,873
Fair value adjustments to derivatives		(3,452)	14,768	(3,452)	14,768
(Gain) Loss on exchange rates		(15,819)	(16,770)	(15,819)	18,349
Loss from sale of investment in subsidiary	16	-	-	76,676	-
Dividend received		-	-	(2,261,543)	-
Finance costs	31	24,675	26,276	11,453	11,013
Interest received	30	(65)	(28)	(65)	(28)
Profit (loss) for the year from discontinued operations	15	(1,130,723)	(954,200)	-	-
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		1,042,425	1,372,647	1,128,384	1,309,427
Changes in operating assets and liabilities					
- (Increase) Decrease in trade and other receivables		247,055	(206,139)	174,387	(219,973)
- Increase in inventories		(1,805,838)	(504,215)	(1,253,046)	(368,951)
- Increase in other current assets		(36,950)	(156)	(36,950)	(156)
- Decrease in other non-current assets		2,743	16,210	2,743	16,210
- Increase in trade and other payables		1,174,218	171,203	885,130	217,024
- Increase in other current liabilities		1,762	1,241	1,762	1,241
- Increase (Decrease) in other non-current liabilities		5,048	(2,899)	5,048	(2,899)
- Cash paid for employee benefit obligations	25	(15,857)	(7,557)	(15,857)	(7,557)
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Cash flows receipts from operations		614,606	840,335	891,601	944,366
- Income tax paid		(12,398)	(11,555)	(12,398)	(11,555)
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Net cash receipts from operating activities from continuing operations		602,208	828,780	879,203	932,811
Net cash receipts from operating activities from discontinued operations	15	520,596	1,146,147	-	-
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The accompanying notes are an integral part of these consolidated and separate financial statements.

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Statement of Cash Flows (continued)
For the year ended 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		(Restated)		31 December 2021	31 December 2020
		31 December 2021	31 December 2020		
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Cash flows from investing activities					
Purchases of property, plant and equipment		(380,904)	(301,102)	(380,904)	(301,102)
Purchases of computer software	19	(1,975)	(23)	(1,975)	(23)
Cash payment for investments in subsidiaries	16	-	-	(1,429)	-
Proceeds from sale of investment in subsidiary	15	-	-	503,326	-
Cash payment for business combination under common control	40	(267,785)	-	(267,785)	-
Proceeds from disposals of property, plant and equipment and right-of-use asset		2,699	293,479	2,529	31,206
Net cash payments for short-term loans to related parties	35	(555,707)	-	(555,707)	-
Dividend received		-	-	2,261,544	-
Interest received		24	28	24	28
Net cash receipts from investing activities					
from continuing operations		(1,203,648)	(7,618)	1,559,623	(269,891)
Net cash receipts from (payments for) investing activities from discontinued operations	15	654,165	(540,654)	-	-
Net cash receipts from investing activities		(549,483)	(548,272)	1,559,623	(269,891)
Cash flows from financing activities					
Net cash receipts (payments) for short-term loans from financial institutions	22, 36	(1,159,130)	255,171	(1,159,130)	255,171
Net cash receipts for short-term loans from a related party	36	203,832	133,188	-	-
Repayments for long-term loans from a related party	36	-	(264,377)	-	-
Cash paid for lease liabilities	36	(11,938)	(11,034)	(11,938)	(11,034)
Interest paid		(22,279)	(25,786)	(9,051)	(9,789)
Other finance costs paid		(1,444)	(324)	(1,444)	(324)
Cash receipts from non-controlling interests for additional share capital in a subsidiary		144	-	-	-
Dividends paid to the owners of the parent		(1,257,170)	(897,976)	(1,257,170)	(897,976)
Net cash receipts from financing activities		#REF!	#REF!	#REF!	#REF!
Net decrease in cash and cash equivalents					
Cash and cash equivalents - opening balance	11	21,628	29,681	1,750	2,782
Exchange gain (loss) on cash and cash equivalents		6,406	435	(3)	-
Total changes in cash and cash equivalents		#REF!	#REF!	#REF!	#REF!
Less: Included in the assets of disposal group classified as held-for-sale from discontinued operations	15	(9,472)	-	-	-
Cash and cash equivalents - closing balance	11	#REF!	#REF!	#REF!	#REF!
Non-cash items:					
Receivables from business combination under common control	40	193,220	-	193,220	-
Payable balances from purchase of property, plant and equipment (included in trade and other payables)	15, 23	32,381	57,654	24,172	32,113
Acquisition of right-of-use assets under lease contracts	18	27,689	3,279	24,143	-
Payable from investment in a subsidiary	16	-	-	167,965	-
Payable from business combination under common control	40	2,301,557	-	2,149,850	-

The accompanying notes are an integral part of these consolidated and separate financial statements.

1 General information

i-Tail Corporation Public Company Limited (the Company) (formerly known as “Songkla Canning Public Company Limited”) is a public limited company, which is incorporated and domiciled in Thailand. The current address of the Company’s registered office is at 979/92-94, 29th Floor, S.M. Tower, Phaholyothin Road, Phayathai, Phayathai District, Bangkok. The Company has a branch in Songkla.

For reporting purposes, the Company and its subsidiaries are referred to as ‘the Group’.

The Company is controlled by Thai Union Group Public Company Limited, its parent company (the “Parent”), which owns 99.55% of the Company’s shares. The parent company is incorporated in Thailand and listed on the Stock Exchange of Thailand.

The Group is principally engaged in the manufacture and export of canned seafood and animal feeds. The subsidiary in Thailand is principally engaged in manufacture and distribution of packaging for food products. The overseas subsidiaries are principally engaged in the manufacturer and distributor of tuna, canned seafood and distributor of pet food and pet related products.

These consolidated and separate financial statements were authorised for issuance by the Board of Directors on 22 February 2022.

2 Significant events during the current period

In early 2021, the outbreak of COVID-19, which began in 2020, is continuing and the trend of the number of infected people both in Thailand and abroad is on the rise. The situation affects the overall economy of Thailand, including the Group’s operating result for the year ended 31 December 2021.

During the year, there is a COVID-19 outbreak in the Group. The Group is proactively implementing COVID-19 testing and increased health and safety measure to handle the situations. The Group continues to co-operate, partner, and work closely with the government and local authorities and is following all the measures they require. For keeping the operations going while minimizing the risk to employees of COVID-19 transmission.

The situation for this crisis is continued to be regularly updated and reviewed by the crisis management team. In addition, the Group is taking steps to ensure business continuity and liquidity by setting aside appropriate reserves and putting in place measures for effective cost, working capital management, and credit risk management.

On 6 August 2021, the Company’s Board of Directors Meeting passed the resolution to approve the business restructuring and operations of the Group. Due to this business decision, the meeting approved the disposal of investments in two subsidiaries of the Company, namely Asian-Pacific Can Co., Ltd. (“APC”), which is registered company operating packaging business in Thailand, and Yueh Chyang Canned Food Co., Ltd. (“YCC”), which is a registered company operating canned tuna and seafood business in Vietnam, to related companies under common control of the Parent.

As at 27 December 2021, the Company completed the disposal of YCC (Note 15.2) and expected to complete the disposal of APC within the first quarter of 2022.

As a result of the restructuring, the Group has reclassified APC’s assets and liabilities as assets and liabilities of disposal groups classified as held-for-sale from discontinued operations in the consolidated statement of financial position. While the Company has classified an investment in APC as assets of a held-for-sales assets in the separate statement of financial position (Note 15.3).

During the year, the Company established “i-Tail Americas, Inc. (ITA)”, which is a wholly-owned subsidiary in the United States for the purpose of investment in “US Pet Nutrition, LLC (USPN)”, which is a company under common control of the Parent operating import and distributing pet food products located in the United States. The Group recognised the acquisition of USPN in the consolidated financial statements as a business combination under common control transaction (Note 40). Net assets acquired and liabilities assumed are recognised at its carrying amount of the ultimate parent company. Differences between the consideration paid and such carrying amount as at the acquisition date is presented separately in the equity under “Surplus arising from business combination under common control”. The Group has restated the comparative financial information as if the business combination has incurred since 1 January 2020 (Note 5).

In addition, the Company has purchase assets and pension in relation to pet food business from Thai Union Manufacturing Company Limited (“TUM”) which is an entity under common control of the Parent (Note 40). The Company has recognised this business combination under common control in the consolidated and separate financial statements since 31 December 2021 which is the acquisition date and does not restate the comparative financial information because financial information on the said segment is not complete and sufficient to apply retrospectively to the consolidated and separate financial statements.

3 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except the investments measured at fair value and derivatives as explained in the relevant accounting policies.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 9.

An English version of financial statements has been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai statutory financial statements shall prevail.

4 New and amended financial reporting standards

4.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2021

- a) **Revised Conceptual Framework for Financial Reporting** added the following key principals and guidance:
- Measurement basis, including factors in considering difference measurement basis
 - Presentation and disclosure, including classification of income and expenses in other comprehensive income
 - Definition of a reporting entity, which maybe a legal entity, or a portion of an entity
 - Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting.

- b) **Amendment to TFRS 3, Business combinations** amended the definition of a business which requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term ‘outputs’ is amended to focus on goods and services provided to customers and to exclude returns in the form of lower costs and other economic benefits.
- c) **Amendment to TFRS 9, Financial instruments and TFRS 7, Financial instruments: disclosures** amended to provide relief from applying specific hedge accounting requirements to the uncertainty arising from interest rate benchmark reform such as IBOR. The amendment also requires disclosure of hedging relationships directly affected by the uncertainty.
- d) **Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors** amended to definition of materiality. The amendment allows for a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates come of the guidance in TAS 1 about immaterial information.

The Group’s management assessed and considered that the above new and amended standards do not have a significant impact on the Group.

4.2 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2022

Certain amended TFRSs have been issued that are not mandatory for the current reporting period and have not been early adopted by the Group and the Company.

- a) **Interest rate benchmark (IBOR) reform - phase 2, amendments to TFRS 9, TFRS 7, TFRS 16 and TFRS 4, and accounting guidance, financial instruments and disclosures for insurance business** provide relief measures addressing issues that might affect financial reporting during the reform, including the effects of changes to contractual cash flows or hedging relationship arising from the replacement of one benchmark with an alternative benchmark.

Key relief measures of the phase 2 amendments are as follows:

- When changing the basis for determining contractual cash flows for financial assets and financial liabilities (including lease liabilities), changes that are necessary as a direct result of the IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the statement of income. TFRS 16 has also been amended to require lessees to use a similar practical expedient when accounting for lease modifications that change the basis for determining future lease payments as a result of the IBOR reform.
- Hedge accounting relief measures will allow most TFRS 9 hedge relationships that are directly affected by the IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

TFRS 7 requires additional disclosure about:

- the nature and extent of risks arising from the IBOR reform to which the entity is exposed to
- how the entity manages those risks
- the entity's progress in transitioning from the IBOR to alternative benchmark rates and how the entity is managing this transition.

5 Impact from business combination under common control and reclassification

During the year, the Group retrospectively adjusted the financial statements as a result from the business combination under common control in accordance with the guidance of business combination under common control as issued by the Federation of Accounting Professions (Note 40). The comparative figures have been restated as follows:

	Consolidated financial statements		
	As previously reported	Adjustments from business combination under common control	After restated
Statement of financial position as at 1 January 2020	Thousand Baht	Thousand Baht	Thousand Baht
Cash and cash equivalents	14,219	15,462	29,681
Trade and other receivables, net	1,951,896	(37,704)	1,914,192
Inventories, net	3,074,435	140,443	3,214,878
Property, plant and equipment, net	3,556,942	259,251	3,816,193
Right-of-use assets, net	178,187	27,620	205,807
Intangible assets, net	23,009	5,240	28,249
Trade and other payables	1,093,996	52,993	1,146,989
Short-term loans from a related party	900,000	280,619	1,180,619
Current portion of lease liabilities, net	17,522	3,609	21,131
Other current liabilities	43,250	2	43,252
Long-term loans from a related party	500,000	361,848	861,848
Lease liabilities, net	37,008	113	37,121
Unappropriated retained earnings as at 1 January 2020	3,285,218	(17,899)	3,267,319
Non-controlling interest as at 1 January 2020	7,440	(270,973)	(263,533)

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

	Consolidated financial statements		
	As previously reported	Adjustments from business combination under common control	After restated
Statement of financial position as at 31 December 2020	Thousand Baht	Thousand Baht	Thousand Baht
Trade and other receivables, net	2,243,815	4,273	2,248,088
Inventories, net	3,413,720	292,884	3,706,604
Trade and other payables	1,401,227	27,944	1,429,171
Short-term loans from a related party	600,000	411,863	1,011,863
Long-term loans from a related party	470,000	90,111	560,111
Unappropriated retained earnings as at 31 December 2020	4,167,005	(19,842)	4,147,163
Non-controlling interest as at 31 December 2020	14,650	(212,919)	(198,269)

