

Sri Trang Agro-Industry Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 December 2021

Independent Auditor's Report

To the Shareholders of Sri Trang Agro-Industry Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Sri Trang Agro-Industry Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Sri Trang Agro-Industry Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sri Trang Agro-Industry Public Company Limited and its subsidiaries and of Sri Trang Agro-Industry Public Company Limited as at 31 December 2021, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

Revenue recognition

Revenue from sales of goods is significant to the financial statements. The Coronavirus disease 2019 pandemic has a direct impact on the competition in the natural rubber market and selling prices of natural rubber products. Moreover, the Group has a large number of customers under a variety of conditions. As a result, revenue from sale of goods is a significant account which directly affects the Group's operating results.

I assessed and tested the effectiveness of the Group's internal controls relating to the revenue cycle, examined supporting documents on a sampling basis for actual sale transactions occurring during the year, expanded the scope of audit near the end of the reporting period and tested sale transactions with respect to the accuracy and timing of revenue recognition. I also examined credit notes issued by the Group after the period end and performed analytical procedures on disaggregated data, including reconciliation of sales to cash receipts, to detect possible irregularities in sale transactions throughout the period, particularly accounting entries made through journal vouchers.

Financial instruments

The Group has entered into financial instruments with numerous counterparties which are financial institutions, in order to mitigate its exposure to fluctuations in rubber prices, foreign exchange rates and interest rates. It presents the fair value of such financial instruments in the statement of financial position, and recognises material gains or losses on financial instruments in the financial statements. Management therefore relies on valuation techniques and models suggested by the counterparties, in which most of the inputs used are observable in the relevant market. Differences in the assumptions used in the calculation may therefore affect the fair value of such financial instruments presented in the financial statements.

I gained an understanding of the transactions and the process of recording the fair value of financial instruments, and the accounting records related to financial instruments. Moreover, I recalculated the fair value of such financial instruments, sent confirmation requests to counterparties to determine the completeness of the recording of the transactions and verified supporting documents, on a sampling basis, for actual transactions occurring during the year. In addition, I tested the appropriateness of the fair values by comparing them to available market inputs. Moreover, I examined the information disclosed in the notes to the financial statements for appropriateness and completeness.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance 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.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Supachai Phanyawattano
Certified Public Accountant (Thailand) No. 3930

EY Office Limited
Bangkok: 17 February 2022

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Assets					
Current assets					
Cash and cash equivalents	7	22,809,650,413	26,446,683,536	272,036,452	298,780,383
Trade and other receivables	8	8,946,114,385	9,260,149,876	4,550,919,850	2,886,595,893
Amounts due from future brokers		1,307,490,634	801,544,051	105,737,796	-
Inventories	9	32,578,453,173	19,031,541,468	16,849,685,126	10,075,612,645
Current portion of long-term loan to subsidiary	6	-	-	332,469,000	597,348,000
Derivative financial instruments	37.1	215,294,913	235,945,051	111,626,440	173,362,103
Other current financial assets	12	264,105,305			
Other current assets	10	1,665,458,806	1,599,102,740	71,700,484	72,815,215
Non-current assets held for sale	11	-	-	-	307,402,970
Total current assets		67,786,567,629	57,374,966,722	22,294,175,148	14,411,917,209
Non-current assets					
Other non-current financial assets	12	475,841,743	97,086,142	103,990,591	96,071,528
Investments in subsidiaries	13	-	-	18,839,137,708	18,705,637,813
Investment in associate	14	553,365,209	507,741,337	142,500,000	142,500,000
Investment in joint venture	15	469,119,233	431,884,363	134,716,526	134,716,526
Investment properties	16	215,174,171	193,600,198	75,663,125	75,663,125
Property, plant and equipment	17	37,317,329,706	27,243,331,530	7,637,917,584	7,707,942,980
Right-of-use assets	23	403,901,677	273,158,309	109,612,548	114,209,614
Economic tree plantations	18	2,469,746,973	2,390,231,063	14,434,997	13,938,754
Intangible assets - computer software	19	461,176,066	451,342,005	283,911,559	338,848,102
Goodwill	20	3,174,667,132	3,174,667,132	-	-
Withholding tax deducted at source		547,354,998	492,219,875	401,547,114	386,383,967
Deferred tax assets	30	616,835,426	269,818,457	-	-
Other non-current assets		36,009,945	217,175,166	13,018,707	11,583,615
Total non-current assets		46,740,522,279	35,742,255,577	27,756,450,459	27,727,496,024
Total assets		114,527,089,908	93,117,222,299	50,050,625,607	42,139,413,233

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

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	21	5,321,957,249	4,635,946,027	1,214,142,162	988,045,291
Short-term borrowings from financial institutions	22	21,639,969,479	22,162,290,499	11,817,781,000	15,889,794,000
Current portions of:					
- Long-term borrowings from financial institutions	22	2,140,100,708	2,328,352,364	807,279,000	1,554,136,000
- Debenture	22	-	1,455,000,000	-	1,455,000,000
- Lease liabilities	23	148,072,594	115,706,540	43,435,693	58,005,394
Short-term loan from subsidiary	6	-	-	145,000,000	145,000,000
Income tax payable		702,429,814	1,399,708,727	-	-
Derivative financial instruments	37.1	552,736,881	139,406,892	333,273,161	63,000,451
Other current liabilities		304,880,640	183,957,212	205,311,058	88,173,474
Total current liabilities		30,810,147,365	32,420,368,261	14,566,222,074	20,241,154,610
Non-current liabilities					
Non-current portions of:					
- Long-term borrowings from financial institutions	22	7,127,733,907	5,996,840,314	-	471,350,000
- Debentures	22	10,000,000,000	-	10,000,000,000	-
- Lease liabilities	23	240,145,648	137,145,778	68,085,258	55,298,123
Derivative financial instruments	37.1	21,332,231	44,471,537	-	-
Provision for retirement benefit obligations	24	425,373,598	440,267,971	138,391,700	136,673,521
Deferred tax liabilities	30	820,385,826	647,918,723	311,247,628	96,228,324
Other non-current liabilities		33,383,077	33,291,499	-	-
Total non-current liabilities		18,668,354,287	7,299,935,822	10,517,724,586	759,549,968
Total liabilities		49,478,501,652	39,720,304,083	25,083,946,660	21,000,704,578

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

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Shareholders' equity					
Share capital					
Registered					
1,535,999,998 ordinary shares of Baht 1 each		1,535,999,998	1,535,999,998	1,535,999,998	1,535,999,998
Issued and fully paid-up					
1,535,999,998 ordinary shares of Baht 1 each		1,535,999,998	1,535,999,998	1,535,999,998	1,535,999,998
Premium on ordinary shares		10,851,951,634	10,851,951,634	10,851,951,634	10,851,951,634
Surplus from the change in the ownership interests in subsidiaries					
	13.2	6,247,647,636	6,087,887,261	-	-
Retained earnings					
Appropriated - statutory reserve	25	153,600,000	153,600,000	153,600,000	153,600,000
Unappropriated		24,741,526,831	16,795,645,402	10,638,643,488	6,702,074,215
Other components of shareholders' equity					
Surplus on revaluation of assets					
- net of income tax	26	3,635,007,392	3,815,836,066	1,770,413,550	1,895,167,475
Surplus (deficit) on changes in fair value through other comprehensive income of investments					
in equity - net of income tax		3,645,991	(66,260)	6,250,583	(84,667)
Cash flow hedge reserve - net of income tax		(22,960,096)	(19,987,589)	9,819,694	-
Exchange differences on translation of financial statements in foreign currency					
		(494,288,125)	(1,149,629,226)	-	-
Equity attributable to equity holders of the Company		46,652,131,261	38,071,237,286	24,966,678,947	21,138,708,655
Non-controlling interests of the subsidiaries	13.2	18,396,456,995	15,325,680,930	-	-
Total shareholders' equity		65,048,588,256	53,396,918,216	24,966,678,947	21,138,708,655
Total liabilities and shareholders' equity		114,527,089,908	93,117,222,299	50,050,625,607	42,139,413,233
		-	-	-	-

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

Directors

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2021

(Unit: Baht)

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Profit or loss:					
Revenues from sales of goods and services	31	118,275,372,503	75,478,744,621	50,926,372,325	32,885,620,441
Cost of sales and services		<u>(80,216,448,854)</u>	<u>(53,697,457,457)</u>	<u>(44,494,317,576)</u>	<u>(29,559,739,751)</u>
Gross profit		38,058,923,649	21,781,287,164	6,432,054,749	3,325,880,690
Other income	27	420,579,507	347,299,550	137,448,398	137,057,991
Dividend income		1,414,541	2,093,094	9,204,701,672	1,438,635,594
Selling and distribution expenses		(5,952,552,884)	(3,127,819,248)	(2,859,597,386)	(1,836,827,566)
Administrative expenses		(1,974,619,744)	(1,654,928,043)	(605,497,174)	(636,233,909)
Gain (loss) on exchange rates		474,369,128	267,817,291	(70,392,399)	121,440,344
Gain from disposal of non-current assets held for sale	11	-	-	957,865,596	-
Gain (loss) from disposal of investments in an associate	14.1	-	192,977	-	(6,713,800)
Other gain (loss)	28	<u>(1,835,522,913)</u>	<u>(80,872,178)</u>	<u>(816,075,885)</u>	<u>267,614,490</u>
Profit from operating activities		29,192,591,284	17,535,070,607	12,380,507,571	2,810,853,834
Share of profit from investments in associate and joint venture		241,386,542	168,585,842	-	-
Finance income		113,208,829	51,323,881	14,129,704	56,431,385
Finance cost		<u>(828,733,698)</u>	<u>(690,930,984)</u>	<u>(315,813,666)</u>	<u>(333,555,363)</u>
Profit before income tax		28,718,452,957	17,064,049,346	12,078,823,609	2,533,729,856
Income tax	30	<u>(2,541,576,681)</u>	<u>(1,667,479,505)</u>	<u>(209,386,108)</u>	<u>(48,988,231)</u>
Profit for the year		<u>26,176,876,276</u>	<u>15,396,569,841</u>	<u>11,869,437,501</u>	<u>2,484,741,625</u>
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of financial statements in foreign currency		785,403,262	(57,659,888)	-	-
Gain (loss) on cash flow hedges - net of income tax		<u>5,120,134</u>	<u>(7,072,137)</u>	<u>9,819,694</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		<u>790,523,396</u>	<u>(64,732,025)</u>	<u>9,819,694</u>	<u>-</u>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Changes in surplus on revaluation of assets - net of income tax		(10,816,551)	(6,345,600)	-	(6,345,600)
Actuarial gain (loss) - net of income tax		56,931,511	(11,496,930)	6,377,837	452,515
Gain (loss) on changes in value of equity investments designated at fair value through other comprehensive income - net of income tax		<u>1,578,316</u>	<u>(7,611,043)</u>	<u>6,335,250</u>	<u>(7,723,847)</u>
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		<u>47,693,276</u>	<u>(25,453,573)</u>	<u>12,713,087</u>	<u>(13,616,932)</u>
Other comprehensive income for the year		<u>838,216,672</u>	<u>(90,185,598)</u>	<u>22,532,781</u>	<u>(13,616,932)</u>
Total comprehensive income for the year		<u>27,015,092,948</u>	<u>15,306,384,243</u>	<u>11,891,970,282</u>	<u>2,471,124,693</u>

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

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2021

(Unit: Baht)

	<i>Note</i>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Profit attributable to:					
Equity holders of the Company		15,846,701,459	9,531,213,266	<u>11,869,437,501</u>	<u>2,484,741,625</u>
Non-controlling interests of the subsidiaries		<u>10,330,174,817</u>	<u>5,865,356,575</u>		
		<u>26,176,876,276</u>	<u>15,396,569,841</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		16,543,432,394	9,446,216,545	<u>11,891,970,282</u>	<u>2,471,124,693</u>
Non-controlling interests of the subsidiaries		<u>10,471,660,554</u>	<u>5,860,167,698</u>		
		<u>27,015,092,948</u>	<u>15,306,384,243</u>		
Earnings per share					
	32				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>10.32</u>	<u>6.21</u>	<u>7.73</u>	<u>1.62</u>