	Consolidated financial statements			
	As previously reported	Adjustments from business combination under common control	Discontinued operations	After restated
Statement of comprehensive income for the year ended 31 December 2020	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Sales	12,304,693	157,742	(5,505,824)	6,956,611
Cost of sales	9,728,543	(35,175)	(4,315,512)	5,377,856
Other income	148,454	(7,987)	(64,527)	75,940
Gain on exchange rates, net	23,235	-	(8,334)	14,901
Selling expenses	238,151	39,509	(104,559)	173,101
Administrative expenses	476,106	74,182	(146,389)	403,899
Reversal of impairment of financial assets, net	12,851	-	9,981	22,832
Finance cost	59,057	15,263	(48,044)	26,276
Income tax	198,379	-	(188,197)	10,182
Profit for the year from continuing operations	1,788,997	55,976	(766,003)	1,078,970
Profit for the year from discontinued operations	-	-	766,003	766,003
Other comprehensive income from continuing operations	69,004	135	796	69,935
Other comprehensive expenses from discontinued operations	-	-	(796)	(796)
Total comprehensive income for the year from continuing operations	1,858,001	56,111	(765,207)	1,148,905
Total comprehensive income for the year from discontinued operations	-	-	765,207	765,207
Earnings per share for profit attributable to the owners of the parent (Baht)				
Basic earnings per share (Baht)				
From continuing operations	49.49	(0.05)	(21.08)	28.36
From discontinued operations	-	-	21.08	21.08
Total basic earnings per share (Baht)	49.49	(0.05)	-	49.44

	Consolidated financial statements		
	As previously reported	Adjustments from business combination under common control	After restated
Statement of cash flows for the year ended 31 December 2020	Thousand Baht	Thousand Baht	Thousand Baht
Net cash receipts from (payments for)			
- Operating activities	2,106,153	(131,226)	1,974,927
- Financing activities	(810,543)	262,271	(548,272)
- Investing activities	(1,287,955)	(147,188)	(1,435,143)
Total changes in cash and cash equivalents	7,655	(16,143)	(8,488)

6 Accounting policies

6.1 Principles of consolidation

6.1.1 Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method.

A list of the Group's subsidiaries has been disclosed in Note 16.

6.1.2 Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains or losses on transactions are eliminated. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

6.2 Business combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises.

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquiree,
- equity interests issued by the Group

Identifiable assets and liabilities acquired, and contingent liabilities assumed in a business combination are measured initially at their fair value at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred; the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related cost

Acquisition-related cost are recognised as expenses in consolidated financial statements, while they are recognised as cost of investment in the separate financial statements.

Step-up acquisition

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer’s previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

Changes in fair value of contingent consideration paid/received

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

Business combination under common control

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree at their carrying values presented in the highest level of the consolidation. The Group retrospectively adjusted the business combination under common control transactions as if the combination had occurred on the later of the beginning of the preceding comparative period and the date the acquiree has become under common control.

Consideration of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred, and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer’s interests in the carrying value of the acquiree is presented as “surplus arising from business combination under common control” in equity and is derecognised when the investment is disposed of by transferred to retained earnings.

6.3 Foreign currency translation

6.3.1 Functional and presentation currency

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which each entity operates, or the functional currency. The financial statements are presented in Thai Baht, which is the Company’s functional and presentation currency.

6.3.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or the date of revaluation where items are re-measured.

Foreign exchange gains and losses resulting from foreign currency transactions of monetary assets and liabilities are recognised in the profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

6.3.3 Group companies

The operational results and financial position of the Group’s entities (none of which has the currency of a hyper-inflationary economy) that have a different functional currency from the Group’s presentation currency are translated into the presentation currency as follows.

- Assets and liabilities are translated at the closing rate at the date of respective statement of financial position;
- Income and expenses for each statement of income and statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

6.4 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, short-term highly liquid investments with maturities of three months or less from acquisition date and bank overdrafts.

In the statement of financial position, bank overdrafts are shown in current liabilities.

6.5 Trade receivables

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at its fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost because.

The impairment of trade receivables is disclosed in Note 6.7.

6.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, rebates and other similar items. The cost of finished goods and work in progress comprises raw materials, direct labour costs, other direct costs and related production overheads based on normal operating capacity. It excludes borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for slow-moving, obsolete and defective inventories.

6.7 Financial assets

Classification of financial assets

The classification of financial assets depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows whether their cash flows are solely payment of principal and interest (SPPI).

The Group classifies its debt instruments in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

Recognition and derecognition

The Group shall recognise a financial asset or a financial liability in its statement of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus or minus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest (SPPI).

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** A financial asset will be measured at amortised cost when the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. In addition, 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. Interest income from these financial assets is included in financial income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented in profit or loss.
- **FVOCI:** A financial assets will be measured at FVOCI when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In addition, 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. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and related foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised on other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of comprehensive income.
- **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

The Group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables, which applies lifetime expected credit loss, from initial recognition for all trade receivables.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost and FVOCI, The Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk and recognise impairment loss since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to The Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, The Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment losses are presented as net impairment losses in the statement of income. Subsequent recoveries of amounts previously written off are credited against the same line item.

6.8 Non-current assets held-for-sale and discontinued operation

Non-current assets (or disposal groups) are classified as assets held-for-sale when their carrying amount will be recovered principally through a sale transaction and a sale is considered highly probable. They are measured at the lower of the carrying amount and fair value less costs to sell.

An impairment loss is recognised for write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised.

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

6.9 Property, plant and equipment

All other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical costs include expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Land improvements	5 - 20 years
Buildings and building improvements	5 - 20 years
Machinery and factory equipment	5 - 15 years
Furniture, fixtures and office equipment	3 - 5 years
Vehicles	5 - 8 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the net proceeds with the carrying amount and are recognised in other gains or losses in the statement of income.

6.10 Intangible assets

Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using the straight-line basis over their estimated useful lives not exceeding 10 years.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

6.11 Impairment of assets

An asset with an indefinite useful life is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. An asset that is subject to amortisation is reviewed for impairment whenever there is an indication of impairment. Impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, impairment losses on the assets concerned is reversed.

6.12 Leases

Leases - where the Group is the lessee

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

The Group recognises a right-of-use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, initial direct costs and estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any incentive received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, if the rate can be readily determined. If that rate cannot be readily determined, The Group uses The Group's incremental borrowing rate.

Lease payments can include fixed payments; variable payments that depend on an index or rate known at the commencement date; and extension option payments or purchase options which The Group is reasonably certain to exercise.

To apply a cost model, The Group measures the ROU asset at cost, less accumulated depreciation and accumulated impairment loss and adjusted for any remeasurement of the lease liability. The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. However, if the lease transfers ownership of the underlying asset to The Group by the end of the lease term or if the cost of the ROU asset reflects that The Group will exercise a purchase option, The Group depreciates the ROU asset from the commencement date to the end of the useful life of the underlying asset. The useful life of the ROU asset is determined on the same basis as those of property, plant and equipment.

The lease liability is measured in subsequent periods using the effective interest rate method and remeasured (with a corresponding adjustment to the related ROU asset) when there is a change in future lease payments in case of negotiation, changes of an index or rate or in case of reassessment of options.

When the lease liability is re-measured to reflect changes to the lease payments, The Group recognises the amount of the remeasurement of the lease liability as an adjustment to the ROU asset. However, if the carrying amount of the ROU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, The Group recognises any remaining amount of the remeasurement in profit or loss.

The Group has elected not to recognise ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases - where the Group is the lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease substantially transfers all risks and rewards incidental to the underlying asset's ownership. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Initial direct costs are included in the initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

6.13 Financial liabilities

Classification

Financial instruments issued by The Group are classified as either financial liabilities or equity securities by considering contractual obligations. Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of The Group's own equity instruments.

Borrowings are classified as current liabilities unless The Group has an unconditional right to defer the liability settlement for at least 12 months after the reporting date.

Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

Recognition, derecognition and modification

The Group shall recognise a financial liability in its statement of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument. Financial liabilities are derecognised from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, The Group assesses whether the renegotiation/modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

6.14 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying assets for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

6.15 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

6.16 Employee benefits

Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries and bonuses that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

Defined contribution plan

A defined contribution plan or provident fund is a post-retirement plan under which the Group pays fixed contributions into a separate entity. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

Defined benefit plan

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounted the estimated future cash outflows using the market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are charged or credited to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

Other long-term benefits

The Group operates other long-term benefit schemes for employees who complete the service years according to the policy.

These obligations are measured similar to defined benefit plans except remeasurement gains and losses that are charged to profit or loss.

Termination benefits

The Group recognises termination benefits at the earlier of (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for the related restructuring. Benefits due more than 12 months are discounted to their present value.

6.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

6.18 Share capital

Ordinary shares with discretionary dividends are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

6.19 Revenue recognition

The Group recognises revenue in the period when control of goods or services transferred to customers in an amount that reflect the net consideration the Group expects to receive. Depending on the terms of the underlying contract, the Group generally meets the above requirements when it either ships or delivers finished goods and control of the goods transfers to the customer. At contract inception, the Group assesses the goods promised in the contract to identify the performance obligations. Each performance obligation is a promise to transfer to the customer a good or service that is distinct. The transaction price will need to be allocated to the distinct performance obligations based on the relative standalone selling price of the goods and other performance obligations to ensure that revenue is recognised at the appropriate time and for the correct amount.

The Group recognises revenue when it satisfies a performance obligation by transferring a promised goods or services to a customer, which is when the customer obtains control of those goods, or services. The amount of revenue recognised is the amount allocated to the satisfied performance obligation. A performance obligation may be satisfied at a point in time, typically for promises to transfer goods to a customer, or over time, typically for promises to transfer services to a customer.

Interest income is recognised on an accrual basis, using the effective interest method.

Dividend income is recognised when the right to receive payment is established.

6.20 Dividend distribution

Dividend distributed to the Company’s shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

6.21 Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument in hedge accounting, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities or unrecognised firm commitments (fair value hedges); or
- hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Derivatives that is not applied hedge accounting is classified as an asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains (losses).

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in the cash flow hedge reserve within equity. The change in the forward element of the contract that relates to the hedged item ('aligned forward element') is recognised within other comprehensive income in the costs of hedging reserve within equity. In some cases, the Group may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains or losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedge reserve within equity.

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in other gains (losses).

6.22 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under TFRS 9; and
- the amount initially recognised less the cumulative amount of income recognised in accordance with the principles of TFRS 15.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between a) the contractual payments required under the debt instrument; and b) the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

7 Financial risk management

7.1 Financial risk factors

The Group exposes to a variety of financial risk: market risk (including currency risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain exposures.

Financial risk management is carried out by the Group Treasury Committee. The Group's policy includes areas such as foreign exchange risk, interest rate risk, credit risk and liquidity risk. The framework parameters are approved by the Board of Directors and uses as the key communication and control tools for Treasury team globally.

7.1.1 Market risk

a) Foreign currency risk

The Group operates internationally and is exposed to foreign currency risk arising mainly from trading transactions denominated in foreign currencies. The Group seeks to reduce this risk by entering forward exchange contracts when considering appropriate. The Group uses forward contracts, transacted with financial institutions to hedge their exposure to foreign currency risk in connection with their measurement currency.

The Group uses foreign currency forwards to hedge its exposure to foreign currency risk. Under the Group's policy, the critical terms of the forwards must align with the hedged items.

The Group may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains or losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedge reserve within equity.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedge is recognised in the cash flow hedge reserve within equity. The gain or loss to the ineffective portion is recognised immediately in profit or loss, within other gains (losses). The Group also entered into foreign currency forwards in relation to projected purchases for the next 12 months that do not qualify as 'highly probable' forecast transactions and hence do not satisfy the requirements for hedge accounting (economic hedges). The foreign currency forwards are subject to the same risk management policies as all other derivative contracts. However, they are accounted for as held for trading, with gains (losses) recognised in profit or loss.

Exposure

The Group and the Company's financial assets and liabilities balances denominated in foreign currencies are summarised in currency units below.

	Consolidated Financial Statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2021	2020	2021	2020	2021	2020
As at 31 December	Thousand unit	Thousand unit	Thousand unit	Thousand unit	Baht per currency	Baht per currency
USD	32,058	43,744	11,217	20,936	33.42	30.04
EUR	-	64	8	459	37.89	36.88
JPY	-	-	27,304	16,259	0.29	0.29
	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2021	2020	2021	2020	2021	2020
As at 31 December	Thousand unit	Thousand unit	Thousand unit	Thousand unit	Baht per currency	Baht per currency
USD	32,058	40,063	11,217	10,494	33.42	30.04
EUR	-	64	8	459	37.89	36.88
JPY	-	-	27,304	16,259	0.29	0.29

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

Effect of hedge accounting on the financial position and performance

The effects of the foreign currency-related hedging instruments on the Group and the Company’s financial position and performance are as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
As at 31 December				
Cash flow hedge				
<u>Foreign currency forward contracts</u>				
Net carrying amount of hedging instruments (Thousand Baht)	(117,311)	79,674	(117,311)	79,674
Notional amount (Thousand unit)				
USD	270,854	83,348	270,854	83,348
Maturity date	January 2022 to February 2023	January 2021 to September 2021	January 2022 to February 2023	January 2021 to September 2021
Hedge ratio	1:1	1:1	1:1	1:1
Change in value of outstanding hedging instruments used for measuring ineffectiveness for the year (Thousand Baht)	(340,392)	43,608	(340,392)	43,608
Change in value of hedged item used to determine hedge ineffectiveness	340,392	(43,608)	340,392	(43,608)
Weighted average strike rate for outstanding hedging instruments USD:THB	32.97	30.40	32.97	30.40

Sensitivity

As shown in the table above, the Group is primarily exposed to changes between Baht and US Dollar exchange rates. The sensitivity of pre-tax profit or loss to changes in the exchange rates arises, while holding all other variables constant, mainly comes from financial assets and liabilities denominated in US Dollar. The impact on other components of equity arises from foreign forward exchange contracts designated as cash flow hedges. The sensitivity of pre-tax profit or loss to changes in exchange rates can be presented as follows.

	Consolidated financial statements		Separate financial statements	
	Impact to net profit	Impact to other components of equity	Impact to net profit	Impact to other components of equity
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 31 December 2021				
THB to USD Increase / Decrease 7%	Increase/Decrease 49,916	Decrease/Increase 627,893	Increase/Decrease 49,916	Decrease/Increase 627,893
As at 31 December 2020				
THB to USD Increase / Decrease 7%	Increase/Decrease 41,693	Decrease/Increase 172,157	Increase/Decrease 53,721	Decrease/Increase 172,157

b) Interest rate risk

The Group’s income and operating cash flows are substantially independent of changes in market interest rates. The Group’s exposure to interest rate risk relates primarily to its deposits at financial institutions, loans to related parties, short-term borrowings, and long-term borrowings.

For interest rate risk, the Group’s financial assets and liabilities mostly carried fixed interest rates. Therefore, the Group considers that interest rate risk is not a key business risk.

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

Significant financial assets and liabilities classified by interest rates type and maturity date in the table below.

	Consolidated financial statements							Total Million Baht	Interest rate (% p.a.)
	Fixed interest rates			Floating interest rates			Non- interest bearing Million Baht		
	Within 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht	Within 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht			
As at 31 December 2021									
Financial assets									
Cash and cash equivalents	1,800	-	-	-	-	-	1,493	3,293	0.04 - 0.13
Short-term loans to	555,707	-	-	-	-	-	-	555,707	0.68
	557,507	-	-	-	-	-	1,493	559,000	
Financial liabilities									
Short-term loans from from the Parent	-	-	-	672,319	-	-	-	672,319	1.1
Long-term loans from from the Parent	-	100,260	-	-	-	-	-	100,260	6
	-	100,260	-	672,319	-	-	-	772,579	
As at 31 December 2020									
Financial assets									
Cash and cash equivalents	10,652	-	-	-	-	-	10,976	21,628	0.05 - 0.13
	10,652	-	-	-	-	-	10,976	21,628	
Financial liabilities									
Bank overdrafts and short-term loans from financial institutions	2,310,238	-	-	-	-	-	-	2,310,238	0.75 - 1.03
Short-term loans from from the Parent	600,000	-	-	411,863	-	-	-	1,011,863	1.14 - 1.30
Long-term loans from financial institutions	-	-	-	-	90,539	-	-	90,539	1.69
Long-term loans from from the Parent	-	560,111	-	-	-	-	-	560,111	3.53 - 6
	2,910,238	560,111	-	411,863	90,539	-	-	3,972,751	
Separate financial statements									
	Fixed interest rates			Floating interest rates			Non- interest bearing Million Baht	Total Million Baht	Interest rate (% p.a.)
	Within 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht	Within 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht			
	As at 31 December 2021								
Financial assets									
Cash and cash equivalents	1,800	-	-	-	-	-	40	1,840	0.04 - 0.13
Short-term loans to	555,707	-	-	-	-	-	-	555,707	0.68
	557,507	-	-	-	-	-	40	557,547	
As at 31 December 2020									
Financial assets									
Cash and cash equivalents	1,539	-	-	-	-	-	211	1,750	0.05 - 0.13
	1,539	-	-	-	-	-	211	1,750	
Financial liabilities									
Bank overdrafts and short-term loans from financial institutions	1,159,130	-	-	-	-	-	-	1,159,130	0.75 - 0.85
	1,159,130	-	-	-	-	-	-	1,159,130	

Sensitivity

Profit or loss is sensitive to higher or lower interest expenses from borrowings as a result of changes in interest rates. The impact to net income in the consolidated financial statements can be presented as follows:

Impact to net income for the year ended 31 December 2021	Consolidated financial statements	
	2021 Thousand Baht	2020 Thousand Baht
Interest rate - Increase / Decrease by 1 basis point	Decrease / Increase 6,723	Decrease / Increase 5,024

* As at 31 December 2021 and 2020, the Group does not have financial liabilities with interest rate risk.

7.1.2 Credit risk

The Group has no significant concentrations of credit risk.

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties are accepted. The Group has policies in place to ensure that sales of products are made to customers with an appropriate credit history by considering its financial position, past experiences and other relevant factors. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. The maximum exposure to credit risk is limited to the carrying amounts of receivables and loans as stated in the statement of financial position.

Impairment of financial assets

The Group and the Company has financial assets that are subject to the expected credit loss model.

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

The expected loss rates are based on the payment profiles of sales over a period of the last 5 years and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The impairment loss of trade receivables is disclosed in Note 6.7.

7.1.3 Liquidity risk

The Group's financial liabilities are due within 5 years after the reporting date.

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The unused borrowing facilities has been disclosed in Note 24. Due to the nature of the underlying business, the Group Treasury aims at maintaining funding flexibility by keeping committed credit lines available.

The table below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounted is not significant.

	Consolidated financial statements			Carrying amount liabilities Thousand Baht
	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Total Thousand Baht	
Maturity of financial liabilities as at 31 December 2021				
Non-derivative financial liabilities				
Trade and other payables	4,339,956	-	4,339,956	4,339,956
Short-term and long-term borrowings	672,319	121,158	793,477	772,579
Lease liabilities	10,672	24,048	34,720	32,105
Other financial liabilities	8,110	23,753	31,863	31,863
Total non-derivative financial liabilities	5,031,057	168,959	5,200,016	5,176,503
Derivative liabilities				
Trading derivatives	-	-	-	-
Gross settled (Foreign currency forwards)				
(Inflow)	(6,208,553)	(298,296)	(6,506,849)	
Outflow	6,365,961	302,336	6,668,297	125,721
Total derivative liabilities	157,408	4,040	161,448	125,721

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

	Consolidated financial statements			
	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Total Thousand Baht	Carrying amount liabilities Thousand Baht
Maturity of financial liabilities as at 31 December 2020				
Non-derivative financial liabilities				
Trade and other payables	1,422,890	-	1,422,890	1,422,890
Short-term and long-term borrowings	3,385,978	629,870	4,015,848	3,972,751
Lease liabilities	18,367	24,430	42,797	39,712
Other financial liabilities	20,209	10,673	30,882	30,882
Total non-derivative financial liabilities	4,847,444	664,973	5,512,417	5,466,235
Derivative liabilities				
Trading derivatives	6,721	-	6,721	6,721
Gross settled (Foreign currency forwards)				
(Inflow)	(270,035)	-	(270,035)	
Outflow	272,473	-	272,473	896
	2,438	-	2,438	896
Total derivatives liabilities	9,159	-	9,159	7,617
	Separate financial statements			
	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Total Thousand Baht	Carrying amount liabilities Thousand Baht
Maturity of financial liabilities As at 31 December 2021				
Non-derivative financial liabilities				
Trade and other payables	4,075,013	-	4,075,013	4,075,013
Lease liabilities	10,672	24,048	34,720	32,105
Other financial liabilities	8,111	23,753	31,864	31,864
Total non-derivative financial liabilities	4,093,796	47,801	4,141,597	4,138,982
Derivative liabilities				
Trading derivatives	-	-	-	-
Gross settled (Foreign currency forwards)				
(Inflow)	(6,208,553)	(298,296)	(6,506,849)	
Outflow	6,365,961	302,336	6,668,297	125,721
Total derivatives liabilities	157,408	4,040	161,448	125,721
As at 31 December 2020				
Non-derivative financial liabilities				
Trade and other payables	885,228	-	885,228	885,228
Short-term borrowings	1,159,911	-	1,159,911	1,159,130
Lease liabilities	9,150	11,174	20,324	18,874
Other financial liabilities	6,350	10,673	17,023	17,023
Total non-derivative financial liabilities	2,060,639	21,847	2,082,486	2,080,255
Derivatives liabilities				
Trading derivatives	6,721	-	6,721	6,721
Gross settled (Foreign currency forwards)				
(Inflow)	(270,035)	-	(270,035)	-
Outflow	272,473	-	272,473	896
	2,438	-	2,438	896
Total derivative liabilities	9,159	-	9,159	7,617

7.2 Capital risk management

The Group’s objectives of capital management are to safeguard the Group’s ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

8 Fair value

The following table presents financial assets and liabilities that are measured at fair value, excluding where its fair value is approximating the carrying amount.

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Derivatives assets				
Foreign currency forward contracts	8,499	80,570	8,499	80,570
Derivatives liabilities				
Foreign currency forward contracts	125,721	7,617	125,721	7,617

Fair value of financial derivatives is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available by considering 2 factors which are contractual amount of financial derivatives and market foreign exchange rate. The fair values are within level 2 of the fair value hierarchy.

Fair values are categorised into hierarchy based on inputs used as follows:

- Level 1 The fair value of financial instruments is based on the price at the financial statements date by reference to market with liquidity.
- Level 2 The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3 The fair value of financial instruments is not based on observable market data.

There was no transfer between such levels during the year.

Financial assets and financial liabilities are approximately to the carrying amounts as follows:

- Cash and cash equivalents, including restricted cash
- Trade and other receivables
- Short-term loans from/to
- Loans from financial institutions and related parties
- Trade and other payables

Fair value of long-term loans from related party is approximately to its book value since its interest rate is similar to current market interest rate. Therefore, impact from the discount rate is insignificant.

9 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Defined retirement benefit obligations

The present value of the retirement benefit obligations depends on a number of assumptions. Key assumptions used and impacts from possible changes in key assumptions are disclosed in Note 25.

10 Segment and revenue information

The Group's Management Team is the Group's chief of operating decision maker. Management has determined the operating segments based on the information reviewed by the Group's Management Team for the purpose of allocating resources and assessing performance.

For management purposes, the Group organises business units based on its products and services and has three reportable segments as follows:

- Pet food
- Ambient seafood and value-added
- Other products

However, as a result from the management decision in relation to the business restructure (Note 2), segment information has been affected as the Company plans to reduce operation of ambient seafood and value-added business within 2022. About the impact from business combination to revenue information, it has been disclosed in Note 40.

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. The Group measures segment performance based on gross profit on a consistent basis with that uses to measure gross profit in statement of comprehensive income.

Details of revenue disaggregation are similar to revenue information that is disclosed in segment information.

The following tables present revenue and gross profit information regarding the Group's operating segments.