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

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2021

(Unit: Baht)

Consolidated financial statements													
Attributable to the equity holders of the Company													
Other components of shareholders' equity													
Other comprehensive income													
Surplus (deficit) on changes in fair value													
Issued and paid-up share capital	Premium on ordinary shares	Surplus from the change in the ownership interests in subsidiaries	Retained earnings		Surplus on revaluation of assets - net of income tax	through other comprehensive income of - net of income tax	Cash flow hedge reserve - net of income tax	Exchange differences on translation of financial statements in foreign currency	Total other components of shareholders' equity	Total equity attributable to equity holders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity	
			Appropriated - statutory reserve	Unappropriated									
Balance as at 1 January 2020	1,535,999,998	10,851,951,634	288,463,490	153,600,000	8,436,257,327	3,964,398,998	7,544,783	(23,112,168)	(1,096,075,583)	2,852,756,030	24,119,028,479	1,369,357,692	25,488,386,171
Profit for the year	-	-	-	-	9,531,213,266	-	-	-	-	-	9,531,213,266	5,865,356,575	15,396,569,841
Other comprehensive income for the year	-	-	-	-	(8,442,524)	(6,345,600)	(7,611,043)	(6,360,966)	(56,236,588)	(76,554,197)	(84,996,721)	(5,188,877)	(90,185,598)
Total comprehensive income for the year	-	-	-	-	9,522,770,742	(6,345,600)	(7,611,043)	(6,360,966)	(56,236,588)	(76,554,197)	9,446,216,545	5,860,167,698	15,306,384,243
Amortisation on surplus on revaluation of assets	-	-	-	-	142,217,332	(142,217,332)	-	-	-	(142,217,332)	-	-	-
Dividend paid (Note 34)	-	-	-	-	(1,305,599,999)	-	-	-	-	-	(1,305,599,999)	-	(1,305,599,999)
Dividend paid by the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(782,410,499)	(782,410,499)
Share-based payment paid by a subsidiary (Note 13.2)	-	-	-	-	-	-	-	-	-	-	-	21,753,441	21,753,441
Increase in share capital of the subsidiary	-	-	5,799,423,771	-	-	-	-	9,485,545	2,682,945	12,168,490	5,811,592,261	8,856,812,598	14,668,404,859
Balance as at 31 December 2020	1,535,999,998	10,851,951,634	6,087,887,261	153,600,000	16,795,645,402	3,815,836,066	(66,260)	(19,987,589)	(1,149,629,226)	2,646,152,991	38,071,237,286	15,325,680,930	53,396,918,216
Balance as at 1 January 2021	1,535,999,998	10,851,951,634	6,087,887,261	153,600,000	16,795,645,402	3,815,836,066	(66,260)	(19,987,589)	(1,149,629,226)	2,646,152,991	38,071,237,286	15,325,680,930	53,396,918,216
Profit for the year	-	-	-	-	15,846,701,459	-	-	-	-	-	15,846,701,459	10,330,174,817	26,176,876,276
Other comprehensive income for the year	-	-	-	-	51,358,373	(10,816,551)	3,712,251	(3,001,202)	655,478,064	645,372,562	696,730,935	141,485,737	838,216,672
Total comprehensive income for the year	-	-	-	-	15,898,059,832	(10,816,551)	3,712,251	(3,001,202)	655,478,064	645,372,562	16,543,432,394	10,471,660,554	27,015,092,948
Amortisation on surplus on revaluation of assets	-	-	-	-	111,821,587	(111,821,587)	-	-	-	(111,821,587)	-	-	-
Dividend paid (Note 34)	-	-	-	-	(8,063,999,990)	-	-	-	-	-	(8,063,999,990)	-	(8,063,999,990)
Dividend paid by the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(7,522,703,733)	(7,522,703,733)
Share-based payment paid by a subsidiary (Note 13.2)	-	-	-	-	-	-	-	-	-	-	-	10,618,118	10,618,118
Increase in share capital of a subsidiary (Note 13.2)	-	-	101,714,804	-	-	(144,965)	-	28,695	(136,963)	(253,233)	101,461,571	111,201,126	212,662,697
Effect of restructuring of the subsidiaries (Note 13.2)	-	-	58,045,571	-	-	(58,045,571)	-	-	-	(58,045,571)	-	-	-
Balance as at 31 December 2021	1,535,999,998	10,851,951,634	6,247,647,636	153,600,000	24,741,526,831	3,635,007,392	3,645,991	(22,960,096)	(494,288,125)	3,121,405,162	46,652,131,261	18,396,456,995	65,048,588,256

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

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2021

(Unit: Baht)

	Separate financial statements								
					Other components of shareholders' equity				
					Other comprehensive income				
					Surplus (deficit) on changes in fair value through other comprehensive income of investments in equity - net of income tax				
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Surplus on revaluation of assets - net of income tax		Cash flow hedge reserve - net of income tax	Total other components of shareholders' equity	Total shareholders' equity
		Appropriated - statutory reserve	Unappropriated						
Balance as at 1 January 2020	1,535,999,998	10,851,951,634	153,600,000	5,429,641,988	1,994,351,161	7,639,180	-	2,001,990,341	19,973,183,961
Profit for the year	-	-	-	2,484,741,625	-	-	-	-	2,484,741,625
Other comprehensive income for the year	-	-	-	452,515	(6,345,600)	(7,723,847)	-	(14,069,447)	(13,616,932)
Total comprehensive income for the year	-	-	-	2,485,194,140	(6,345,600)	(7,723,847)	-	(14,069,447)	2,471,124,693
Amortisation on surplus on revaluation of assets	-	-	-	92,838,086	(92,838,086)	-	-	(92,838,086)	-
Dividend paid (Note 34)	-	-	-	(1,305,599,999)	-	-	-	-	(1,305,599,999)
Balance as at 31 December 2020	<u>1,535,999,998</u>	<u>10,851,951,634</u>	<u>153,600,000</u>	<u>6,702,074,215</u>	<u>1,895,167,475</u>	<u>(84,667)</u>	<u>-</u>	<u>1,895,082,808</u>	<u>21,138,708,655</u>
Balance as at 1 January 2021	1,535,999,998	10,851,951,634	153,600,000	6,702,074,215	1,895,167,475	(84,667)	-	1,895,082,808	21,138,708,655
Profit for the year	-	-	-	11,869,437,501	-	-	-	-	11,869,437,501
Other comprehensive income for the year	-	-	-	6,377,837	-	6,335,250	9,819,694	16,154,944	22,532,781
Total comprehensive income for the year	-	-	-	11,875,815,338	-	6,335,250	9,819,694	16,154,944	11,891,970,282
Amortisation on surplus on revaluation of assets	-	-	-	124,753,925	(124,753,925)	-	-	(124,753,925)	-
Dividend paid (Note 34)	-	-	-	(8,063,999,990)	-	-	-	-	(8,063,999,990)
Balance as at 31 December 2021	<u>1,535,999,998</u>	<u>10,851,951,634</u>	<u>153,600,000</u>	<u>10,638,643,488</u>	<u>1,770,413,550</u>	<u>6,250,583</u>	<u>9,819,694</u>	<u>1,786,483,827</u>	<u>24,966,678,947</u>

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

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Cash flows from operating activities				
Profit before income tax	28,718,452,957	17,064,049,346	12,078,823,609	2,533,729,856
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities:				
Unrealised loss (gain) on exchange rates	6,997,206	(17,967,914)	7,587,088	(2,201,371)
Unrealised loss (gain) on revaluation of derivative financial instruments	62,521,448	(148,661,759)	76,914,555	(153,701,683)
Share-based payment expenses	10,618,118	21,753,441	-	-
Expected credit losses (reversal)	6,671,563	2,157,057	4,418,178	(939,025)
Reduction of inventory cost to net realisable value (reversal)	3,514,186	30,707,852	(48,319,232)	43,848,318
Expenses for retirement benefit obligations	61,860,764	45,887,178	11,761,108	12,473,951
Depreciation	2,909,791,117	2,717,553,906	816,093,056	871,077,987
Amortisation - economic tree plantations	17,168,916	9,351,303	409,263	403,186
Amortisation - intangible assets	79,484,243	74,472,376	65,342,773	66,306,466
Loss on impairment of asset	6,868,384	-	-	-
Write-off for withholding tax deducted at source	-	38,404,456	-	34,990,288
Finance income	(113,208,829)	(51,323,881)	(14,129,704)	(56,431,385)
Finance cost	828,733,698	690,930,984	315,813,666	333,555,363
Dividend income	(1,414,541)	(2,093,094)	(9,204,701,672)	(1,438,635,594)
Share of profit from investments in associate and joint venture	(241,386,542)	(168,585,842)	-	-
Written-off for machinery and assets under construction from fire incident	51,195,141	9,627,483	-	9,627,483
Loss (gain) on disposal and write-off for property, plant and equipment, right-of-use assets, economic tree plantations and intangible assets	56,223,174	76,156,205	(31,996,182)	(5,751,241)
Loss (gain) on disposal of investment in associate	-	(192,977)	-	6,713,800
Gain from disposal of non-current assets held for sale	-	-	(957,865,596)	-
Profit from operating activities before changes in operating assets and liabilities	32,464,091,003	20,392,226,120	3,120,150,910	2,255,066,399
Operating assets (increase) decrease				
Trade and other receivables	346,320,397	(4,249,967,172)	(1,670,241,191)	(289,723,847)
Amounts due from future brokers	(505,946,583)	(71,878,300)	(105,737,796)	30,384,003
Inventories	(13,195,706,352)	(5,568,698,343)	(6,458,384,814)	(2,897,812,343)
Other current assets	(43,346,087)	(660,104,761)	1,114,731	9,033,811
Other non-current assets	(30,583)	(179,130,797)	(1,435,092)	334,523
Operating liabilities increase (decrease)				
Trade and other payables	(311,644,012)	2,065,335,443	119,268,258	3,695,846
Other current liabilities	120,923,428	127,181,911	117,137,584	71,752,356
Provision for retirement benefit obligations	(4,525,192)	(4,107,778)	(2,070,633)	(1,482,500)
Other non-current liabilities	91,578	73,155	-	-
Cash flows provided by operating activities	18,870,227,597	11,850,929,478	(4,880,198,043)	(818,751,752)
Cash received from interest income	107,680,489	32,776,975	14,219,162	56,630,911
Cash paid for interest income	(884,091,965)	(722,805,507)	(266,027,032)	(335,352,079)
Cash received for withholding tax deducted at source refund	51,864,050	167,260,678	-	50,045,714
Cash paid for income tax	(3,549,079,775)	(372,922,646)	(15,163,147)	(65,203,056)
Net cash flows provided by (used in) operating activities	14,596,600,396	10,955,238,978	(5,147,169,060)	(1,112,630,262)