	Consolidated financial statements			
	Pet food Thousand Baht	Ambient seafood and value-added Thousand Baht	Others Thousand Baht	Total Thousand Baht
For the year ended 31 December 2021				
Total revenue from external customers	5,489,313	1,464,330	154,227	7,107,870
Result				
Segment gross profit	1,145,814	(34,953)	(46,080)	1,064,781
Selling and administrative expenses (including impairment of financial assets)				<u>(592,360)</u>
Operating profit (not including other income)				472,421
Finance costs				(24,675)
Other income (expenses), net				<u>226,434</u>
Profit before income tax				674,180
Income tax				<u>19,737</u>
Profit for the year from continuing operations				693,917
Profit for the year from discontinued operations				<u>881,928</u>
Profit for the year				<u>1,575,845</u>
Timing of revenue recognition				
At a point in time	5,489,313	1,464,330	154,227	7,107,870

Revenue of the Group and the Company from continuing operations can be disclosed as follow:

	Consolidated financial statements			
	Pet food Thousand Baht	Ambient seafood and value-added Thousand Baht	Others Thousand Baht	Total Thousand Baht
For the year ended 31 December 2021				
The Company's revenue	5,171,138	1,464,330	154,873	6,790,341
Subsidiaries' revenue included in the consolidation	3,156,533	-	-	3,156,533
Eliminated transactions	(2,838,358)	-	(646)	(2,839,004)
Total revenue from external customers	5,489,313	1,464,330	154,227	7,107,870

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

	Consolidated financial statements			
	Pet food Thousand Baht	Ambient seafood and value-added Thousand Baht	Others Thousand Baht	Total Thousand Baht
For the year ended 31 December 2020				
Total revenue from external customers	4,802,028	2,071,685	82,898	6,956,611
Result				
Segment gross profit	1,446,365	102,903	29,487	1,578,755
Selling and administrative expenses (including impairment of financial assets)				(554,168)
Operating profit (not including other income)				1,024,587
Finance costs				(26,276)
Other income (expenses), net				90,841
Profit before income tax				1,089,152
Income tax				(10,182)
Profit for the year from continuing operations				1,078,970
Profit for the year from discontinued operations				766,003
Profit for the year				1,844,973
Timing of revenue recognition				
At a point in time	4,802,028	2,071,685	82,898	6,956,611

Revenue of the Group and the Company from continuing operations can be disclosed as follow:

	Consolidated financial statements			
	Pet food Thousand Baht	Ambient seafood and value-added Thousand Baht	Others Thousand Baht	Total Thousand Baht
For the year ended 31 December 2020				
The Company's revenue	4,644,286	2,071,685	83,302	6,799,273
Subsidiaries' revenue included in the consolidation	1,803,506	-	-	1,803,506
Eliminated transactions	(1,645,764)	-	(304)	(1,646,168)
Total revenue from external customers	4,802,028	2,071,685	82,898	6,956,611

Geographic information

The Group classifies its revenue according to the nature of its customers, which is revenue from the Parent, subsidiaries and companies under common control, and revenue from other related and third parties. Regarding revenue from other related and third parties, the Group classifies based on the location of customers, which is consistent with nature of revenue, as follows:

For the year ended 31 December	Consolidated financial statements	
	2021 Thousand Baht	2020 Thousand Baht
Revenue from other related and third parties		
Thailand	88,572	186,885
USA	4,852,658	4,127,950
Australia	526,311	590,506
Middle east	111,384	403,407
European countries	636,473	878,725
Others	469,566	633,381
	6,684,964	6,820,854
Revenue from the Parent, subsidiaries and companies under common control (Note 35.1)	422,906	135,757
	7,107,870	6,956,611

Major customers

During the year ended 31 December 2021, the Group had revenues from 2 major customers, totalling of Baht 2,620 million, or 37% of total revenue which were revenues from pet food products (2020: 2 major customers, totalling of Baht 2,353 million, or 34% of total revenue which were revenues from pet food products).

11 Cash and cash equivalents

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Cash on hands	40	155	40	64
Current and savings accounts	3,253	21,473	1,800	1,686
Total cash and cash equivalents	3,293	21,628	1,840	1,750

As at 31 December 2021, cash and cash equivalents are mostly deposits at banks, which bear interest rates between 0.04% and 0.13% per annum (2020: between 0.05% and 0.20% per annum).

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

12 Trade and other receivables, net

	Consolidated financial statements		Separate financial statements	
	(Restated)		2021 Thousand Baht	2020 Thousand Baht
	2021 Thousand Baht	2020 Thousand Baht		
As at 31 December				
Trade receivables	1,067,626	2,238,248	1,117,188	1,248,175
<u>Less</u> Loss allowance for trade receivables	(22,299)	(27,762)	-	-
Trade receivables, net	1,045,327	2,210,486	1,117,188	1,248,175
Other receivables - related parties (Note 35)	2,714	856	9,765	33,948
Other receivables - third parties, net	19,498	7,806	1,429	3,746
Prepaid expenses	14,754	19,141	9,615	9,260
Tax coupons	6,282	7,149	6,282	6,690
Advance payments	1,330	2,650	1,330	289
Total trade and other receivables, net	1,089,905	2,248,088	1,145,609	1,302,108

The average credit term of trade receivables third parties and related parties were 60 days and 64 days, respectively (2020: Average 61 days and 60 days, respectively).

Trade receivables can analyse aging as follows:

	Consolidated financial statements		Separate financial statements	
	(Restated)		2021 Thousand Baht	2020 Thousand Baht
	2021 Thousand Baht	2020 Thousand Baht		
As at 31 December				
<u>Trade receivables - third parties</u>				
Not yet due	813,181	1,330,339	274,634	873,373
Up to 3 months	126,180	96,015	17,416	22,388
3 - 6 months	23,579	377	-	-
6 - 12 months	18,706	6,667	1	-
Over 12 months	1,477	12,880	-	-
	983,123	1,446,278	292,051	895,761
<u>Less</u> Loss allowance for trade receivables	(22,299)	(27,759)	-	-
	960,824	1,418,519	292,051	895,761
<u>Trade receivables - related parties</u> (Note 35)				
Not yet due	26,729	626,462	767,363	346,868
Up to 3 months	57,774	165,508	57,774	5,546
3 - 6 months	-	-	-	-
6 - 12 months	-	-	-	-
Over 12 months	-	-	-	-
	84,503	791,970	825,137	352,414
<u>Less</u> Loss allowance for trade receivables	-	(3)	-	-
	84,503	791,967	825,137	352,414
Trade receivables, net	1,045,327	2,210,486	1,117,188	1,248,175

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

The loss allowance was determined as follows for trade receivables:

	Consolidated financial statements		Separate financial statements	
	(Restated) Trade receivables (Gross) Thousand Baht	(Restated) Loss allowance Thousand Baht	Trade receivables (Gross) Thousand Baht	Loss allowance Thousand Baht
As at 31 December 2021				
Not yet due	839,910	-	1,041,997	-
Up to 3 months	183,954	-	75,190	-
3 - 6 months	23,579	(2,117)	-	-
6 - 12 months	18,706	(18,705)	1	-
Over 12 months	1,477	(1,477)	-	-
Total	1,067,626	(22,299)	1,117,188	-
As at 31 December 2020				
Not yet due	1,956,801	(370)	1,220,241	-
Up to 3 months	261,523	(11,315)	27,934	-
3 - 6 months	377	(115)	-	-
6 - 12 months	6,667	(4,013)	-	-
Over 12 months	12,880	(11,949)	-	-
Total	2,238,248	(27,762)	1,248,175	-

The loss allowance for trade receivables can be reconciled as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	(Restated) 2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
For the years ended 31 December				
As at 1 January	27,762	42,113	-	22,832
Loss allowance recognised in profit or loss	4,535	12,287	-	-
Receivables written off during the year as uncollectible	-	(26,638)	-	(22,832)
Reclassify to assets of disposal groups classified as held-for-sale from discontinued operations (Note 15)	(11,142)	-	-	-
Translation differences	1,144	-	-	-
As at 31 December	22,299	27,762	-	-

13 Inventories, net

	Consolidated financial statements		Separate financial statements	
	(Restated)		2021 Thousand Baht	2020 Thousand Baht
	2021 Thousand Baht	2020 Thousand Baht		
As at 31 December				
Finished goods	1,900,648	1,244,399	1,213,864	585,715
Work in process	14	181,298	14	-
Raw materials	908,880	1,594,269	912,673	720,779
Ingredients and packaging	831,646	406,534	847,907	384,911
Goods in transits	300,117	289,128	91,015	125,161
Spare parts and supplies	34,340	111,869	34,349	30,211
	3,975,645	3,827,497	3,099,822	1,846,777
<u>Less</u> Allowance for net realisable value	(131,029)	(120,893)	(129,232)	(49,445)
Total inventories, net	3,844,616	3,706,604	2,970,590	1,797,332

14 Other current assets

	Consolidated financial statements		Separate financial statements	
			2021 Thousand Baht	2020 Thousand Baht
	2021 Thousand Baht	2020 Thousand Baht		
As at 31 December				
Value added tax refundable	58,722	88,746	58,722	21,782
Others	6,355	1,783	6,355	171
Total other current assets	65,077	90,529	65,077	21,953

15 Assets and liabilities of disposal groups classified as held-for-sale from discontinued operations

As at 31 December 2021, as a result of the business restructure as explained in Note 2, the Group has reclassified assets and liabilities related to a subsidiary as assets and liabilities of disposal groups classified as held-for-sale from discontinued operations in the consolidated financial statements, which is Yueh Chyang Canned Food Co., Ltd. (“YCC”). The Company has reclassified an investment in a subsidiary, Asian-Pacific Can Co., Ltd. (“APC”), as assets held-for-sale in the separate financial statements. The operating result of both subsidiaries has been reported as discontinued operations. Financial information in connection with financial position and operating results for the year ended 31 December 2021 and 2020 is set out below.

15.1 Financial information and cash flow information

Operating results of discontinued operations of APC and YCC is as follows:

For the year ended 31 December	Consolidated financial statements	
	2021 Thousand Baht	2020 Thousand Baht
Revenue	5,878,678	5,505,824
Cost of sales	(4,471,717)	(4,315,512)
Gross profit	1,406,961	1,190,312
Selling and administrative expenses (including impairment of financial assets)	(292,923)	(260,929)
Other income (expenses), net	149,202	72,861
Finance cost	(29,904)	(48,044)
Profit before income tax	1,233,336	954,200
Income tax	(248,795)	(188,197)
Profit after income tax from discontinued operations	984,541	766,003
Loss from disposal of a subsidiary (Note 15.2)	(102,613)	-
Profit from discontinued operations	881,928	766,003
Currency translation differences of discontinued operations	71,125	(787)
Remeasurement gain of employee benefit obligations, net of income tax	34,176	-
Change in fair value of investment measured at fair value through other comprehensive income, net of income tax	6,888	(9)
Other comprehensive income (expenses) from discontinued operations	112,189	(796)
Total comprehensive income from discontinued operations	994,117	765,207
Total comprehensive income (expenses) from each discontinued business		
Packaging business in Thailand		
- Profit for the year	993,652	707,154
- Other comprehensive expenses for the year	(34,167)	(9)
	959,485	707,145
Ambient seafood and value-added business in Vietnam		
- Profit (Loss) for the year	(111,724)	58,849
- Other comprehensive income (expenses) for the year	146,356	(787)
	34,632	58,062
Total comprehensive income for the year	994,117	765,207

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

The cash flow information of the discontinued operations of APC and YCC is as follows:

For the year ended 31 December	Consolidated financial statements	
	2021 Thousand Baht	2020 Thousand Baht
Net cash receipts from operating activities	520,596	1,146,147
Net cash receipts from (payments for) investing activities (2021: Include cash inflows of Baht 503.33 million from disposal of YCC)	654,165	(540,654)
Net cash receipts from (payments for) financing activities	1,659,395	(624,005)
Net cash flows increase (decrease)	2,834,156	(18,512)

The results and cash flow information of discontinued operations as disclosed above were eliminated intercompany transactions between the Group. The significant intercompany transactions which were excluded from the operating results and cash flow information were revenues from sales between both subsidiaries classified as discontinued operations and the Company amounting to Baht 727 million (2020: Baht 919 million). The elimination transactions are part of cash flows from operating and financing activities of the discontinued operation before elimination.

15.2 Details of the sale of the subsidiary during the year

On 27 December 2021, the Company completely disposed an investment in YCC, which can be summarised as follows:

	Consolidated financial statements Thousand Baht
Consideration received - Cash	503,326
<u>Less</u> Carrying amount of net assets sold	(534,814)
	(31,488)
Reclassification of foreign currency transaction reserve	(71,125)
Loss on sales of a subsidiary	(102,613)

The carrying amounts of assets and liabilities of YCC as at 31 December 2021 were:

	Consolidated financial statements Thousand Baht
Trade and other receivables	103,193
Inventory	365,280
Property, plant and equipment, net	275,133
Right-of-use assets, net	79,860
Intangible assets, net	1,709
Deferred tax assets, net	1,609
Other assets	51,632
Total assets	878,416
Bank overdrafts and short-term loans from financial institutions	60,637
Trade and other payables	48,832
Short-term loans from the Parent (Note 35.5)	182,374
Current portion of long-term loans from financial institutions	33,463
Employee benefits obligations	8,758
Lease liabilities	3,331
Other liabilities	6,207
Total liabilities	343,602
Net assets	534,814

15.3 Assets and liabilities of disposal group classified as held-for-sale from discontinued operations

APC’s assets and liabilities classified as held-for-sale from discontinued operations in connection with packaging business in Thailand are expected to be divested by end of the first quarter 2022. The details of assets and liabilities of disposal group classified as held-for-sale from discontinued operations is as follows:

As at 31 December	Consolidated financial statements 2021 Thousand Baht
Assets of disposal group classified as held-for-sale from discontinued operations	
Cash and cash equivalents	9,472
Trade and other receivables, net	1,072,059
Inventories, net	2,022,619
Other current assets	13,881
Property, plant and equipment, net	1,666,022
Right-of-use assets, net	13,901
Intangible assets, net	11,113
Deferred tax assets, net	44,851
Other assets	40,705
Total assets	4,894,623
Liabilities of disposal group classified as held-for-sale from discontinued operations	
Trade and other payables	567,193
Loans from the Parent (Note 35.5 and 35.6)	3,782,000
Lease liabilities	14,427
Income tax payable	165,042
Other current liabilities	27,486
Employee benefit obligations	148,878
Non-current liabilities	489
Total liabilities	4,705,515
Net assets	189,108

The carrying amount of investment in a subsidiary as at 31 December 2021 and 2020 were Baht 285.59 million.

16 Investment in subsidiaries using cost method

As at 31 December 2021, the subsidiaries included in consolidated financial statements are listed below. The subsidiaries have only ordinary shares in which the Group directly holds those shares. The proportion of ownership interests held by the Group is equal to voting rights in subsidiaries held by the Group.

The movements of investments in subsidiaries during the year are as follows:

For the year ended 31 December	Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht
Opening net book value	865,594	865,594
Additions	169,394	-
Disposal, net	(580,002)	-
Reclassification (Note 15.3)	(285,592)	-
Closing net book value	169,394	865,594

In May 2021, the Group established a new subsidiary in Japan, named Japan Pet Nutrition Co., Ltd. With 90% shareholding, to import and distribute pet food and pet related products. The total number of shares is 50,000 ordinary shares with a par value of JPY 100 per share. The subsidiary called for paid-up capital of JPY 4.50 million equivalent to Baht 1.43 million.

In October 2021, the Company has established another subsidiary named “i-Tail Americas, Inc.” for the purpose of investing in US Pet Nutrition, LLC (USPN), which is a registered company operating import and distributing premium pet food business located in the United States. USPN is a company under common control of the Parent (Note 2). The Company holds 100% in the subsidiary, with the amount of USD 5 million, or equivalent to Baht 167.96 million.

On 27 December 2021, the Company disposed its investment in YCC with the amount of Baht 503.33 million (Note 15.2). Loss from disposal of a subsidiary of Baht 76.68 million has been included in profit or loss in the separate financial statements.

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

Details of the investments in subsidiaries as at 31 December 2021 and 2020 are as follows:

Company name	Nature of business	Country of incorporation	Registered and paid-up share capital		Proportion of shares directly held by the Group		Proportion of shares held by non-controlling interests		Cost		Dividend received during the year**	
			2021	2020	2021 (%)	2020 (%)	2021 (%)	2020 (%)	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Asian-Pacific Can Co., Ltd.*	Manufacturer and distributor of packaging for food products	Thailand	Baht 80 million	Baht 80 million	99	99	1	1	-	285,592	2,108,700	-
Yueh Chyang Canned Food Co., Ltd. (YCC)	Manufacturer and distributor of canned tuna and seafood	Vietnam	- VND 49,954 million	-	-	100	-	-	-	580,002	152,843	-
Japan Pet Nutrition Co., Ltd.	Importer and distributor of pet food and pet related products	Japan	JPY 5 million	-	90	-	10	-	1,429	-	-	-
i-Tail Americas, Inc. (ITA) ***	Holding company	USA	USD 5 million	-	100	-	-	-	167,965	-	-	-
									169,394	865,594	2,261,543	-

* During 2021, this investment was reclassified to assets of disposal groups classified as held-for-sale from discontinued operations with cost of investment amounting to Baht 285.59 million (Note 15.3).

** Dividend income was received from a held-for-sale subsidiary and a subsidiary disposed during the year (Note 15.2).

*** ITA has its wholly owned 100% subsidiary which included in Consolidated financial statement, US Pet Nutrition, LLC (USPN). USPN is an importer and distributor of premium food and is incorporated in USA.

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

17 Property, plant, and equipment, net

	Consolidated financial statements						
	Land and land improvement Thousand Baht	Buildings and building improvements Thousand Baht	Machinery and equipment Thousand Baht	Furniture, fixtures and office equipment Thousand Baht	Vehicles Thousand Baht	Assets under construction Thousand Baht	Total Thousand Baht
As at 1 January 2020							
Cost	320,174	2,115,660	5,708,980	116,856	161,611	500,618	8,923,899
Less Accumulated depreciation	(15,441)	(1,048,537)	(3,875,589)	(73,916)	(94,223)	-	(5,107,706)
Net book amount (Restated)	304,733	1,067,123	1,833,391	42,940	67,388	500,618	3,816,193
For the year ended 31 December 2020							
Opening net book amount (Restated)	304,733	1,067,123	1,833,391	42,940	67,388	500,618	3,816,193
Additions	348,860	4,503	74,659	7,219	10,682	397,281	843,204
Disposals, net book value	(13,104)	(245,178)	(35,641)	(77)	(735)	(6,887)	(301,622)
Write-off, net book value	-	(343)	(1,500)	(14)	-	-	(1,857)
Transfer in (out)	3,448	49,752	474,442	6,223	2,316	(536,181)	-
Depreciation charge	(575)	(86,419)	(387,513)	(15,219)	(14,629)	-	(504,355)
Translation adjustment	121	2,842	827	5	7	(319)	3,483
Closing net book amount (Restated)	643,483	792,280	1,958,665	41,077	65,029	354,512	3,855,046
As at 31 December 2020							
Cost	655,824	1,772,713	6,121,164	127,280	164,345	354,512	9,195,838
Less Accumulated depreciation	(12,341)	(980,433)	(4,162,499)	(86,203)	(99,316)	-	(5,340,792)
Net book amount (Restated)	643,483	792,280	1,958,665	41,077	65,029	354,512	3,855,046

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

	Consolidated financial statements						
	Land and land improvement Thousand Baht	Buildings and building improvements Thousand Baht	Machinery and equipment Thousand Baht	Furniture, fixtures and office equipment Thousand Baht	Vehicles Thousand Baht	Assets under construction Thousand Baht	Total Thousand Baht
As at 1 January 2021							
Cost	655,824	1,772,713	6,121,164	127,280	164,345	354,512	9,195,838
<u>Less</u> Accumulated depreciation	(12,341)	(980,433)	(4,162,499)	(86,203)	(99,316)	-	(5,340,792)
Net book amount (Restated)	643,483	792,280	1,958,665	41,077	65,029	354,512	3,855,046
For the year ended 31 December 2021							
Opening net book amount (Restated)	643,483	792,280	1,958,665	41,077	65,029	354,512	3,855,046
Additions	-	1,113	39,437	8,032	13,371	620,090	682,043
Increase from business combination (Note 40)	267,785	717,222	1,150,016	11,826	24,744	236,065	2,407,658
Disposals, net book value	(348,860)	(204)	(2,547)	(179)	(934)	-	(352,724)
Write-off, net book value	-	(1,361)	1	(169)	-	-	(1,529)
Transfer in (out)	22,126	147,362	439,461	570	9,443	(618,962)	-
Depreciation charge	(383)	(91,127)	(388,437)	(15,315)	(15,776)	-	(511,038)
Reclassification to non-current assets held-for-sale and discontinued operation (Note 15.3)	(182,830)	(204,866)	(1,140,505)	(22,788)	(39,610)	(75,423)	(1,666,022)
Disposal of investment in a subsidiary (Note 15.2)	-	(172,958)	(99,943)	(204)	(1,295)	(733)	(275,133)
Translation adjustment	-	20,769	13,188	36	167	(1,044)	33,116
Closing net book amount	401,321	1,208,230	1,969,336	22,886	55,139	514,505	4,171,417
As at 31 December 2021							
Cost	401,321	1,893,325	3,711,949	73,536	122,996	514,505	6,717,632
<u>Less</u> Accumulated depreciation	-	(685,095)	(1,742,613)	(50,650)	(67,857)	-	(2,546,215)
Net book amount	401,321	1,208,230	1,969,336	22,886	55,139	514,505	4,171,417

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

	Separate financial statements						
	Land and land improvement Thousand Baht	Buildings and building improvements Thousand Baht	Machinery and equipment Thousand Baht	Furniture, fixtures and office equipment Thousand Baht	Vehicles Thousand Baht	Assets under construction Thousand Baht	Total Thousand Baht
As at 1 January 2020							
Cost	107,962	1,037,624	2,118,342	56,509	100,273	403,471	3,824,181
<u>Less</u> Accumulated depreciation	-	(613,292)	(1,507,757)	(43,245)	(68,452)	-	(2,232,746)
Net book amount	107,962	424,332	610,585	13,264	31,821	403,471	1,591,435
For the year ended 31 December 2020							
Opening net book amount	107,962	424,332	610,585	13,264	31,821	403,471	1,591,435
Additions	-	-	2,497	3,953	4,311	261,341	272,102
Disposals, net book value	-	-	(30,149)	(33)	(668)	(6,886)	(37,736)
Write-off, net book value	-	(343)	-	-	-	-	(343)
Transfer in (out)	3,448	25,775	303,529	4,179	2,316	(339,247)	-
Depreciation charge	-	(39,389)	(164,246)	(5,527)	(8,274)	-	(217,436)
Closing net book amount	111,410	410,375	722,216	15,836	29,506	318,679	1,608,022
As at 31 December 2020							
Cost	111,410	1,059,393	2,343,970	64,245	96,816	318,679	3,994,513
<u>Less</u> Accumulated depreciation	-	(649,018)	(1,621,754)	(48,409)	(67,310)	-	(2,386,491)
Net book amount	111,410	410,375	722,216	15,836	29,506	318,679	1,608,022

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

	Separate financial statements						Total Thousand Baht
	Land and land improvement Thousand Baht	Buildings and building improvements Thousand Baht	Machinery and equipment Thousand Baht	Furniture, fixtures and office equipment Thousand Baht	Vehicles Thousand Baht	Assets under construction Thousand Baht	
As at 1 January 2021							
Cost	111,410	1,059,393	2,343,970	64,245	96,816	318,679	3,994,513
<u>Less</u> Accumulated depreciation	-	(649,018)	(1,621,754)	(48,409)	(67,310)	-	(2,386,491)
Net book amount	111,410	410,375	722,216	15,836	29,506	318,679	1,608,022
For the year ended 31 December 2021							
Opening net book amount	111,410	410,375	722,216	15,836	29,506	318,679	1,608,022
Additions	-	54	3,324	493	7,425	370,444	381,740
Increase from business combination (Note 40)	267,785	717,222	1,150,016	11,826	24,744	236,065	2,407,658
Disposals, net book value	-	(204)	(1,985)	(80)	(722)	-	(2,991)
Write-off, net book value	-	(66)	-	-	-	-	(66)
Transfer in (out)	22,126	122,375	263,250	570	2,362	(410,683)	-
Depreciation charge	-	(41,526)	(167,485)	(5,759)	(8,176)	-	(222,946)
Closing net book amount	401,321	1,208,230	1,969,336	22,886	55,139	514,505	4,171,417
As at 31 December 2021							
Cost	401,321	1,893,325	3,711,949	73,536	122,996	514,505	6,717,632
<u>Less</u> Accumulated depreciation	-	(685,095)	(1,742,613)	(50,650)	(67,857)	-	(2,546,215)
Net book amount	401,321	1,208,230	1,969,336	22,886	55,139	514,505	4,171,417

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

Depreciation is presented in the statement of comprehensive income as follows:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	(Restated)		2021 Thousand Baht	2020 Thousand Baht
	2021 Thousand Baht	2020 Thousand Baht		
Cost of sales	473,047	468,126	211,350	207,598
Selling expenses	4,369	3,818	-	-
Administrative expenses	33,622	32,411	11,596	9,838
Total depreciation expenses	511,038	504,355	222,946	217,436
<u>Less:</u> Depreciation expenses related to discontinued operation	(288,092)	(286,919)	-	-
Total depreciation expenses related to continuing operation	222,946	217,436	222,946	217,436

As at 31 December 2021, there is no property, plant and equipment of the Company pledged for any obligations.

18 Right-of-use assets, net and Lease liabilities, net

The statement of financial position included following transactions relating to leases.