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

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from investing activities				
Increase in other financial assets	(639,673,615)	-	-	-
Dividends received	159,942,341	118,883,094	9,204,701,672	1,438,635,594
Cash received from repayment of long-term loan to subsidiary	-	-	597,348,000	839,347,600
Cash paid for long-term loan to subsidiary	-	-	(311,818,000)	-
Cash paid for investment in subsidiary	-	-	(133,499,895)	(196,400,000)
Cash received from disposal of property, plant and equipment, economic tree plantations and intangible assets	47,608,589	28,942,551	165,978,677	80,947,287
Cash received from disposal of non-current assets held for sale	-	-	1,265,268,566	-
Cash paid for purchases of property, plant and equipment, economic tree plantations and intangible assets	(11,754,545,753)	(2,494,577,476)	(772,510,742)	(268,373,445)
Cash received from disposal of investment in associate	-	8,355,000	-	8,355,000
Net cash flows provided by (used in) investing activities	(12,186,668,438)	(2,338,396,831)	10,015,468,278	1,902,512,036
Cash flows from financing activities				
Increase (decrease) in short-term borrowings from financial institutions	(906,898,034)	5,253,574,488	(4,072,013,000)	2,386,806,000
Repayment of short-term loan from subsidiary	-	-	-	(15,000,000)
Proceeds from long-term borrowings from financial institutions	3,244,500,000	2,347,000,000	309,500,000	-
Repayments of long-term borrowings from financial institutions	(2,329,136,000)	(4,517,276,400)	(1,554,136,000)	(1,674,276,400)
Proceeds from issuance of debentures	10,000,000,000	-	10,000,000,000	-
Cash paid for redemption of debentures	(1,455,000,000)	-	(1,455,000,000)	-
Repayments of lease liabilities	(167,520,402)	(146,213,468)	(59,512,672)	(74,183,539)
Dividend paid	(8,063,881,477)	(1,304,603,647)	(8,063,881,477)	(1,304,603,647)
Dividend paid by subsidiaries	(7,522,703,733)	(782,410,499)	-	-
Cash received from increase in share capital of subsidiary	212,662,697	14,609,276,074	-	-
Net cash flows provided by (used in) financing activities	(6,987,976,949)	15,459,346,548	(4,895,043,149)	(681,257,586)
Increase (decrease) in translation adjustments	941,011,868	(11,327,882)	-	-
Net increase (decrease) in cash and cash equivalents	(3,637,033,123)	24,064,860,813	(26,743,931)	108,624,188
Cash and cash equivalents at beginning of the year	26,446,683,536	2,381,822,723	298,780,383	190,156,195
Cash and cash equivalents at end of the year	22,809,650,413	26,446,683,536	272,036,452	298,780,383
	-	-	-	-
Supplemental cash flows information				
Non-cash transactions:				
Increase in payables from purchases of assets	600,205,955	12,827,530	43,067,074	-
Purchases of assets by entering into lease agreements	290,810,392	70,207,839	58,548,248	31,641,322
Increase in retention	339,296,409	11,549,798	13,456,902	-
Transfer advance payments for fixed assets to be assets under construction and machinery	181,195,804	-	-	-

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

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2021

1. General information

Sri Trang Agro-Industry Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of natural rubber products such as ribbed smoked sheets, concentrated latex, block rubber, and other products. In addition, the Group is engaged in the manufacture and distribution of natural gloves and provides engineering, logistics and IT services. The registered office of the Company is at 10 Soi 10, Phetkasem Road, Hat Yai, Songkhla, Thailand.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Sri Trang Agro-Industry Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2021</u>	<u>2020</u>
			(%)	(%)
<u>Subsidiaries directly owned by the Company</u>				
PT Sri Trang Lingga Indonesia	Manufacture of block rubber products	Indonesia	90.00	90.00
Anvar Parawood Co., Ltd.	Manufacture of processed rubber wood	Thailand	99.94	99.94
Rubberland Products Co., Ltd.	Manufacture of rubber products	Thailand	99.99	99.99

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2021</u> (%)	<u>2020</u> (%)
Namhua Rubber Co., Ltd.	Manufacture of rubber products	Thailand	99.99	99.99
Sadao P.S. Rubber Co., Ltd.	Providing rental services of real estate	Thailand	-	99.99
Startex Rubber Co., Ltd.	Investment holding	Thailand	99.99	99.99
Premier System Engineering Co., Ltd.	Providing engineering services	Thailand	-	99.99
Starlight Express Transport Co., Ltd.	Providing of logistics services	Thailand	99.99	99.99
Sri Trang Rubber & Plantation Co., Ltd.	Rubber plantation	Thailand	99.99	99.99
Shi Dong Shanghai Rubber Co., Ltd.	Distribution of rubber products	China	100.00	100.00
Sri Trang Gloves (Thailand) Plc.	Manufacture of medical gloves	Thailand	56.07	56.18
Sri Trang IBC Co., Ltd.	Providing of IT Services	Thailand	99.99	99.99
<u>Subsidiaries indirectly owned by the Company</u>				
Held by Startex Rubber Co., Ltd.				
Sri Trang International Pte Ltd.	Distribution of rubber products	Singapore	99.99	99.99
Held by Sri Trang International Pte Ltd.				
Shi Dong Investments Pte Ltd.	Investment holding	Singapore	99.99	99.99
Sri Trang Indochina (Vietnam) Co., Ltd.	Distribution of rubber products	Vietnam	99.99	99.99
Sri Trang Ayeyar Rubber Industry Co., Ltd.	Manufacture of block rubber products	Myanmar	58.99	58.99
Held by Shi Dong Investments Pte Ltd.				
PT Star Rubber	Manufacture of block rubber products	Indonesia	98.99	98.99
Held by Sri Trang Gloves (Thailand) Plc.				
Shidong Shanghai Medical Equipment Co., Ltd.	Distribution of gloves	China	56.07	56.18
Sri Trang USA, Inc.	Distribution of gloves	USA	56.07	56.18
Premier System Engineering Co., Ltd.	Providing engineering services	Thailand	56.07	-
Sadao P.S. Rubber Co., Ltd.	Providing rental services of real estate	Thailand	56.07	-
Sri Trang Gloves (Singapore) Pte. Ltd.	Distribution of gloves and research and development	Singapore	56.07	-
Sri Trang Gloves Global Pte. Ltd.	Financial asset management and financial investment	Singapore	56.07	-
PT Sri Trang Gloves Indo	Distribution of gloves	Indonesia	56.07	-
Sri Trang Gloves Vietnam Co., Ltd.	Distribution of gloves	Vietnam	56.07	-

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
- f) Material balances and transactions between the Group has been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- h) A change in the ownership interest of subsidiaries of the Group, without a loss of control, are recorded as “Surplus (deficit) from the changes in the ownership interests in subsidiaries” within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries, a joint venture and an associate under the cost method net of allowance for impairment loss (if any).

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

However, the Group has applied specific hedge accounting requirements amend to TFRS 9: Financial Instruments and TFRS 7: Disclosure of Financial Instruments, which apply to all hedging relationships directly affected by interest rate benchmark reform. Consequently, the Group can continue to apply hedge accounting for those hedging relationships in the period when there is uncertainty about the timing or the amount of interest rate benchmark-based cash flows of the hedged item or of the hedging instrument.

The adoption of these temporary exemptions does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

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

4. Significant accounting policies

4.1 Revenue and expense recognition

The Group recognises revenue when the revenue and related costs can be reliably measured; it is probable that future economic benefits will flow to the entity, which relates to these transactions as follows.

Sales of goods

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

Rendering of services

Service revenue is recognised over time when services have been rendered taking into account the stage of completion, measuring based on information provided by the Group's engineers or project managers.

The recognised revenue which is not yet due per the contracts has been presented under caption of “Unbilled receivables” in the statement of financial position. The amounts recognised as unbilled receivables are reclassified to receivables when the Group’s right to consideration is unconditional such as upon completion of services and acceptance by the customer.

The obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer is presented under the caption of “Advance received from customers” in the statement of financial position. Advance received from customers are recognised as revenue when the Group perform under the contract.

Finance income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the carrying amount of a financial asset net of the allowance for expected credit loss allowance (if any).

Finance cost

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

Dividends

Dividends are recognised when the right to receive the dividends is established.

Rental income

Rental income is recognised on an accrual basis based on a straight-line basis over the lease term.

4.2 Government Grants

The Group recognises government grants when all attached conditions have been met and there is reasonable assurance that the grants will be received. The Group recognises those government grants as income in profit or loss, included in other income.

4.3 Cash and cash equivalents

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

4.4 Inventories

Inventories are valued at the lower of cost or net realisable value. Cost is determined by 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, or rebates.

The cost of finished goods and work in process are measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads based on the normal operating capacity, but excluding borrowing costs. Raw materials, chemicals, spare parts and factory supplies are charged to production costs whenever consumed.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion finished goods and the estimated costs necessary to make the sale.

4.5 Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

The Company will classify assets held for sale when the sale is highly probable, which is completed within one year from the date of the classification. In addition, the asset is available for immediate sale in its present condition.

4.6 Investments in subsidiaries, a joint venture and an associate

Investments in a joint venture and an associate are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries, a joint venture and an associate in the separate financial statements are stated at cost net of allowance for impairment loss (if any).

4.7 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value estimated by an independent professional appraiser. Gains or losses arising from changes in the fair values of investment properties are recognised in profit or loss in the year in which they arise.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the year when the asset is derecognised.

When there is a change in the use of investment property, if the investment property recorded at fair value is transferred to owner-occupied property or inventory, the deemed cost for subsequent accounting is the fair value at the date of change in use. If an owner-occupied property becomes an investment property recorded at fair value, any difference between the carrying amount of the property and its fair value on the date of the change in use is treated in the same manner as a revaluation, in accordance with the stated accounting policy for property, plant and equipment.

4.8 Property, plant and equipment and depreciation

Land and building are stated at revalued amount. Other assets are stated at cost less accumulated depreciation and allowance for loss on impairment of asset (if any).

Such subsequent cost may include the cost of replacing part of the buildings and equipment, only when it is probable that future economic benefits are expected from its use 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 repair and maintenance costs are recognised in profit or loss as incurred.

Land and buildings are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows.

- When an asset's carrying amount is increased as a result of a revaluation of the Group's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of "Surplus on revaluation of assets". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Group's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Surplus on revaluation of assets" in respect of the same asset.

The surplus is amortised to retained earnings on a straight-line basis over the remaining useful lives of the related assets, and can neither be offset against deficit nor used for dividend payment.

Depreciation of plant and equipment is calculated by reference to their costs or the revalued amount, on the straight-line basis over the following estimated useful lives:

Land improvements	5 - 43 years
Buildings and structures	5 - 50 years
Machinery and equipment	2 - 20 years
Furniture, fixtures and office equipment	2 - 10 years
Motor vehicles	5 - 12 years

Depreciation is recognised as expenses in profit or loss.

No depreciation is provided on land and assets under construction and installation.

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

The assets will be tested for impairment whenever there is an indication. The residual values and useful lives of assets are reviewed at each reporting period, and adjusted if appropriate.

4.9 Economic tree plantations

Rubber and palm plantations

Rubber trees for tapping of latex and palm oil trees for harvesting of fresh fruit bunches are stated at cost less accumulated amortisation and allowance for impairment loss (if any).

Costs of rubber and palm plantation are comprised of costs of land clearing, land terracing and drainage, planting, weeding and fertilizing. These are incurred from the immature stage until the rubber and palm trees are ready for commercial harvesting at ages of approximately 7 years and 3 years, respectively.

The Group amortises costs less salvage value of rubber and palm trees that are commercially harvested using a straight-line basis over the estimated harvesting period of 25 years.

Amortisation is recognised as expenses in profit or loss.

Biological assets, which consist of latex produced inside the rubber trees and fresh fruit bunches on trees, are measured at fair value less costs to sell, upon initial recognition and at the end of each reporting period.

Agricultural produce, which consists of latex and harvested fresh fruit bunches, is measured at fair value less costs to sell at the point of harvest.

Economic plantations

Economic plantations of the Group consist of perennial plants (e.g. teak, padauk, rosewood and makha) and herbaceous plants (e.g. hemp).

Costs of economic plantations comprise of costs of land and trench preparation, seeding, weeding and fertilizing which are incurred from the planting and maintenance period until the economic trees are ready for commercial harvesting at approximately 20 - 50 years for perennial plants and not more than 1 year for herbaceous plants.

Biological assets, which are immature perennial and herbaceous plants, are measured at fair value less costs to sell upon initial recognition and at the end of each reporting period. However, young perennial plants for which there is not yet a recognised market price are stated at cost less allowance for impairment loss (if any).