As at 31 December	Consolidated financial statements		Separate financial statements	
	(Restated)		2021 Thousand Baht	2020 Thousand Baht
	2021 Thousand Baht	2020 Thousand Baht		
Right-of-use assets, net				
Land and land improvements	1,902	124,569	1,902	2,470
Building and building improvements	13,383	22,164	13,383	5,393
Machinery and equipment	16,446	10,779	16,446	10,779
Total right-of-use assets, net	31,731	157,512	31,731	18,642
Lease liabilities, net				
Current	9,629	16,992	9,629	8,542
Non-current	22,476	22,720	22,476	10,332
Total lease liabilities, net	32,105	39,712	32,105	18,874

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

Transactions recognised in profit and loss and cash flow in connection with leases for the years ended 31 December 2021 and 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	(Restated) 2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
For the year ended 31 December				
Depreciation charge of right-of-use assets				
Land and land improvements	5,168	5,211	568	568
Buildings and building improvements	11,494	10,523	3,564	2,695
Machinery and equipment	7,091	8,363	7,091	8,363
Total Depreciation charge of right-of-use assets	23,753	24,097	11,223	11,626
<u>Less:</u> Depreciation expenses related to discontinued operation	(12,530)	(12,471)	-	-
Total depreciation expenses related to continuing operation	11,223	11,626	11,223	11,626
Additions to the right-of-use assets during the year				
- continuing operations	24,143	-	24,143	-
- discontinued operations	3,546	3,279	-	-
Total cash outflow for leases				
- continuing operations	11,938	11,034	11,938	11,034
- discontinued operations	4,112	9,265	-	-
Finance cost relating to leases (included in finance cost)				
- continuing operations (Note 31)	1,026	1,056	1,026	1,056
- discontinued operations	800	1,130	-	-
Expenses relating to short-term leases (included in cost of sales and administrative expenses)				
- continuing operations	24,409	7,306	24,409	7,306
- discontinued operations	-	5,310	-	-

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

19 Intangible assets, net

	Consolidated financial statements Thousand Baht	Separate financial statements Thousand Baht
As at 1 January 2020		
Cost	61,201	20,394
<u>Less</u> Accumulated amortisation	(32,952)	(10,209)
Net book value (Restated)	28,249	10,185
For the year ended 31 December 2020		
Opening net book value (Restated)	28,249	10,185
Additions	683	23
Disposals, net	(4,902)	-
Amortisation	(4,132)	(1,703)
Translation adjustment	190	-
Closing net book value (Restated)	20,088	8,505
As at 31 December 2020		
Cost	49,257	20,002
<u>Less</u> Accumulated amortisation	(29,169)	(11,497)
Net book value	20,088	8,505
For the year ended 31 December 2021		
Opening net book value	20,088	8,505
Additions	4,026	687
Increase from business combinations (Note 40)	1,288	1,288
Disposals, net	(49)	(49)
Amortisation	(3,666)	(1,612)
Reclassify to assets classified as held-for-sale (Note 15.3)	(11,113)	-
Disposal of a subsidiary (Note 15.2)	(1,709)	-
Translation differences	(46)	-
Closing net book value	8,819	8,819
As at 31 December 2021		
Cost	18,863	18,863
<u>Less</u> Accumulated amortisation	(10,044)	(10,044)
Net book value	8,819	8,819

Amortisation is presented in the statement of comprehensive income as follows:

	Consolidated financial statements		Separate financial statements	
	(Restated)			
For the year ended 31 December	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Cost of sales	391	467	391	467
Administrative expenses	3,275	3,665	1,221	1,236
Total Amortisation expenses	3,666	4,132	1,612	1,703
<u>Less:</u> Amortisation expenses related to discontinued operation	(2,054)	(1,901)	-	-
Total amortisation expenses related to continuing operation	1,612	2,231	1,612	1,703

20 Deferred income taxes

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 31 December				
Deferred tax assets	39,521	52,645	39,033	10,663
Deferred tax liabilities	(2,562)	(24,830)	(2,562)	(4,792)
Deferred tax assets, net	36,959	27,815	36,471	5,871

The gross movement of deferred income taxes is as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 1 January	27,815	22,322	5,871	5,185
Credited to profit or loss	35,773	9,070	19,175	4,263
Credited/(Charge) to other comprehensive income	19,969	(3,577)	11,425	(3,577)
Disposal of investment in a subsidiary (Note 15.2)	(1,609)	-	-	-
Reclassify to assets of disposal groups classified as held-for-sale from discontinued operations (Note 15.3)	(44,851)	-	-	-
Translation adjustment	(138)	-	-	-
As at 31 December	36,959	27,815	36,471	5,871

The movement in deferred tax assets and liabilities during the year is as follows:

	Consolidated financial statements			
	Credited/(charged) to			
	As at 1 January 2020	Profit and loss	Other comprehensive income	As at 31 December 2020
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Deferred tax assets				
Loss allowance for trade receivables	2,197	1,996	-	4,193
Allowance for net realisable value of inventories and inventory costs	11,841	8,056	-	19,897
Derivative contracts	-	41	-	41
Assets under lease liabilities	-	1,075	-	1,075
Employee benefit obligations	23,695	1,365	-	25,060
Others	7,602	(5,223)	-	2,379
Total	45,335	7,310	-	52,645
Deferred tax liabilities				
Depreciation of property, plant and equipment	(22,924)	2,887	-	(20,037)
Derivative contracts	(89)	(66)	(3,577)	(3,732)
Lease liabilities	-	(1,061)	-	(1,061)
Total	(23,013)	1,760	(3,577)	(24,830)
Deferred tax assets (liabilities), net	22,322	9,070	(3,577)	27,815

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

The movement in deferred tax assets and liabilities during the year is as follows:

	Consolidated financial statements						
	As at	Credited/(charged) to		Disposal of	Reclassification (Note 15.3)	Translation adjustment	As at
	1 January 2021	Profit and loss	Other comprehensive income	a subsidiary (Note 15.2)			31 December 2021
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Deferred tax assets							
Loss allowance for trade receivables	4,193	(928)	-	-	(3,265)	-	-
Allowance for net realisable value of inventories and inventory costs	19,897	18,163	-	(1,543)	(25,504)	72	11,085
Derivative contracts	41	6,609	88	-	-	-	6,738
Assets under lease liabilities	1,075	1,069	-	-	-	-	2,144
Employee benefit obligations	25,060	1,874	10,241	(1,800)	(29,776)	233	5,832
Loss carried forward	-	13,722	-	-	-	-	13,722
Others	2,379	(2,302)	-	-	(77)	-	-
Total	52,645	38,207	10,329	(3,343)	(58,622)	305	39,521
Deferred tax liabilities							
Depreciation of property, plant and equipment	(20,037)	4,975	-	1,734	13,771	(443)	-
Derivative contracts	(3,732)	(6,352)	9,640	-	-	-	(444)
Lease liabilities	(1,061)	(1,057)	-	-	-	-	(2,118)
Total	(24,830)	(2,434)	9,640	1,734	13,771	(443)	(2,562)
Deferred tax assets (liabilities), net	27,815	35,773	19,969	(1,609)	(44,851)	(138)	36,959

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

	Separate financial statements			
	Credited/(charged) to			As at 31 December 2020 Thousand Baht
	As at 1 January 2020 Thousand Baht	Profit and loss Thousand Baht	Other comprehensive income Thousand Baht	
Deferred tax assets				
Allowance for net realisable value of inventories and inventory costs	2,772	3,099	-	5,871
Derivative contracts	-	42	-	42
Assets under lease liabilities	-	1,075	-	1,075
Employee benefit obligations	2,501	1,174	-	3,675
Total	5,273	5,390	-	10,663
Deferred tax liabilities				
Derivative contracts	(88)	(65)	(3,577)	(3,730)
Lease liabilities	-	(1,062)	-	(1,062)
Total	(88)	(1,127)	(3,577)	(4,792)
Deferred tax assets (liabilities), net	5,185	4,263	(3,577)	5,871

	Separate financial statements			
	Credited/(charged) to			As at 31 December 2021 Thousand Baht
	As at 1 January 2021 Thousand Baht	Profit and loss Thousand Baht	Other comprehensive income Thousand Baht	
Deferred tax assets				
Allowance for net realisable value of inventories and inventory costs	5,871	4,726	-	10,597
Derivative contracts	42	6,608	88	6,738
Assets under lease liabilities	1,075	1,069	-	2,144
Employee benefit obligations	3,675	460	1,697	5,832
Loss carried forward	-	13,722	-	13,722
Total	10,663	26,585	1,785	39,033
Deferred tax liabilities				
Derivative contracts	(3,730)	(6,354)	9,640	(444)
Lease liabilities	(1,062)	(1,056)	-	(2,118)
Total	(4,792)	(7,410)	9,640	(2,562)
Deferred tax assets (liabilities), net	5,871	19,175	11,425	36,471

Deferred tax assets are recognised for tax loss carried forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable.

21 Other non-current assets

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Advance payments for purchases of construction and equipment	1,200	106,905	1,200	-
Deposits and guarantees	37,351	40,145	37,351	39,716
Amount due from a company under common control (Note 40)	184,531	-	184,531	-
Others	65	9,798	65	443
Total other non-current assets	223,147	156,848	223,147	40,159

22 Bank overdrafts and short-term loans from financial institutions

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Short-term loans	-	1,841,108	-	690,000
Trust receipts and packing credits	-	469,130	-	469,130
Total bank overdrafts and short-term loans from financial institutions	-	2,310,238	-	1,159,130

As at 31 December 2020, the Group and the Company's interest rate of short-term loans, trust receipts and packing credits were 0.75% per annum to 1.6% per annum and 0.75% per annum to 0.85% per annum, respectively.

23 Trade and other payables

As at 31 December	Consolidated financial statements (Restated)		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Trade payable - third parties	675,679	1,067,798	281,653	540,892
Trade payable - related parties (Note 35)	1,162,441	54,337	1,290,970	142,757
Accrued expenses and other payables - third parties	104,454	197,423	99,158	129,994
Accrued expenses and other payables - related parties	46,824	23,680	204,382	17,474
Dividend payables	24,829	21,998	24,829	21,998
Deposits and unearned revenue	16,282	6,281	16,281	6,281
Property, plant and equipment purchase payables - third parties	24,172	57,654	24,172	32,113
Payable from business combination under common control (Note 40)	2,301,557	-	2,149,850	-
Total trade and other payables	4,356,238	1,429,171	4,091,295	891,509

24 Long-term loans from financial institutions

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Current portion of long-term loans from financial institutions	-	60,359	-	-
Non-current portion of long-term loans from financial institutions	-	30,180	-	-
Total long-term loans from financial institutions	-	90,539	-	-

The movements of long-term loans from financial institutions during the year can be analysed as follows:

For the year ended 31 December 2021	Consolidated financial statements Thousand Baht
Opening balance	90,539
Repayments	(67,350)
Loss on foreign exchange rates	(93)
Disposal of investment in a subsidiary (Note 15.2)	(33,463)
Translation adjustment	10,367
Closing balance	-

Borrowing facilities

As at 31 December 2021 and 2020, the Group had unused overdraft lines from financial institutions and other credit facilities in the amount of Baht 250 million. The facilities above are not including unused borrowing facilities of subsidiaries which are classified as assets held for sales from discontinue operation and are disposed during the year.

25 Employee benefit obligations

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Liability in the statement of financial position				
- Retirement benefits	578,299	442,807	578,299	335,878
Expenses charge included in the statement of income				
- Retirement benefits	40,663	37,069	29,797	28,181
Remeasurement for retirement benefits	94,701	-	51,981	-

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

The movement in the defined benefit obligations during the year is as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
As at 1 January	442,807	421,226	335,878	315,254
Current service cost	30,720	30,626	24,330	23,083
Past service cost	3,109	-	-	-
Interest cost	6,834	6,443	5,467	5,098
	40,663	37,069	29,797	28,181
Remeasurements:				
(Gain) Loss from change in demographic assumptions	27,018	-	12,602	-
(Gain) Loss from change in financial assumptions	(12,393)	-	(18,775)	-
Experience (gain) loss	80,076	-	58,154	-
	94,701	-	51,981	-
Benefit payments	(19,265)	(15,498)	(15,857)	(7,557)
Decrease from disposal of a subsidiary during the year (Note 15.2)	(8,758)	-	-	-
Increase from acquisition of assets group that constitute a business under common control (Note 40)	184,531	-	184,531	-
Transfer employee to affiliated company	(8,470)	-	(8,470)	-
Transfer employee from affiliated companies	439	-	439	-
Reclassification to liabilities of disposal groups classified as held-for-sale from discontinued operations (Note 15.3)	(148,878)	-	-	-
Translation adjustment	529	10	-	-
As at 31 December	578,299	442,807	578,299	335,878

Retirement benefits plans

The plans are final salary retirement plans, which provide benefits to members in the form of a guaranteed level of pension payable. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

The Group and the Company expect to pay Baht 33 million and Baht 33 million, respectively, of retirement benefits during the next year (2020: Baht 21 million and Baht 15 million, respectively).

The weighted average durations of the liabilities for retirement benefits for the Group and the Company are 11 years (2020: 12 years).