Agricultural produce, which consists of logs from perennial plants and parts of hemp (e.g. seeds, leaves and roots) are measured at fair value less costs to sell at the point of harvest.

Gains or losses on changes in the fair value of biological assets and agricultural produce are recognised in profit or loss.

4.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

4.11 Intangible assets - computer software

Intangible assets - computer software is recognised at cost. Following the initial recognition, the intangible assets - computer software is carried at cost less accumulated amortisation and allowance for impairment loss (if any).

Intangible assets - computer software with finite useful lives of 3 - 10 years is amortised on the straight-line basis over the economic useful lives and tested for impairment whenever there is an indication that the intangible assets - computer software may be impaired. The amortisation period and the amortisation method of such intangible assets - computer software are reviewed at least at each financial year end. Amortisation is recognised as expenses in profit or loss.

No amortisation is provided on computer software under installation.

4.12 Business combinations and goodwill

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

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

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of group of cash-generating unit that is expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each group of cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss and will not be reversed in future periods.

Business combinations under common control

Business combinations under common control are accounted for using the pooling of interests method, with the cost of the business combinations under common control being the fair value, at the date of exchange, of the consideration transferred to obtain control. The assets and liabilities of the entities pooled are recognised based on their book values, in proportion to the interests previously under common control.

Differences between the cost of the business combination under common control and the acquirer's proportionate interests in the book value of the pooled entities is presented as "Surplus (deficit) on business combination under common control" in shareholders' equity.

Costs relating to business combinations under common control are accounted for as expenses in the period in which the business combination occurred.

4.13 Leases

At inception of contract, the Group assesses whether the contract is 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 as a lessee

The Group recognises right-of-use assets and lease liabilities for all lease at the date the underlying asset is available for use (the commencement date of the lease). However, the Group recognises rental expenses on a straight-line basis over the lease term not more than 12 months or leases of low-value assets.

Right-of-use assets

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

Depreciation of right-of-use assets is calculated by reference to their costs on the straight-line basis over the lease terms or estimated useful lives of the asset, if ownership of the leased asset is transferred to the Group at the end of the lease term as follows.

Land and land improvement	1 - 2 years
Buildings and building improvement	3 years
Motor vehicles	1 - 3 years
Equipment	1 - 5 years

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term, which discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made and is remeasured if there is a change in the lease.

The Group as a lessor

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

4.14 Related party transactions

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

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

4.15 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

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

Gain and loss on exchange are included in profit or loss.

4.16 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets and computer software whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss. However in cases where property and plant was previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, a reversal of that impairment loss is recognised in profit or loss but shall not exceed the impairment loss was previously recognised in profit or loss, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

4.17 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

The Group and its employees in Thailand have jointly established a provident fund. The fund is monthly contributed by employees and by the Group in Thailand. The fund's assets are held in a separate trust fund and contributions of the Group in Thailand are recognised as expenses when incurred.

Defined benefit plans

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

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

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

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the entity recognises restructuring-related costs.

4.18 Provisions

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

4.19 Share-based payments with equity-settled transactions

The Group recognises share-based payment transactions on the date on which the options are granted, based on the fair value of the options. They are recorded to expenses over the expected lives of the share options, and a capital reserve for share-based payment transactions is presented in shareholders' equity.

Estimating the fair value of share-based payment transactions requires the exercise of judgement to make valuations, as well as appropriate assumptions regarding various matters, such as the expected life of the share options, share price volatility and dividend yield.

4.20 Income tax

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

Current tax

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

Deferred tax

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

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

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

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

4.21 Financial instruments

Classification and measurement of financial assets

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

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect cash flows with the contractual terms. The cash flows are solely payments of principal and interest on the principal amount outstanding complied with the period specified in the contract.

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

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Moreover, Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

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

These financial assets include derivative financial instruments, Equity linked notes, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Return on the such financial assets is recognised as other income in profit or loss.

Classification and measurement of financial liabilities

The Group’s financial liabilities are initially recognised at fair value net of transaction costs and classified as financial liabilities to be subsequently measured at amortised cost, except for derivative liabilities as described in Note 4.22 to the financial statements. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control over it.

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

Impairment of financial assets

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

For trade receivables, the Group applies a simplified approach in calculating ECLs. The Group recognises a loss based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

4.22 Derivatives and hedge accounting

The Group has entered into contracts of derivative financial instruments as follows.

- Foreign exchange options and forward foreign exchange contracts to hedge its foreign currency risks
- Interest rate swaps to hedge its interest rate risks
- Rubber options, rubber price swaps, rubber futures, physical forward contracts and open rubber sale contracts to hedge its commodity price risks

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss unless the derivative is designated and effective as a hedging instrument under fair value hedge and cash flow hedge. Derivatives are carried as financial assets or financial liabilities by considering the fair value of the derivatives.

Derivatives are presented as non-current assets or liabilities and current assets or liabilities by considering the remaining maturity with more than or less than 12 months respectively.

Hedge accounting

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to a variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

The Group prepares formal documentation on the date that hedge accounting is applied, and provides regular updates regarding the risk management objectives and strategies and the hedging relationships.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements, including analysis of the sources of hedge ineffectiveness and how the hedge ratio is determined.

A hedging relationship qualifies for hedge accounting if it meets all of the following hedge effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk is not the dominant factor in the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all of the qualifying criteria for hedge accounting are accounted for, as described below:

Fair value hedges

Fair value hedge accounting is applied to hedge the Group's exposure to changes in the fair value that are attributable to changes in the prices of a commodity (rubber). The carrying amount of inventory (hedged item) is adjusted for gains and losses attributable to changes in rubber price, while designated open rubber sale contracts (hedging instrument) are recorded at fair value as a derivative asset or liability. Gains and losses on remeasurement of these two items are recognised in profit and loss.

The application of hedge accounting is discontinued in cases where the Group revokes the hedging relationship, a hedging relationship ceases to meet the hedge accounting criteria or there is a change in the risk management objective. Adjustment of the carrying amount of the inventory (hedged item) then ceases and the cumulative change in the fair value is taken to profit and loss when the inventory is sold. Where a hedge relationship does not meet the criteria for an effective hedge due to the hedge ratio, the Group may adjust the hedge ratio to re-establish the effectiveness of the hedging relationship, or may decide to discontinue the hedge in cases where the risk management objective has changed.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve and later reclassified to profit or loss when the hedged cash flows affect profit or loss or no longer exist.

The Group considers of the hedge effectiveness by comparing the critical terms between hedging instruments and hedged items. If the critical terms match, the hedging relationship is expected to be highly effective.

4.23 Fair value measurement

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

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

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

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

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

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

5. Significant accounting judgements and estimates

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

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercises judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Property, plant and equipment

The Group measures land and buildings at revalued amounts. Such amounts are determined by the independent professional appraiser using the market approach for land and the depreciated replacement cost approach for buildings. The valuation involves certain assumptions and estimations.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and to record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Goodwill

The initial recognition and measurement of goodwill and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

6. Related party transactions

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Transactions with subsidiaries				
Sales of goods	-	-	19,199,808	8,091,431
Purchases of goods	-	-	895,598	2,225,358
Service income	-	-	155,959	164,895
Service expenses	-	-	521,228	476,421
Rental income	-	-	-	193
Rental expenses	-	-	854	799
Dividend income	-	-	9,060,411	1,333,494
Interest income	-	-	13,969	56,243
Interest expenses	-	-	1,450	1,504
Sales of fixed assets	-	-	333,285	-
Sales of investments	-	-	1,087,799	-
Transactions with an associate				
Sales of goods	21,065	17,625	-	-
Purchases of goods	195	165	-	5
Service income	29,912	26,452	2,622	2,650
Service expenses	-	33	-	-
Rental income	400	400	-	-
Dividend income	133,025	116,790	117,375	103,050
Transactions with a joint venture				
Purchases of goods	2,303,918	1,932,800	-	-
Service income	15,453	10,820	15,434	10,780
Dividend income	25,503	-	25,503	-
Transactions with directors and related parties				
Purchases of fixed assets	27,366	94,700	14,046	-

The pricing policies of the Group are as follows.

- (1) Sales/purchases of goods are made at market prices or reference to market prices.
- (2) Service and rental income/expenses are based on contract prices.
- (3) Dividend income is made with announced payment rate.
- (4) Interest income/expenses are charged at rates with reference to loan agreements.
- (5) Sales/purchases of assets are based on contract prices which reference to market prices.

Outstanding balances arising from significant business transactions

As at 31 December 2021 and 2020, the balances of the accounts between the Group and those related parties were as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Trade accounts receivable (Note 8)				
Subsidiaries	-	-	1,448,813	621,622
Associate	5,129	4,018	223	223
	<u>5,129</u>	<u>4,018</u>	<u>1,449,036</u>	<u>621,845</u>
Other receivables (Note 8)				
Subsidiaries	-	-	33,539	16,418
Associate	1,026	716	-	-
	<u>1,026</u>	<u>716</u>	<u>33,539</u>	<u>16,418</u>
Advance payments for goods (Note 8)				
Subsidiaries	-	-	505,353	-
Trade accounts payable (Note 21)				
Subsidiaries	-	-	130,434	142,757
Associate	26	10	-	-
Joint venture	62,360	34,722	-	-
	<u>62,386</u>	<u>34,732</u>	<u>130,434</u>	<u>142,757</u>
Other payables (Note 21)				
Subsidiaries	-	-	21,096	8,921

Outstanding balances arising from loans to subsidiaries

As at 31 December 2021 and 2020, the balances of loans between the Company and subsidiaries were as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Interest receivables (Note 8)	-	-	78	168
Long-term loans	-	-	332,469	597,348

As at 31 December 2021 and 2020, long-term loans to subsidiaries were unsecured and were summarised as below.

		Separate financial statements			
		As at 31 December 2021			
		Principle		Interest rates %	Borrowing periods
		(Equivalent)	(Equivalent)		
Relationship	Relationship	Million USD	Million Baht	rates %	periods
PT Star Rubber	An indirect subsidiary	10	332	4.23	1 year
		As at 31 December 2020			
		Principle		Interest rates %	Borrowing periods
		(Equivalent)	(Equivalent)		
Relationship	Relationship	Million USD	Million Baht	rates %	periods
PT Star Rubber	An indirect subsidiary	20	597	5.05	3 years

Movements in the balance of long-term loans to subsidiaries during the year ended 31 December 2021 were as follows.

		(Unit: Thousand Baht)			
		Separate financial statements			
	Balance as at 31 December 2020	Increase during the year	Decrease during the year	Unrealised gain on exchange rate	Balance as at 31 December 2021
Long-term loans	597,348	311,818	(597,348)	20,651	332,469
PT Star Rubber	597,348	311,818	(597,348)	20,651	332,469

Outstanding balances arising from loan from a subsidiary

As at 31 December 2021 and 2020, unsecured short-term loan from a subsidiary were summarised as below.

		Separate financial statements			
		As at 31 December		Interest rates %	Borrowing periods
Relationship		2021	2020		
Startex Rubber Co., Ltd.	A direct subsidiary	145	145	1.00	On call

The balance has no movement during the year ended 31 December 2021.

Directors and management's benefits

During the years ended 31 December 2021 and 2020, the Group had employee benefit expenses of its directors and management as below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Short-term employee benefits	373,120	299,388	82,409	60,863
Post-employment benefits	10,167	9,483	2,956	3,138
Share-based payment benefits	6,104	12,506	-	-
Total	<u>389,391</u>	<u>321,377</u>	<u>85,365</u>	<u>64,001</u>

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 35 to the financial statements.

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Cash	77,562	60,398	9,971	9,324
Bank deposits	<u>22,732,088</u>	<u>26,386,286</u>	<u>262,065</u>	<u>289,456</u>
Total	<u>22,809,650</u>	<u>26,446,684</u>	<u>272,036</u>	<u>298,780</u>

As at 31 December 2021, bank deposits carried interests between 0.05 and 2.50 percent per annum (2020: between 0.05 and 3.25 percent per annum).