The principal actuarial assumptions used are as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Discount rate (%)	0.49 - 3.55	1.19 - 2.52	0.49 - 3.55	1.19 - 2.52
Salary growth rate (%)	2.00 - 6.00	3.00 - 7.00	2.00 - 6.00	3.00 - 7.00

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

Sensitivity analysis for each significant assumption used is as follows:

	Consolidated financial statements			
	Impact on defined benefit obligation			
	Increase in assumption by 1%		Decrease in assumption by 1%	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Discount rate	(35,162)	(38,238)	39,305	44,248
Salary growth rate	39,238	47,008	(34,711)	(41,352)
	Separate financial statements			
	Impact on defined benefit obligation			
	Increase in assumption by 1%		Decrease in assumption by 1%	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Discount rate	(35,162)	(30,940)	39,305	35,913
Salary growth rate	39,238	38,089	(34,711)	(33,413)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, at the end of the year, the same method has been applied as when calculating the employee benefit obligation recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

26 Share capital and premium on share capital

	Number of issued and paid-up shares	Ordinary shares	Premium on share capital	Total
	Shares	Thousand Baht	Thousand Baht	Thousand Baht
As at 1 January 2020	36,000,000	360,000	240,000	600,000
Issue of shares	-	-	-	-
As at 31 December 2020	36,000,000	360,000	240,000	600,000
Issue of shares	-	-	-	-
As at 31 December 2021	36,000,000	360,000	240,000	600,000

As at 31 December 2021 and 31 December 2020, the total number of authorised ordinary shares is 36,000,000 shares with a par value of Baht 10 per share which are fully paid.

Under the Public Companies Act. B.E. 2535 requires companies to set aside share subscription monies received in excess of the issued shares' par value to a reserve account (share premium). The share premium is not available for dividend distribution.

27 Dividends

On 14 April 2020, the Annual General Meeting of the Company approved a resolution to pay a dividend of Baht 17.00 per share, totalling Baht 612 million, from its net operating profit for the year ended 31 December 2019. However, by the resolution of the meeting of the Company’s Board of Directors held on 30 August 2019, the Company paid out the interim dividend payment of Baht 5.00 per share, totalling Baht 180 million, to the Company’s shareholders in August 2019. The remaining dividend of Baht 12.00 per share, totalling Baht 432 million, was paid on 20 April 2020.

On 13 August 2020, the Board of Directors’ meeting of the Company passed a resolution to approve an interim dividend payment of Baht 13.00 per share, totalling Baht 468 million, from the six-month operating profit ended 30 June 2020, to the Company’s shareholders. The interim dividend was paid on 3 September 2020.

On 8 April 2021, the Annual General Meeting of Shareholders for year 2021 approved a resolution to pay a dividend of Baht 15 per share, totalling Baht 540 million, from its net operating profit for the year ended 31 December 2020. The Company paid out the dividend to the Company’s shareholders in April 2021.

On 6 August 2021, the Company’s Board of Directors Meeting No.3/2021 passed the resolution to approve an interim dividend payment at Baht 20 per share, totalling Baht 720 million. The Company paid out the dividend to the Company’s shareholders in September 2021.

28 Legal reserve

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
For the year ended 31 December				
As at 1 January	36,000	36,000	36,000	36,000
Appropriate during the year	-	-	-	-
As at 31 December	36,000	36,000	36,000	36,000

Under of the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is not available for dividend distribution.

29 Hedging reserve

The Group and the Company’s hedging reserve relate to the following hedging instruments.

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
For the year ended 31 December				
Opening balance 1 January	74,244	4,444	74,244	4,444
Change of fair value recognised in OCI	(340,392)	43,608	(340,392)	43,608
Reclassified from OCI to sales	146,766	29,769	146,766	29,769
Deferred taxes	9,728	(3,577)	9,728	(3,577)
As at 31 December	(109,654)	74,244	(109,654)	74,244

30 Other income

	Consolidated financial statements		Separate financial statements	
	(Restated)		2021 Thousand Baht	2020 Thousand Baht
	2021 Thousand Baht	2020 Thousand Baht		
For the year ended 31 December				
Tax coupon	46,784	46,118	46,784	46,118
Interest income	65	28	65	28
Claimed goods	10,151	13,743	10,151	13,743
Management fee	3,668	4,818	3,668	4,818
Others	23,597	11,233	36,375	20,492
Total other income	84,265	75,940	97,043	85,199

31 Finance costs

	Consolidated financial statements		Separate financial statements	
	(Restated)		2021 Thousand Baht	2020 Thousand Baht
	2021 Thousand Baht	2020 Thousand Baht		
For the year ended 31 December				
Interest expenses	22,205	24,896	8,983	9,633
Interest expenses from lease liabilities (Note 18)	1,026	1,056	1,026	1,056
Other finance costs	1,444	324	1,444	324
Total finance costs	24,675	26,276	11,453	11,013

32 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	(Restated)		2021 Thousand Baht	2020 Thousand Baht
	2021 Thousand Baht	2020 Thousand Baht		
For the year ended 31 December				
Changes in finished goods and work in process	(653,814)	(340,199)	(628,164)	(171,959)
Raw materials and consumables used and purchased finished goods	7,952,326	5,643,865	3,631,598	3,906,777
Employee expenses	1,831,596	1,101,423	1,246,975	1,062,001
Depreciation on property, plant and equipment and right-of-use assets (Note 17 and Note 18)	534,791	528,452	234,169	229,062
Amortisation of intangible assets (Note 19)	3,666	4,132	1,612	1,703

33 Income tax

	Consolidated financial statements		Separate financial statements	
	(Restated)			
For the year ended 31 December	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Current tax				
Current tax on profit for the year	260,143	205,205	-	12,199
Adjustments in respect of prior year	4,688	2,244	(74)	2,245
Total current tax	264,831	207,449	(74)	14,444
Deferred tax (Note 20)				
Decrease (Increase) in deferred tax assets	(38,207)	(7,310)	(26,585)	(5,388)
Increase (Decrease) in deferred tax liabilities	2,434	(1,760)	7,410	1,126
Total deferred income tax	(35,773)	(9,070)	19,175	(4,262)
Total income tax expenses	229,058	198,349	(19,249)	10,182
Income tax expenses				
- continuing operation	(19,737)	10,182	(19,249)	10,182
- discontinued operation	248,795	188,197	-	-
Total income tax expenses	229,058	198,379	(19,249)	10,182

The taxes on the Group and the Company’s profits before tax differ from the theoretical amounts that would arise using the basic tax rates of the Group and the Company as follows:

	Consolidated financial statements		Separate financial statements	
	(Restated)			
For the year ended 31 December	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Total profit before tax from continuing operations	674,180	1,089,152	2,975,364	1,034,464
Total profit before tax from discontinued operation	1,130,723	954,200	-	-
Total profit before tax	1,804,903	2,043,352	2,975,364	1,034,464
Tax calculated at tax rates between 15% to 21% (2020: 15% to 21%)	414,498	408,649	595,073	206,893
Tax effect of:				
Income not subject to tax	(192,883)	(221,880)	(614,623)	(210,169)
Expenses not deductible for tax purpose	6,422	12,175	577	11,510
Additional expenses deductible for tax purpose	(3,667)	(3,818)	(202)	(297)
Tax losses and temporary differences for which no deferred tax asset was recognised	-	1,009	-	-
Adjustments in respect of prior year	4,688	2,244	(74)	2,245
Total income tax expenses	229,058	198,379	(19,249)	10,182

The Group and the Company’s effective tax rate were 12.69 % and -0.65 %, respectively (2020: 9.71% and 0.98%, respectively). The change in average tax rate of the Group is due to the increase in profit before tax of the Company which received promotional privileges from the Office of the Board of Investment (“BOI”).

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

The tax charge relating to components of other comprehensive income is as follows:

For the year ended	Consolidated financial statements					
	31 December 2021			31 December 2020		
	Before tax Thousand Baht	Tax charge Thousand Baht	After tax Thousand Baht	Before tax Thousand Baht	Tax charge Thousand Baht	After tax Thousand Baht
Remeasurements gain of employee benefit obligations from continuing operations	(51,981)	1,697	(50,284)	-	-	-
from discontinued operations	(42,720)	8,544	(34,176)	-	-	-
	(94,701)	10,241	(84,460)	-	-	-
Hedging reserve from continuing operations	(193,626)	9,728	(183,898)	73,377	(3,577)	69,800
Other comprehensive income (expenses)	(288,327)	19,969	(268,358)	73,377	(3,577)	69,800
For the year ended	Separate financial statements					
	31 December 2021			31 December 2020		
	Before tax Thousand Baht	Tax charge Thousand Baht	After tax Thousand Baht	Before tax Thousand Baht	Tax charge Thousand Baht	After tax Thousand Baht
Remeasurements gain of employee benefit obligations	(51,981)	1,697	(50,284)	-	-	-
Hedging reserve	(193,626)	9,728	(183,898)	73,377	(3,577)	69,800
Other comprehensive income (expenses)	(245,607)	11,425	(234,182)	73,377	(3,577)	69,800

34 Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to owners of the parent (excluded other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

For the year ended 31 December	Consolidated financial statements (Restated)		Separate financial statements	
	2021	2020	2021	2020
Net profit attributable to the owners of the parent (Thousand Baht)				
- Continuing operations	726,450	1,021,051	2,994,613	1,024,282
- Discontinued operations	872,231	758,793	-	-
	1,598,681	1,779,844	2,994,613	1,024,282
Weighted average number of ordinary shares outstanding (Thousand shares)	36,000	36,000	36,000	36,000
Basic earnings per share (Baht per share)				
- Continuing operations	20.18	28.36	83.18	28.45
- Discontinued operations	24.23	21.08	-	-
	44.41	49.44	83.18	28.45

There are no dilutive potential ordinary shares in issue during the year presented, so no diluted earnings per share is presented.

35 Related party transactions

The following significant transactions and balances were carried out with related parties:

35.1 Sales

For the year ended 31 December	Consolidated financial statements		Separate financial information	
	2021 Thousand Baht	(Restated) 2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Revenue from sales				
from continuing operations				
Parent company	115,445	13,342	115,445	13,342
Subsidiaries	-	-	2,839,003	1,646,169
Other companies under common control	307,461	122,415	307,461	122,415
Other related companies	28,499	69,104	28,499	69,104
	451,405	204,861	3,290,408	1,851,030
from discontinued operations				
Parent company	484,410	470,920	-	-
Other companies under common control	3,146,741	3,454,296	-	-
Other related companies	23,071	61,927	-	-
	3,654,222	3,987,143	-	-
	4,105,627	4,192,004	3,290,408	1,851,030
Other income				
from continuing operations				
Parent company	45	14	45	14
Subsidiaries	-	-	18,082	5,084
Other companies under common control	5,267	4,890	5,267	4,890
Other related companies	2,937	525	2,937	525
	8,249	5,429	26,331	10,513
from discontinued operations				
Parent company	80	38	-	-
Other companies under common control	30,177	26,686	-	-
Other related companies	11,645	27	-	-
	41,902	26,751	-	-
	50,151	32,180	26,331	10,513

35.2 Purchases of goods and services and fixed assets

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	(Restated) 2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Purchases of goods and services from continuing operations				
Parent company	217,578	101,392	214,542	99,274
Subsidiaries	-	-	630,865	750,199
Other companies under common control	1,365,591	276,396	1,353,685	273,587
Other related companies	23,744	20,828	23,744	20,828
	1,606,913	398,616	2,222,836	1,143,888
from discontinued operations				
Parent company	14,754	20,241	-	-
Other companies under common control	2,998	27,675	-	-
Other related companies	8,727	8,956	-	-
	26,479	56,872	-	-
	1,633,392	455,488	2,222,836	1,143,888
Interest expense from continuing operations				
Parent company	20,267	15,263	7,044	-
Other related companies	455	281	455	281
	20,722	15,544	7,499	281
from discontinued operations				
Parent company	17,084	29,023	-	-
	37,806	44,567	7,499	281
Purchases of fixed assets from continuing operations				
Other companies under common control	2,408,974	3,593	2,408,974	12,922
Other related companies	1,539	530	-	-
	2,410,513	4,123	2,408,974	12,922

* Fixed assets purchased from a company under common control amounting to Baht 2,409 million is part of pet food business acquisition as disclosed in Note 2 and 40.