8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Trade accounts receivable - related parties (Note 6)				
Aged on the basis of due dates				
Not yet due	5,129	4,018	1,093,560	621,845
Past due				
Up to 30 days	-	-	195,200	-
31 - 60 days	-	-	101,287	-
61 - 90 days	-	-	58,989	-
Total trade accounts receivable - related parties	<u>5,129</u>	<u>4,018</u>	<u>1,449,036</u>	<u>621,845</u>
Trade accounts receivable - unrelated parties				
Aged on the basis of due dates				
Not yet due	7,573,069	8,111,952	2,126,886	2,028,242
Past due				
Up to 30 days	626,515	463,710	300,366	126,278
31 - 60 days	63,981	13,529	8,238	13,365
61 - 90 days	15,983	863	-	51
91 - 120 days	6,138	1,972	-	-
121 - 365 days	57	3,525	-	907
Over 365 days	37,900	39,273	30,885	30,443
Total	<u>8,323,643</u>	<u>8,634,824</u>	<u>2,466,375</u>	<u>2,199,286</u>
Less: Allowance for expected credit losses	<u>(41,946)</u>	<u>(35,274)</u>	<u>(31,115)</u>	<u>(26,697)</u>
Total trade accounts receivable - unrelated parties, net	<u>8,281,697</u>	<u>8,599,550</u>	<u>2,435,260</u>	<u>2,172,589</u>
Total trade accounts receivable - net	<u>8,286,826</u>	<u>8,603,568</u>	<u>3,884,296</u>	<u>2,794,434</u>
Other receivables				
Other receivables - related parties (Note 6)	1,026	716	33,539	16,418
Other receivables - unrelated parties	161,962	97,813	17,396	16,140
Interest receivables - related parties (Note 6)	-	-	78	168
Advance payments for goods				
- related parties (Note 6)	-	-	505,353	-
Prepaid expenses and advance payments for goods				
- unrelated parties	496,300	558,053	110,258	59,436
Total other receivables	<u>659,288</u>	<u>656,582</u>	<u>666,624</u>	<u>92,162</u>
Total trade and other receivables - net	<u>8,946,114</u>	<u>9,260,150</u>	<u>4,550,920</u>	<u>2,886,596</u>

The normal credit term are 30 to 90 days.

9. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduction of cost to net realisable value		Inventories, net	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Finished goods	10,015,802	5,988,723	(14,157)	(7,095)	10,001,645	5,981,628
Work in process	5,944,449	3,820,907	(73,494)	(27,596)	5,870,955	3,793,311
Raw materials, packaging, and chemicals	15,610,300	8,943,210	(27,890)	(93,288)	15,582,410	8,849,922
Spare parts and supplies	804,409	426,414	(35,686)	(19,734)	768,723	406,680
Total	32,374,960	19,179,254	(151,227)	(147,713)	32,223,733	19,031,541
Fair value hedge adjustments					354,720	-
Total inventory - net					32,578,453	19,031,541
	Separate financial statements					
	Cost		Reduction of cost to net realisable value		Inventories, net	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Finished goods	4,052,851	2,783,130	-	(300)	4,052,851	2,782,830
Work in process	3,312,009	2,112,936	-	-	3,312,009	2,112,936
Raw materials, packaging, and chemicals	9,162,628	5,174,630	-	(47,799)	9,162,628	5,126,831
Spare parts and supplies	55,611	54,018	(783)	(1,002)	54,828	53,016
Total	16,583,099	10,124,714	(783)	(49,101)	16,582,316	10,075,613
Fair value hedge adjustments					267,369	-
Total inventory - net					16,849,685	10,075,613

During the years 2021 and 2020, reduction of cost to net realisable value is summarised as follows.

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Recorded amount was included in cost of sales	4	31	-	44
Reversal and reduced the amount of inventories recognised as cost of sales	-	-	48	-

Additional information

Inventory balances of the Group, only for ribbed smoked sheets, concentrated latex and block rubber (net of fair value hedge transactions), as at 31 December 2021 and 2020 are as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Inventories at net realisable value (NRV)*	15,293,209	16,061,791	7,416,257	10,328,030
Inventories at lower of cost or net realisable value (NRV) - as measured and included in the financial statements	<u>14,063,664</u>	<u>15,505,784</u>	<u>6,756,718</u>	<u>9,905,671</u>
Differences	<u>1,229,545</u>	<u>556,007</u>	<u>659,539</u>	<u>422,359</u>

* For reporting purposes, inventories are stated at the lower of cost or net realisable value, while for inventory management purposes the Group uses net realisable value (NRV) which is the estimated selling price in the ordinary course of business less the necessary costs of completion and cost to make the sale. The use of different valuation methods for these two purposes resulted in differences at the reporting date.

Under Thai Financial Reporting Standards, such differences are not allowed to be recognised in the profit and loss until the inventories are actually sold. The amount of such difference changes over time depending on the actual price at the time of sale.

10. Other current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Refundable value-added tax	1,544,504	1,557,020	62,572	69,234
Prepaid withholding tax deducted at source	33,800	10,790	-	-
Input tax waiting for tax invoice or not yet due	<u>87,155</u>	<u>31,293</u>	<u>9,128</u>	<u>3,581</u>
Total other current assets	<u>1,665,459</u>	<u>1,599,103</u>	<u>71,700</u>	<u>72,815</u>

11. Non-current assets held for sale

On 13 November 2020, the Company's Board of Director meeting passed resolutions approving the sale of ordinary shares of two subsidiaries and certain plots of land and buildings thereon of the Company to Sri Trang Gloves (Thailand) Plc. (a subsidiary) ("STGT") which were summarised as follows.

1. Approval for sale of the 419,996 ordinary shares of Premier System Engineering Co., Ltd. (a subsidiary) ("PSE") at a par value of Baht 100, a proportion of 83.9992 percent of all shares with voting rights, for a total of Baht 941 million (in comparison with the report of an independent financial advisor).
2. Approval for sale of the 399,994 ordinary shares of Sadao P.S. Rubber Co., Ltd. (a subsidiary) ("PS") at a par value of Baht 100, a proportion of 99.9985 percent of all shares with voting rights, for a total of Baht 147 million (in comparison with the report of the independent professional appraiser).
3. Approval for sale of land and buildings thereon located in Patew, Chumporn of the Company, for Baht 177 million (in comparison with the report of the independent professional appraiser).

As at 31 December 2020, the Company classified investments of PSE and PS as well as the land and buildings thereon as non-current assets held for sale, with the total approximate carrying amount of Baht 307 million.

Subsequently, in January 2021, the Company received the full payment from STGT. In addition, the Company completely transferred its ownership of the ordinary shares together with land and buildings thereon to STGT in the same month. The Company then recognised gain on disposal of the such assets, amounting to Baht 958 million in its accounts and presented as a separate caption in the statement of comprehensive income.

12. Other financial assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Financial assets at amortised cost				
Fixed deposits pledged as collateral	701	701	-	-
Equity instruments designated at fair value through other comprehensive income				
Quoted equity instruments	77,493	32,385	40,991	32,072
Unquoted equity instruments	397,648	64,000	63,000	64,000
Financial assets at fair value through profit or loss				
Equity linked notes	264,105	-	-	-
Total other financial assets	<u>739,947</u>	<u>97,086</u>	<u>103,991</u>	<u>96,072</u>
Current	264,105	-	-	-
Non-current	<u>475,842</u>	<u>97,086</u>	<u>103,991</u>	<u>96,072</u>
	<u>739,947</u>	<u>97,086</u>	<u>103,991</u>	<u>96,072</u>

13. Investments in subsidiaries

13.1 Details of investments in subsidiaries as presented in separate financial statements

(Unit: Million Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
			(%)	(%)				
Subsidiaries								
PT Sri Trang Lingga Indonesia	359	359	90.00	90.00	330	330	-	-
Anvar Parawood Co., Ltd.	10	10	99.94	99.94	26	26	60	-
Rubberland Products Co., Ltd.	1,600	1,600	99.99	99.99	1,935	1,935	300	148
Namhua Rubber Co., Ltd.	500	500	99.99	99.99	560	560	-	-
Sadao P.S. Rubber Co., Ltd. (Note 11)	40	40	-	99.99	-	-	-	-
Startex Rubber Co., Ltd.	2,198	2,198	99.99	99.99	2,196	2,196	-	20
Premier System Engineering Co., Ltd. (Note 11)	50	50	-	83.99	-	-	-	213
Starlight Express Transport Co., Ltd.	15	15	79.99	79.99	42	42	-	46
Sri Trang Rubber & Plantation Co., Ltd.	7,039	6,909	99.99	99.99	7,039	6,909	-	-
Shi Dong Shanghai Rubber Co., Ltd.	155	155	100.00	100.00	155	155	-	-
Sri Trang Gloves (Thailand) Plc.	1,432	1,429	50.64	50.74	6,551	6,551	8,700	906
Sri Trang IBC Co., Ltd.	5	2	99.99	99.99	5	2	-	-
Total					<u>18,839</u>	<u>18,706</u>	<u>9,060</u>	<u>1,333</u>

13.1.1 Details of investments in subsidiaries that have material non-controlling interests.

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(%)	(%)						
Sri Trang Gloves (Thailand) Plc. *	43.93	43.82	<u>18,115</u>	<u>15,280</u>	<u>10,394</u>	<u>5,921</u>	<u>7,523</u>	<u>782</u>

* The consolidated financial statements of Sri Trang Gloves (Thailand) Public Company Limited

13.1.2 Summarised financial information that based on amounts before inter-company elimination of Sri Trang Gloves (Thailand) Public Company Limited (Unit: Million Baht)

Summarised information about financial position

	As at 31 December	
	<u>2021</u>	<u>2020</u>
Current assets	29,546	33,138
Non-current assets	21,757	13,884
Current liabilities	5,646	5,825
Non-current liabilities	7,443	5,926

Summarised information about comprehensive income

	For the year ended 31 December	
	<u>2021</u>	<u>2020</u>
Revenue	47,551	30,405
Profit	23,704	14,327
Other comprehensive income	300	(10)
Total comprehensive income	24,004	14,317

Summarised information about cash flow

	For the year ended 31 December	
	<u>2021</u>	<u>2020</u>
Cash flow provided by operating activities	24,071	13,611
Cash flow used in investing activities	(12,522)	(2,051)
Cash flow provided by (used in) financing activities	(15,102)	12,035
Translation adjustment	285	12
Net increase (decrease) in cash and cash equivalents	(3,268)	23,607

13.2 Sri Trang Gloves (Thailand) Public Company Limited (“STGT”)

The restructuring of the subsidiary

- a) On 7 January 2021, STGT acquired ordinary shares of Premier System Engineering Co., Ltd. (“PSE”) (a subsidiary) 83.9992 percent and 16.0000 percent of shareholding from the Company and Rubberland Products Co., Ltd. (a subsidiary) respectively, at a price of Baht 1,120 million (in comparison with the report of independent financial advisor). This acquisition of PSE was under common control of the Company before and after the acquisition of this investment. Following the acquisition, the shareholding of the Group in PSE was changed from 100 percent to 56.18 percent (interest through STGT).

The Group recorded the effect of the change in shareholding of PSE, amounting to Baht 38 million, under the caption of “Surplus from the change in the ownership interests in subsidiaries” in shareholders’ equity in the consolidated financial statements.

- b) On 7 January 2021, STGT acquired ordinary shares of Sadao P.S. Rubber Co., Ltd. (“PS”) (a subsidiary) 99.9985 percent of shareholding from the Company, at a price of Baht 147 million (in comparison with the report of the independent professional appraiser). This acquisition of PS was under common control of the Company before and after the acquisition of this investment. Following the acquisition, the shareholding of the Group in PS was changed from 100 percent to 56.18 percent (interest through STGT).