35.3 Outstanding balances arising from sales and purchases of goods and services

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Trade receivables - related parties, net				
Parent company	49,113	96,461	49,113	7
Subsidiaries	-	-	740,634	340,238
Other companies under common control	33,484	664,870	33,484	7,255
Other related companies	1,906	30,636	1,906	4,914
	84,503	791,967	825,137	352,414
Other non-current assets - related parties				
Other companies under common control	184,531	-	184,531	-
Trade payables - related parties				
Parent company	11,592	10,227	10,162	10,075
Subsidiaries	-	-	141,883	89,221
Other companies under common control	1,144,340	38,027	1,132,416	37,378
Other related companies	6,509	6,083	6,509	6,083
	1,162,441	54,337	1,290,970	142,757
Accrued expenses and other payables - related parties				
Parent company	28,396	17,835	27,926	17,371
Subsidiaries	-	-	167,965	-
Other companies under common control	18,428	4,133	8,491	103
Other related companies	-	1,712	-	-
	46,824	23,680	204,382	17,474
Payables from purchases of fixed assets - related parties				
Other companies under common control	2,149,850	-	2,149,850	-

35.4 Short-term loans to parent company

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Parent company	555,707	-	555,707	-

The movements of short-term loans to a related party can be analysed as follows:

For the year ended 31 December 2021	Consolidated and separate financial statements
	Thousand Baht
Opening balance	-
Additions	563,537
Repayment	(7,830)
Closing balance	555,707

35.5 Short-term loans from parent company

As at 31 December	Consolidated financial statements		Separate financial statements	
	(Restated)		2021 Thousand Baht	2020 Thousand Baht
	2021 Thousand Baht	2020 Thousand Baht		
Parent company	672,319	1,011,863	-	-

The movements of short-term loans from a related party can be analysed as follows:

For the year ended 31 December 2021	Consolidated financial statements	Separate financial statements
	Thousand Baht	Thousand Baht
Opening balance (Restated)	1,011,863	-
Addition	11,150,884	5,044,464
Repayments	(7,798,885)	(5,044,464)
Reclassification to liabilities of disposal groups classified as held-for-sales from discontinued operation (Note 15.3)	(3,562,000)	-
Disposal of investment in a subsidiary (Note 15.2)	(182,374)	-
Gain from exchange rate	(11,401)	-
Translation adjustment	64,232	-
Closing balance	672,319	-

35.6 Long-term loans from parent company

As at 31 December	Consolidated financial statements		Separate financial statements	
	(Restated)		2021 Thousand Baht	2020 Thousand Baht
	2021 Thousand Baht	2020 Thousand Baht		
Parent company	100,260	560,111	-	-

The movements of long-term loans from a related party can be analysed as follows:

For the year ended 31 December 2021	Consolidated financial statements
	Thousand Baht
Opening balance	560,111
Repayments	(250,000)
Reclassification to liabilities of disposal groups classified as held-for-sales from discontinued operation (Note 15.3)	(220,000)
Translation adjustment	10,149
Closing balance	100,260

35.7 Directors and key management remuneration

The compensation paid or payable to directors and key management is shown below:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Short-term employee benefits	5,343	5,222	5,343	5,222
Post-employment benefits	258	252	258	252
	5,601	5,474	5,601	5,474

36 Change in liabilities arising from financing activities

	Consolidated financial statements					
	Short-term loans from financial institutions Thousand Baht	Short-term loans from a related party Thousand Baht	Accrued interest expenses Thousand Baht	Long-term loans from financial institutions Thousand Baht	Long-term loans from a related party Thousand Baht	Lease liabilities Thousand Baht
As at 1 January 2020	2,229,841	1,180,619	1,994	154,884	861,848	58,252
Cash flows from continuing operations	255,171	133,188	(26,110)	-	(264,377)	(11,034)
Cash flows from discontinued operations	(172,074)	(80,000)	(47,538)	(65,128)	(250,000)	(9,265)
Non-cash changes:						
Additions	-	-	72,134	-	-	3,279
Amortisation	-	-	-	-	-	(3,722)
Amortisation of financing fees	-	-	-	-	-	2,186
Reclassification	-	(220,000)	-	-	220,000	16
Translation adjustment	(2,700)	(1,944)	145	783	(7,360)	-
As at 31 December 2020	2,310,238	1,011,863	625	90,539	560,111	39,712
Cash flows from continuing operations	(1,159,130)	203,832	(23,723)	-	-	(11,938)
Cash flows from discontinued operations	(1,126,824)	3,148,167	(19,188)	(67,350)	(250,000)	(4,112)
Non-cash changes:						
Additions	-	-	52,754	-	-	27,689
Amortisation	-	-	-	-	-	(3,546)
Decrease from disposal of investment in subsidiary (Note 15.2)	(60,637)	(182,374)	(615)	(33,463)	-	(3,331)
Reclassification to liabilities of disposal groups classified as held-for-sales from discontinued operation (Note 15.3)	-	(3,562,000)	(9,512)	-	(220,000)	(14,427)
Amortisation of financing fees	-	-	-	-	-	1,826
(Gain) loss on exchange rates	(1,661)	(11,401)	(17)	(93)	-	(91)
Translation adjustment	38,014	64,232	146	10,367	10,149	323
As at 31 December 2021	-	672,319	470	-	100,260	32,105

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

	Separate financial statements		
	Short-term loans from financial institutions Thousand Baht	Accrued interest expenses Thousand Baht	Lease liabilities Thousand Baht
As at 1 January 2020	903,959	224	28,852
Cash flows	255,171	(9,789)	(11,034)
Non-cash changes:			
Additions	-	9,633	-
Amortisation of financing fees	-	-	1,056
As at 31 December 2020	1,159,130	68	18,874
Cash flows	(1,159,130)	(9,051)	(11,938)
Non-cash changes:			
Additions	-	8,983	24,143
Amortisation of financing fees	-	-	1,026
As at 31 December 2021	-	-	32,105

37 Commitments and contingent liabilities

37.1 Capital commitments

The Group had capital commitments as at the statement of financial position date but not recognised as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
As at 31 December				
Factory, building and warehouse construction agreements	33,930	52,840	29,459	46,596
Purchases of machinery and equipment agreements	249,810	196,241	119,422	110,097
Computer and program installation agreements	6,545	6,419	6,407	6,419

37.2 Guarantees

As at 31 December 2021, there were outstanding bank guarantee of Baht 24.43 million on behalf of the Company in the normal course of business. (2020: Baht 18.72 million including bank guarantee on behalf of subsidiaries which already reclassified to assets of disposal groups classified as held-for-sale from discontinued operations amounting to Baht 9.10 million).

38 Financial instruments

Details of derivatives balance at the end of the period and change in fair value of financial instruments which is a part of other gains (losses) in the income statement for the year can be summarised as follows:

38.1 Derivatives

The Group has the following derivative financial instruments:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<u>Current derivative assets</u>				
Foreign currency forwards - held for trading	89	-	89	-
Foreign currency forwards - cash flow hedges	6,432	80,570	6,432	80,570
Total current derivative assets	6,521	80,570	6,521	80,570
<u>Non-current derivative assets</u>				
Foreign currency forwards - cash flow hedges	1,978	-	1,978	-
<u>Current derivative liabilities</u>				
Foreign currency forwards - held for trading	-	6,721	-	6,721
Foreign currency forwards - cash flow hedges	123,796	896	123,796	896
Total current derivative liabilities	123,796	7,617	123,796	7,617
<u>Non-current derivative liabilities</u>				
Foreign currency forwards - cash flow hedges	1,925	-	1,925	-

Derivatives are used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as ‘held for trading’ for accounting purposes and are accounted for at fair value through profit or loss. They are presented as current assets or liabilities to the extent they are expected to be realised within 12 months after the end of the reporting period.

38.2 Other gains (losses), net

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	(Restated) 2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Gain (loss) on exchange rates, net	135,360	21,622	135,360	21,622
Gain (loss) on financial instruments, net	6,809	(6,721)	6,809	(6,721)
Total other gains (losses), net	142,169	14,901	142,169	14,901

39 Promotional privileges

The Company received promotional privileges from the Office of the Board of Investment (“BOI”) for the production of processed and semi-processed food in seal containers, ready-to-eat frozen meals, frozen aquatic animals and pet food in seal containers. Under these privileges, the Company has received exemption from certain taxes and duties as detailed in the certificate including exemption from corporate income tax for a period of 8 years from the date of commencement of earning promoted revenue. As a promoted industry, the Company is required to comply with the terms and conditions as specified in the promotional certificates.

Revenue classified by BOI and Non-BOI promoted activities disclosed below has not been audited under the agreed-upon procedures which are based on the procedures set out by the Board of Investment. Revenue from Non-BOI business included non-exemption from the privilege on corporate income tax and revenue after the exemption period.

For the year ended 31 December	Separate financial statements					
	BOI		Non-BOI		Total	
	Promoted activities		promoted activities			
	2021	2020	2021	2020	2021	2020
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Domestic sales	30,133	17,994	324,797	248,720	354,930	266,714
Export sales	5,584,657	4,811,476	850,755	1,721,083	6,435,412	6,532,559
Total revenue from sales	5,614,790	4,829,470	1,175,552	1,969,803	6,790,342	6,799,273

40 Business combination under common control

On 31 December 2021, the Group has acquired investment in US Pet Nutrition, LLC (USPN) which operates import and distributing pet food products located in the United States. USPN is a company under common control of the Parent. The Group has appointed an independent appraiser to assess the fair value of the purchase of ordinary shares in this transaction. On the same date, the Company has acquired assets and liabilities in relation to the pet business from Thai Union Manufacturing Co., Ltd., which is a company under common control of the Parent as explained in Note 2.

The acquisition of a subsidiary and net assets meets the definition of business combination according to TFRS 3, Business Combinations. At the business acquisition date, the difference between consideration amount and net assets acquired of Baht 416.35 million, which are presented as other components of equity in the consolidated statement of changes in equity.

i-Tail Corporation Public Company Limited
(Formerly known as “Songkla Canning Public Company Limited”)
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2021

The following table summarises the consideration paid for acquisition of investment in USPN and pet food business, including the amount of assets and liabilities recognized at the business combination under common control date.

	Acquisition of investment in USPN, which is under common control Thousand Baht	Acquisition of pet food business from a related company under common control Thousand Baht	Total Thousand Baht
Payable from business combination under common control (Note 23)	151,707	2,149,850	2,301,557
Amount due from a company under common control (Note 21)	-	(184,531)	(184,531)
Other receivables	-	(8,689)	(8,689)
Cash payment	-	267,785	267,785
Total purchase consideration	151,707	2,224,415	2,376,122
Recognised amounts of identifiable assets and liabilities acquired			
Trade and other receivables, net	695,248	-	695,248
Inventories	996,001	-	996,001
Property, plant and equipment, net	-	2,407,658	2,407,658
Computer software, net	-	1,288	1,288
Trade and other payables	(1,179,993)	-	(1,179,993)
Short term loans from related parties	(675,210)	-	(675,210)
Loans from financial institutions	(100,691)	-	(100,691)
Employee benefit obligations	-	(184,531)	(184,531)
Net assets acquired	(264,645)	2,224,415	1,959,770
Difference arising from business combination under common control	416,352	-	416,352
Total	151,707	2,224,415	2,376,122

Revenue and profit

Operating result of USPN has been included in the consolidated statement of comprehensive income for the year ended 31 December 2021 and 2020.

Regarding the pet food business acquisition under common control that has been recognised since the acquisition date, had this business been included in the consolidated and separate financial statements since 1 January 2021, the consolidated statement of comprehensive income for the year ended 31 December 2021 would show higher revenue of 9656.07 million and net profit of 1,825.13 million (2020: higher revenue of 7,424.45 million and net profit of 1,457.64 million).

Expenses related to the acquisition of a subsidiary

Expenses related to the acquisition of business under common control of Baht 0.70 million are recognised as administrative expenses in profit or loss in the consolidated statement of comprehensive income for the year ended 31 December 2021.

41 Events occurring after the reporting period

On 9 February 2022, the Company disposed whole investment in Asian-Pacific Can Company Limited (APC), a subsidiary, with the amount of Baht 351.38 million to the Parent according to the business restructuring plan (Note 2).

On 22 February 2022, the Board of Directors' meeting of the Company passed the resolution to propose to the Annual General of the Company to pay a dividend of Baht 1,440 million or Baht 40 per share from its net operating profit for the year 2021. However, by the resolution of the Company's Board of Directors held on 6 August 2021, the Company paid out the interim dividend of Baht 20 per share or totaling Baht 720 million from operating profit for the six-month period ended 30 June 2021 which was already paid on 6 September 2021. The remaining dividend of Baht 20 per share or totaling Baht 720 million will be paid on 18 April 2021.

On the same day, the Board of Directors' meeting of the Company approved the fund raising and listing the Company's shares in the Stock Exchange of Thailand after the initial public offering (IPO). This is following to the business expansion and investing plan. In this regard, the Board of Directors' meeting has a resolution to approve the increase of registered shares with total amount of Baht 2,640 million, from Baht 360 million to Baht 3,000 million, according to the IPO plan.

Additionally, the Board of Directors' meeting of the Company has approved the plan to issue and offer its new ordinary shares to directors, executives and/or employees of the Company and its subsidiaries (ESOP) up to 5,000,000 shares which is equivalent to not exceed 0.17 % of the total issued and outstanding shares of the Company after the IPO in the same period. The subscription price of ESOP shares is expected to be equal to the offering price of IPO shares. In this regard, the consideration to allocate the ESOP shares will be as the appropriateness of the directors and employees' responsibility, potential, and performance including benefit to the Company in the future. However, this resolution needs to be approved by the shareholders' meeting of Thai Union Group Public Company Limited which is the Company's parent company that will be held on 4 April 2022. If the resolution is not passed for consideration and approval or there are remaining ESOP shares left, the shares will further be offered to the public as the IPO plan.