The Group recorded the effect of the change in shareholding of PS, amounting to Baht 20 million, under the caption of “Surplus from the change in the ownership interests in subsidiaries” in shareholders’ equity in the consolidated financial statements.

Share-based payment under STGT ESOP

STGT recognised share-based payment expenses amounting to Baht 10.62 million for the year ended 31 December 2021 (2020: Baht 21.75 million).

On 25 June 2021, STGT’s Board of Director meeting passed a resolution to approve to offer of newly-issued ordinary shares under the STGT ESOP for the second allocation of 6,000,000 of new shares with a par value of Baht 0.5 each, at an offering price of Baht 37.30 per share, which was equivalent to 90 percent of the market price.

Subsequently, on 14 July 2021, there were 5,701,410 exercised rights to acquire. STGT received full payment of the additional capital and then registered the increase of its issued and paid-up share capital from Baht 1,428,780,000 (2,857,560,000 ordinary shares with a par value of Baht 0.5 each) to Baht 1,431,630,705 (2,863,261,410 ordinary shares with a par value of Baht 0.5 each) with the Ministry of Commerce on 16 July 2021.

As a result, the shareholdings of the Company and Rubberland Products Co., Ltd. in STGT decreased from 50.74 percent and 5.44 percent to 50.64 percent and 5.43 percent, respectively, non-controlling interests of STGT increased Baht 111 million, and surplus from the change in the ownership interests in STGT increased Baht 102 million.

Dividend payment

<u>Dividends</u>	<u>Approved by</u>	<u>Total dividends</u> (Million Baht)	<u>Dividend per share</u> (Baht per share)
Dividends for the year 2020	STGT's the Annual General Meeting on 2 April 2021	5,715.12	2.00
Interim dividends for 2021	STGT's Board of Directors meeting on 12 May 2021	4,286.34	1.50
Interim dividends for 2021	STGT's Board of Directors meeting on 10 August 2021	3,579.08	1.25
Interim dividends for 2021	STGT's Board of Directors meeting on 8 November 2021	3,579.08	1.25
Total dividends for 2021		<u>17,159.62</u>	

Subsequently on 17 February 2022, STGT's Board of Director meeting passed resolutions to approve a dividend payment in respect of operating results of 2021 to their shareholders of Baht 0.65 per share, totaling of Baht 1,861.12 million. STGT will propose their Shareholder Annual General Meeting to approve the dividend payment within second quarter of 2022.

Share repurchase program

On 17 February 2022, STGT's Board of Director meeting resolved to approve the share repurchase program for financial management purpose in the maximum amount not exceeding Baht 3,600 million and the number of the shares to be repurchased not exceeding 120,000,000 shares (par value of Baht 0.5 each) or equivalent to 4.2 percent of the total issued shares. The repurchase period covers the duration of 6 months, starting from 7 March 2022 to 6 September 2022. In this regard, STGT intends to repurchase the shares on the Stock Exchange of Thailand only. The share resales period will be determined after 6 months from the completion date not later than 3 years.

Incorporation of new subsidiaries

On 19 July 2021, STGT's Board of Directors meeting passed resolutions approving the incorporation of the following new subsidiaries.

<u>Company's name</u>	<u>Country of incorporation</u>	<u>Nature of business</u>	<u>Currency</u>	<u>Registered share capital</u>	<u>Shareholding percentage</u>	<u>Registered the incorporation</u>	<u>Payment of the called-up share capitals</u>
Sri Trang Gloves (Singapore) Pte. Ltd. ("STGS")	Singapore	Distribution of gloves and research and development	USD	1,000,000	100	August 2021	November 2021
Sri Trang Gloves Global Pte. Ltd. ("STGG")	Singapore	Financial asset management and financial investment	USD	100,000,000*	100	August 2021	November 2021
PT Sri Trang Gloves Indo ("STGI")	Indonesia	Distribution of gloves in Indonesia	IDR	10,000,000,000	100	October 2021	November 2021
Sri Trang Gloves Vietnam Co., Ltd. ("STGV")	Vietnam	Distribution of gloves in Vietnam	VND	22,670,000,000	100	November 2021	December 2021
Sri Trang Gloves Philippines ("STGP")	Philippines	Distribution of gloves in Philippines	In the process of considering and deciding on a registered share capital and registering the incorporation				

* Paid-up capital of STGG is comprised of 80,000,000 ordinary shares and 20,000,000 preferred shares. (Par value of USD 1)

13.3 Sri Trang Rubber & Plantation Co., Ltd. (“SRP”)

During the current year, the Company paid Baht 66 million for the additional capital of SRP that was called up in 2019.

On 16 February 2021, the Board of Directors of the Company passed a resolution to approve the increase in SRP’s registered share capital amounting to Baht 160 million for use in its operation in 2021. During the current year, the Company paid Baht 64 million for the additional capital.

13.4 Sri Trang IBC Co., Ltd. (“IBC”)

During the current year, the Company paid Baht 3.5 million for the paid-up capital of IBC that was called up in 2019.

14. Investment in an associate

14.1 Details of an associate

Associate	Nature of business	Country of incorporation	Shareholding percentage		(Unit: Thousand Baht)			
					Consolidated financial statements		Separate financial statements	
					Carrying amounts based on equity method		Cost	
				<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
			<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
			(%)	(%)				
Semperflex Asia Co., Ltd.	Manufacture of hydraulic hoses	Thailand	42.50	42.50	553,365	507,741	142,500	142,500

(Shareholding held by the Company 37.50% and by a subsidiary 5.00%)

14.2 Share of comprehensive income and dividend received

During the years, the Group has recognised its share of profit and dividend income from investments in associates in the consolidated financial statements and dividend income in the separate financial statements as follows.

Associates	Consolidated financial statements				(Unit: Thousand Baht)	
	Share of profit from investments in associates during the years		Dividend received during the years		Separate financial statements	
	Dividend received during the years		Dividend received during the years		Dividend received during the years	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Semperflex Asia Co., Ltd.	178,649	133,091	133,025	116,790	117,375	103,050
Pattana Agro Futures Co., Ltd.	-	2	-	-	-	-
Total	178,649	133,093	133,025	116,790	117,375	103,050

14.3 Summarised financial information about Semperflex Asia Co., Ltd. (Unit: Thousand Baht)

Summarised information about financial position

	As at 31 December	
	<u>2021</u>	<u>2020</u>
Current assets	1,372,362	1,139,003
Non-current assets	246,277	270,954
Current liabilities	(279,082)	(178,950)
Non-current liabilities	(20,342)	(20,003)
Net assets	1,319,215	1,211,004
Shareholding percentage (%)	42.50%	42.50%
Share of net assets	560,666	514,677
Adjustments on equity method	(7,301)	(6,936)
Carrying amounts of the associate based on equity method	<u>553,365</u>	<u>507,741</u>

Summarised information about comprehensive income

	For the year ended 31 December	
	<u>2021</u>	<u>2020</u>
Revenue	1,489,341	1,166,586
Profit	420,350	313,156
Other comprehensive income	(845)	577
Total comprehensive income	419,505	313,733

14.4 Semperflex Asia Co., Ltd.

On 18 January 2017, the meeting of the Company's Board of Directors passed a resolution to enter into the Umbrella agreement, the Share Sale and Purchase agreement, Call Option agreement between the Company and Semperit Technische Produkte Gesellschaft m.b.H. ("Semperit") which collectively was the Demerger agreement for all associates and joint ventures, in which the Company had invested with Semperit both locally and abroad.

The Company granted a call option to Semperit for the acquisition of Semperflex Asia Co., Ltd. totalling 1,615,000 shares, representing 42.50 percent of paid-in capital of Semperflex Asia Co., Ltd. from the Company and its subsidiary, at the exercise price of USD 51 million, and with a condition to pay all dividend from profit contribution after the acquisition date. The exercise period is commencing as from 30 June 2019 to 30 June 2026.

15. Investment in a joint venture

15.1 Details of investment in a joint venture

Investment in a joint venture represents investment in entity which is jointly controlled by the Company and other companies. Details of this investment are as follows.

Joint venture	Nature of business	Country of incorporation	Shareholding percentage		Consolidated		Separate	
					financial statements		financial statements	
					Carrying amounts based on equity method			
			2021	2020	2021	2020	2021	2020
			(%)	(%)				
Thaitech Rubber Corp., Ltd.	Manufacture of rubber products	Thailand	42.505	42.505	469,119	431,884	134,717	134,717

15.2 Share of comprehensive income and dividend received

During the years, the Group recognised its share of comprehensive income from Thaitech Rubber Corp., Ltd. in the consolidated financial statements and dividend income in the separate financial statements as follows.

(Unit: Thousand Baht)			
Consolidated financial statements		Separate financial statements	
Share of profit during the years		Dividend received during the years	
2021	2020	2021	2020
62,738	35,493	25,503	-

15.3 Summarised financial information about Thaitech Rubber Corp., Ltd. (Unit: Thousand Baht)

Summarised information about financial position

	As at 31 December	
	<u>2021</u>	<u>2020</u>
Current assets	3,023,682	2,204,590
Non-current assets	1,051,189	1,077,487
Current liabilities	(3,077,992)	(2,414,635)
Non-current liabilities	(18,095)	(19,019)
Net assets	978,784	848,423
Shareholding percentage (%)	42.505%	42.505%
Share of net assets	416,032	360,622
Adjustments on equity method	53,087	71,262
Carrying amounts of the joint venture based on equity method	469,119	431,884

Summarised information about comprehensive income

	For the year ended 31 December	
	<u>2021</u>	<u>2020</u>
Revenue	7,442,544	5,617,895
Profit	125,739	80,391
Other comprehensive income	43,029	(5,418)
Total comprehensive income	168,768	74,973

16. Investment properties

A reconciliation of the net book value of investment properties for the years 2021 and 2020 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Net book value at beginning of year	193,600	190,332	75,663	75,663
Transfer from fixed assets (Note 17)	8,650	3,713	-	-
Translation adjustment	12,924	(445)	-	-
Net book value at end of year*	<u>215,174</u>	<u>193,600</u>	<u>75,663</u>	<u>75,663</u>

* Fair values of investment properties as at 31 December 2021 and 2020 were not significantly different. The Group, therefore, considered not to recognise changes in such fair values.

The investment properties of the Group are land not being used in operations and office building held for rent. The Group has not determined whether being held as owner-occupied property or for short-term capital gain appreciation.

The Group's land not being used in operations and office building for rent were revalued by an independent professional appraiser. The revaluation was based on market approach and sales comparison approach between the investment property with the same characteristic in market or same location respectively.

17. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements

	Revaluation basis		Cost basis				Total
	Land and land improvement	Building and structures	Machinery and equipment	Vehicles	Fixture and office equipment	Assets under construction and installation	
As at 1 January 2020							
Cost / Revalued amount	12,343,649	7,773,689	13,938,112	1,197,096	739,922	3,074,889	39,067,357
<u>Less</u> Accumulated depreciation	(1,216,220)	(1,346,355)	(7,186,622)	(880,949)	(580,437)	-	(11,210,583)
<u>Less</u> Allowance for impairment	(49,700)	-	(5,556)	-	-	-	(55,256)
Net book value	<u>11,077,729</u>	<u>6,427,334</u>	<u>6,745,934</u>	<u>316,147</u>	<u>159,485</u>	<u>3,074,889</u>	<u>27,801,518</u>
For the year ended 31 December 2020							
Net book value at beginning of year	11,077,729	6,427,334	6,745,934	253,774	159,485	3,074,889	27,739,145
Additions	142,703	17,505	123,928	31,930	20,886	1,948,439	2,285,391
Transfers in (out)	72,134	823,138	2,469,003	2,577	17,776	(3,384,628)	-
Transfer to other assets, net (Notes 18, 19)	-	-	-	-	-	(4,592)	(4,592)
Transfer to investment properties (Note 16)	-	(3,713)	-	-	-	-	(3,713)
Disposals and write-off, net	(1,951)	(70,125)	(33,475)	(198)	(1,088)	(160)	(106,997)
Reductions of revaluation	(7,932)	-	-	-	-	-	(7,932)
Depreciation for the year	(240,857)	(493,325)	(1,677,955)	(82,206)	(72,056)	-	(2,566,399)
Depreciation capitalised to assets (Note 18)	(52,414)	(4,947)	(2,273)	(3,280)	-	-	(62,914)
Interest capitalized to assets	-	-	-	-	-	56,500	56,500
Translation adjustment, net	(32,911)	(45,511)	(5,990)	(611)	(89)	(45)	(85,157)
Net book value at end of year	<u>10,956,501</u>	<u>6,650,356</u>	<u>7,619,172</u>	<u>201,986</u>	<u>124,914</u>	<u>1,690,403</u>	<u>27,243,332</u>

(Unit: Thousand Baht)

Consolidated financial statements

	Revaluation basis		Cost basis				Total
	Land and land improvement	Building and structures	Machinery and equipment	Vehicles	Fixture and office equipment	Assets under construction and installation	
As at 31 December 2020							
Cost / Revalued amount	12,505,446	8,452,319	16,285,753	1,095,333	751,615	1,690,403	40,780,869
<u>Less</u> Accumulated depreciation	(1,499,245)	(1,801,963)	(8,664,911)	(893,347)	(626,701)	-	(13,486,167)
<u>Less</u> Allowance for impairment	(49,700)	-	(1,670)	-	-	-	(51,370)
Net book value	<u>10,956,501</u>	<u>6,650,356</u>	<u>7,619,172</u>	<u>201,986</u>	<u>124,914</u>	<u>1,690,403</u>	<u>27,243,332</u>
For the year ended 31 December 2021							
Net book value at beginning of year	10,956,501	6,650,356	7,619,172	201,986	124,914	1,690,403	27,243,332
Additions	26,864	6,947	108,356	148,299	38,162	12,393,690	12,722,318
Transfers in (out)	517,201	177,994	1,741,421	61,945	11,924	(2,510,485)	-
Transfer to other assets, net (Notes 18, 19)	-	-	(95)	1,402	(1,392)	(133)	(218)
Transfer to investment properties (Note 16)	(8,650)	-	-	-	-	-	(8,650)
Disposals and write-off, net	(23,797)	(15,762)	(35,805)	(953)	(899)	(60,793)	(138,009)
Allowance for impairment	(2,688)	(17,678)	(22)	-	-	-	(20,388)
Depreciation for the year	(230,115)	(497,982)	(1,850,528)	(82,112)	(74,576)	-	(2,735,313)
Depreciation capitalised to assets (Note 18)	(41,369)	(4,295)	(1,306)	(2,813)	-	-	(49,783)
Interest capitalized to assets	-	-	-	-	-	108,737	108,737
Translation adjustment, net	51,244	106,453	29,289	5,831	2,389	98	195,304
Net book value at end of year	<u>11,245,191</u>	<u>6,406,033</u>	<u>7,610,482</u>	<u>333,585</u>	<u>100,522</u>	<u>11,621,517</u>	<u>37,317,330</u>

(Unit: Thousand Baht)

Consolidated financial statements

	Revaluation basis		Cost basis				Total
	Land and land improvement	Building and structures	Machinery and equipment	Vehicles	Fixture and office equipment	Assets under construction and installation	
As at 31 December 2021							
Cost / Revalued amount	13,063,261	8,729,330	17,973,252	1,267,566	756,062	11,621,517	53,410,988
<u>Less</u> Accumulated depreciation	(1,766,555)	(2,318,265)	(10,361,078)	(933,981)	(655,540)	-	(16,035,419)
<u>Less</u> Allowance for impairment	(51,515)	(5,032)	(1,692)	-	-	-	(58,239)
Net book value	<u>11,245,191</u>	<u>6,406,033</u>	<u>7,610,482</u>	<u>333,585</u>	<u>100,522</u>	<u>11,621,517</u>	<u>37,317,330</u>
Depreciation for the year						<u>2021</u>	<u>2020</u>
Included in manufacturing cost						2,594,900	2,396,747
Included in selling and administrative expenses						140,414	169,652
						<u>2,735,314</u>	<u>2,566,399</u>

(Unit: Thousand Baht)

Separate financial statements

	Revaluation basis		Cost basis				Total
	Land and land improvement	Building and structures	Machinery and equipment	Vehicles	Fixture and office equipment	Assets under construction and installation	
As at 1 January 2020							
Cost / Revalued amount	4,388,271	3,033,637	4,814,455	294,091	400,023	117,206	13,047,683
<u>Less</u> Accumulated depreciation	(453,518)	(530,015)	(2,945,041)	(248,097)	(335,418)	-	(4,512,089)
<u>Less</u> Allowance for impairment	-	-	(5,556)	-	-	-	(5,556)
Net book value	<u>3,934,753</u>	<u>2,503,622</u>	<u>1,863,858</u>	<u>45,994</u>	<u>64,605</u>	<u>117,206</u>	<u>8,530,038</u>
For the year ended 31 December 2020							
Net book value at beginning of year	3,934,753	2,503,622	1,863,858	36,575	64,605	117,206	8,520,619
Additions	2,461	(699)	24,132	2,085	4,964	185,508	218,451
Transfer to non-current assets held for sale (Note 11)	(143,305)	-	-	-	-	-	(143,305)
Transfers in (out)	6,256	19,723	155,691	335	6,474	(188,479)	-
Disposals and write-off, net	(69,894)	(969)	(14,112)	-	(293)	(69)	(85,337)
Reductions of revaluation	(7,932)	-	-	-	-	-	(7,932)
Depreciation for the year	(114,443)	(183,288)	(451,073)	(15,854)	(29,895)	-	(794,553)
Net book value at end of year	<u>3,607,896</u>	<u>2,338,389</u>	<u>1,578,496</u>	<u>23,141</u>	<u>45,855</u>	<u>114,166</u>	<u>7,707,943</u>

(Unit: Thousand Baht)

Separate financial statements

	Revaluation basis		Cost basis				Total
	Land and land improvement	Building and structures	Machinery and equipment	Vehicles	Fixture and office equipment	Assets under construction and installation	
As at 31 December 2020							
Cost / Revalued amount	4,175,225	3,051,216	4,884,300	260,588	405,823	114,166	12,891,318
<u>Less</u> Accumulated depreciation	(567,329)	(712,827)	(3,304,134)	(237,447)	(359,968)	-	(5,181,705)
<u>Less</u> Allowance for impairment	-	-	(1,670)	-	-	-	(1,670)
Net book value	<u>3,607,896</u>	<u>2,338,389</u>	<u>1,578,496</u>	<u>23,141</u>	<u>45,855</u>	<u>114,166</u>	<u>7,707,943</u>
For the year ended 31 December 2021							
Net book value at beginning of year	3,607,896	2,338,389	1,578,496	23,141	45,855	114,166	7,707,943
Additions	20,398	2,539	36,790	34,525	7,874	715,595	817,721
Transfers in (out)	3,214	18,793	118,643	328	2,502	(143,480)	-
Disposals and write-off, net	(98,987)	(24,349)	(9,092)	(128)	(360)	(1,882)	(134,798)
Depreciation for the year	(112,292)	(179,624)	(427,195)	(13,149)	(20,688)		(752,948)
Net book value at end of year	<u>3,420,229</u>	<u>2,155,748</u>	<u>1,297,642</u>	<u>44,717</u>	<u>35,183</u>	<u>684,399</u>	<u>7,637,918</u>

(Unit: Thousand Baht)

Separate financial statements

	Revaluation basis		Cost basis				Total
	Land and land improvement	Building and structures	Machinery and equipment	Vehicles	Fixture and office equipment	Assets under construction and installation	
As at 31 December 2021							
Cost / Revalued amount	4,092,209	3,039,270	4,920,602	285,920	382,469	684,399	13,404,869
<u>Less</u> Accumulated depreciation	(671,980)	(883,522)	(3,621,290)	(241,203)	(347,286)	-	(5,765,281)
<u>Less</u> Allowance for impairment	-	-	(1,670)	-	-	-	(1,670)
Net book value	<u>3,420,229</u>	<u>2,155,748</u>	<u>1,297,642</u>	<u>44,717</u>	<u>35,183</u>	<u>684,399</u>	<u>7,637,918</u>
Depreciation for the year						<u>2021</u>	<u>2020</u>
Included in manufacturing cost						679,492	707,830
Included in selling and administrative expenses						73,456	86,723
						<u>752,948</u>	<u>794,553</u>

The Group arranged for independent professional appraisers to appraise the value of certain assets in 2017 and 2018 on an asset-by-asset basis. The basis of the revaluation was as follows.

- Land and land improvements were revalued using the market approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as spaces, location, environment, and highest best use. The most significant input into this valuation approach is price per Rai and size of land.
- Buildings and structures were revalued the depreciated replacement cost approach. Replacement value is calculated from construction prices in the market to build the similar characteristics of properties in close proximity and adjusted for depreciation which calculated from utilised period and remaining expected useful lives. The most significant input into this valuation approach is construction price per square meter, utility spaces and useful lives of buildings.

The asset revaluation surplus net of applicable deferred income tax was credited to other components of shareholder's equity.

Had the land, land improvement, building and structures been carried in the financial statements on a historical cost basis, their net book value as of 31 December 2021 and 2020 would have been as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Land and land improvements	7,649,362	7,515,683	1,770,216	2,002,263
Buildings and structures	5,035,581	5,254,123	1,511,194	1,646,092

As at 31 December 2021, a domestic subsidiary's construction of new plants has been financed with a loan from a financial institution. Borrowing costs were capitalised with details as follows.

	Consolidated	
	financial statements	
	<u>2021</u>	<u>2020</u>
Outstanding balance of new plants under construction		
(Million Baht)	10,601	1,586
Borrowing costs included in costs of the project (Million Baht)	109	57
Capitalisation weighted average rates (percent per annum)	2.36 - 3.47	2.17 - 3.78

As at 31 December 2021 and 2020, certain items of buildings and equipment had been fully depreciated but were still in use as follows.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss	9,782	5,582	2,677	2,122

18. Economic tree plantations

(Unit: Thousand Baht)

	Consolidated financial statements					
	Rubber plantations		Palm and other plantations		Economic tree	Total
	Mature	Immature	Mature	Immature	plantations- Immature	
As at 1 January 2020						
Cost	302,432	1,936,369	12,424	5,856	16,514	2,273,595
Less Accumulated amortisation	(20,201)	-	(6,674)	-	-	(26,875)
Net book value	282,231	1,936,369	5,750	5,856	16,514	2,246,720
For the year ended 31 December 2020						
Net book value at beginning of year	282,231	1,936,369	5,750	5,856	16,514	2,246,720
Acquisition	-	92,629	-	824	3,976	97,429
Transfer in (out)	285,793	(285,793)	-	-	-	-
Transfer from fixed assets (Note 17)	710	-	-	-	-	710
Disposals and write-off, net	-	(7,438)	(754)	-	-	(8,192)
Amortisation	(8,756)	-	(595)	-	-	(9,351)
Depreciation capitalised to assets (Note 17)	-	62,139	-	-	776	62,915
Net book value at end of year	559,978	1,797,906	4,401	6,680	21,266	2,390,231
As at 31 December 2020						
Cost	588,935	1,797,906	11,476	6,680	21,266	2,426,263
Less Accumulated amortisation	(28,957)	-	(7,075)	-	-	(36,032)
Net book value	559,978	1,797,906	4,401	6,680	21,266	2,390,231

(Unit: Thousand Baht)

	Consolidated financial statements					
	Rubber plantations		Palm and other plantations		Economic tree	Total
	Mature	Immature	Mature	Immature	plantations- Immature	
For the year ended 31 December 2021						
Net book value at beginning of year	559,978	1,797,906	4,401	6,680	21,266	2,390,231
Acquisition	-	51,794	-	686	12,009	64,489
Transfer in (out)	459,821	(459,821)	-	-	-	-
Transfer from fixed assets (Note 17)	208	-	-	-	-	208
Disposals and write-off, net	(941)	(16,222)	(157)	-	(475)	(17,795)
Amortisation	(16,587)	-	(582)	-	-	(17,169)
Depreciation capitalised to assets (Note 17)	-	49,783	-	-	-	49,783
Net book value at end of year	<u>1,002,479</u>	<u>1,423,440</u>	<u>3,662</u>	<u>7,366</u>	<u>32,800</u>	<u>2,469,747</u>
As at 31 December 2021						
Cost	1,047,991	1,373,657	9,807	7,366	32,800	2,471,621
<u>Less</u> Accumulated amortisation	<u>(45,512)</u>	<u>49,783</u>	<u>(6,145)</u>	<u>-</u>	<u>-</u>	<u>(1,874)</u>
Net book value	<u>1,002,479</u>	<u>1,423,440</u>	<u>3,662</u>	<u>7,366</u>	<u>32,800</u>	<u>2,469,747</u>

(Unit: Thousand Baht)

	Separate financial statements				Total
	Rubber plantations		Palm and other plantations		
	Mature	Immature	Immature	Mature	
As at 1 January 2020					
Cost	3,584	3,061	5,731	5,856	18,232
<u>Less</u> Accumulated amortisation	(2,278)	-	(2,928)	-	(5,206)
Net book value	<u>1,306</u>	<u>3,061</u>	<u>2,803</u>	<u>5,856</u>	<u>13,026</u>
For the year ended 31 December 2020					
Net book value at beginning of year	1,306	3,061	2,803	5,856	13,026
Acquisition	-	492	-	824	1,316
Transfer in (out)	460	(460)	-	-	-
Amortisation	(103)	-	(300)	-	(403)
Net book value at end of year	<u>1,663</u>	<u>3,093</u>	<u>2,503</u>	<u>6,680</u>	<u>13,939</u>
As at 31 December 2020					
Cost	4,043	3,093	5,732	6,680	19,548
<u>Less</u> Accumulated amortisation	(2,380)	-	(3,229)	-	(5,609)
Net book value	<u>1,663</u>	<u>3,093</u>	<u>2,503</u>	<u>6,680</u>	<u>13,939</u>

(Unit: Thousand Baht)

	Separate financial statements				Total
	Rubber plantations		Palm and other plantations		
	Mature	Immature	Immature	Mature	
For the year ended 31 December 2021					
Net book value at beginning of year	1,663	3,093	2,503	6,680	13,939
Acquisition	-	219	-	686	905
Amortisation	(109)	-	(300)	-	(409)
Net book value at end of year	<u>1,554</u>	<u>3,312</u>	<u>2,203</u>	<u>7,366</u>	<u>14,435</u>
As at 31 January 2021					
Cost	4,044	3,312	4,281	7,366	19,003
<u>Less</u> Accumulated amortisation	<u>(2,490)</u>	<u>-</u>	<u>(2,078)</u>	<u>-</u>	<u>(4,568)</u>
Net book value	<u>1,554</u>	<u>3,312</u>	<u>2,203</u>	<u>7,366</u>	<u>14,435</u>

19. Intangible assets - computer software

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
As at 1 January 2020		
Cost	712,606	616,612
<u>Less</u> Accumulated amortisation	(326,705)	(260,061)
Net book value	<u>385,901</u>	<u>356,551</u>
For the year ended 31 December 2020		
Net book value at beginning of year	385,901	356,551
Additions	136,134	48,605
Transfers from fixed assets (Note 17)	3,882	-
Write-off, net	(111)	(2)
Amortisation	(74,472)	(66,306)
Translation adjustment	8	-
Net book value at end of year	<u>451,342</u>	<u>338,848</u>
As at 31 December 2020		
Cost	838,418	663,287
<u>Less</u> Accumulated amortisation	(387,076)	(324,439)
Net book value	<u>451,342</u>	<u>338,848</u>
For the year ended 31 December 2021		
Net book value at beginning of year	451,342	338,848
Additions	88,437	10,409
Transfers from fixed assets (Note 17)	10	-
Write-off, net	(31)	(2)
Amortisation	(79,484)	(65,343)
Translation adjustment	902	-
Net book value at end of year	<u>461,176</u>	<u>283,912</u>
As at 31 December 2021		
Cost	925,472	673,109
<u>Less</u> Accumulated amortisation	(464,296)	(389,197)
Net book value	<u>461,176</u>	<u>283,912</u>

20. Goodwill

For the propose of annually impairment testing for goodwill, the Group determined the recoverable amount of the cash generating units based on value in use, with the cash flow projections derived from financial budgets approved by management. The projections cover a five-year period. The cash flow projections after the fifth-year period are extrapolated using the estimated growth rates stated below. The terminal growth rate does not exceed the long-term average growth rate for the business in which the cash generating units operate.

Key assumptions used in the value in use calculation of the cash generating units are summarised below:

Terminal growth rate at the year-end that the projection were prepared.	0.00% per annum
Pre-tax discount rate	12.53% per annum

The management determined expected operations and future cash flow projections based on factors including historical operating results, expected market growth and economic growth. The discount rate is a pre-tax rate that reflects the risks specific to cash generating units.

The management determined that goodwill is not impaired.

21. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Trade payables - related parties (Note 6)	62,386	34,732	130,434	142,757
Trade payables - unrelated parties	1,365,268	1,475,782	362,350	287,327
Other payables - related parties (Note 6)	-	-	21,096	8,921
Other payables - unrelated parties	2,232,225	1,224,542	434,144	282,635
Advance receipt for goods and others				
- unrelated parties	1,662,078	1,900,890	266,118	266,405
Total trade and other payables	<u>5,321,957</u>	<u>4,635,946</u>	<u>1,214,142</u>	<u>988,045</u>

22. Borrowings

Movements in the borrowing account for the years ended 31 December 2021 and 2020 were summarised below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Balance at beginning of year	32,195,335	29,236,133	19,483,584	18,825,543
Decrease in short-term borrowings from				
financial institutions	(906,898)	5,253,574	(4,072,013)	2,386,806
Increase in long-term borrowings from				
financial institutions	3,244,500	2,347,000	309,500	-
Repayments of long-term borrowings from				
financial institutions	(2,329,136)	(4,517,276)	(1,554,136)	(1,674,276)
Amortisation of finance fee	850	2,294	-	-
Issuance of debentures	10,000,000	-	10,000,000	-
Redemption of debenture	(1,455,000)	-	(1,455,000)	-
Increase in lease liabilities	290,810	70,208	58,548	31,641
Written-off lease liabilities	(1,714)	(11,015)	(818)	(9,456)
Repayments of lease liabilities	(167,520)	(146,213)	(59,513)	(74,184)
Unrealised (gain) loss on exchange rates	25,153	(541)	26,429	(2,490)
Translation adjustment	399,642	(38,829)	-	-
Balance at end of year	<u>41,296,022</u>	<u>32,195,335</u>	<u>22,736,581</u>	<u>19,483,584</u>

22.1 Short-term and long-term borrowings from financial institutions

As at 31 December 2021 and 2020, An overseas subsidiary had credit facilities with an overseas financial institution which were guaranteed by a domestic subsidiary and the standby-letters of credit of a commercial bank as follows.

	Consolidated financial statements			
	2021		2020	
	(Equivalent)		(Equivalent)	
	Million USD	Million Baht	Million USD	Million Baht
				(Audited)
Credit facilities	10	334	10	300
Balance of short-term borrowings	-	-	-	-

22.2 Long-term loans from financial institutions

As at 31 December 2021 and 2020, the Group had entered into long-term borrowing agreements with commercial banks with details as follows.

(Unit: Thousand Baht)

No.	Credit facility	Borrowing periods	Interest rate (%)	Principal and interest repayment	Outstanding balances as at 31 December			
					Consolidated financial statements		Separate financial statements	
					2021	2020	2021	2020
<u>The Company</u>								
1	Baht 3,800 Million granted in 2012	10 years	MLR less fixed rate per annum	Principal is repayable quarterly from September 2012 and interest is repayable monthly.	471,350	1,421,350	471,350	1,421,350
2	USD 10 Million granted in 2021	1 years	Fixed rate per annum	Principal is repayable in full on maturity and interest is repayable quarterly.	335,929	-	335,929	-
3	USD 20 Million granted in 2018	3 years	Fixed rate per annum	Principal is repayable in full on maturity and interest is repayable quarterly.	-	604,136	-	604,136
<u>Subsidiaries</u>								
1	Baht 950 Million granted in 2018	7 years 6 months	MLR less fixed rate per annum	Principal is repayable quarterly from September 2018 and interest is repayable quarterly.	686,000	810,000	-	-
2	Baht 700 Million granted in 2018	4 years 6 months	MLR less fixed rate per annum	Principal is repayable quarterly from June 2019 and interest is repayable quarterly.	271,000	427,000	-	-
3	Baht 1,623 Million granted in 2018	7 years	6M THBFIX plus fixed rate per annum	Principal is repayable quarterly from December 2019 and interest is repayable quarterly.	1,153,000*	1,393,000*	-	-
4	Baht 1,445 Million granted in 2019	7 years 9 months	MLR less fixed rate per annum	Principal is repayable quarterly from March 2020 and interest is repayable quarterly.	1,145,000	1,325,000	-	-

(Unit: Thousand Baht)

No.	Credit facility	Borrowing periods	Interest rate (%)	Principal and interest repayment	Outstanding balances as at 31 December			
					Consolidated financial statements		Separate financial statements	
					<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
5	Baht 1,000 Million granted in 2020	6 years	6M THB FIX plus fixed rate per annum	Principal is repayable quarterly from March 2022 and interest is repayable quarterly.	1,000,000	880,000	-	-
6	Baht 2,000 Million granted in 2020	6 years 1 months	MLR less fixed rate per annum	Principal is repayable quarterly from June 2021 and interest is repayable quarterly.	1,925,000	1,467,000	-	-
7	Baht 1,500 Million granted in 2020	6 years 2 months	MLR less fixed rate per annum	Principal is repayable quarterly from March 2022 and interest is repayable quarterly after the first drawdown of the loan.	1,500,000	-	-	-
8	Baht 782 Million granted in 2021	6 years	MLR less fixed rate per annum	Principal is repayable quarterly from March 2022 and interest is repayable quarterly.	782,000	-	-	-
Total					9,269,279	8,327,486	807,279	2,025,486
<u>Less</u> Deferred financial service fee					(1,444)	(2,294)	-	-
Long-term borrowing - net					9,267,835	8,325,192	807,279	2,025,486
<u>Less</u> Current portion of long-term borrowings					(2,140,101)	(2,328,352)	(807,279)	(1,554,136)
Long-term borrowings - net of current portion					<u>7,127,734</u>	<u>5,996,840</u>	<u>-</u>	<u>471,350</u>

In addition, the borrowing agreements of the Group contain certain covenants that, among other things, require the Group to maintain financial ratios.

* The Group manages interest rate risk of the partial credit facilities by entering into interest rate swap contracts with fixed rate per annum.

22.3 Debentures

The Company issues senior unsecured debentures, interest is payable semi-annually. Details of debentures are summarised below:

							(Unit: Thousand Baht)	
							Consolidated and separate financial statements	
Debtenture	Term (years)	Issue date	Maturity date	Par value (Baht per unit)	Fixed interest rate (Percent per annum)	Interest payment condition	2021	2020
STA215A	5	18 May 2016	18 May 2021	1,000	3.10	Starting from 18 November 2016 to 18 May 2021	-	1,455,000
STA234A	2	1 April 2021	1 April 2023	1,000	2.15	Starting from 1 October 2021 to 3 April 2023	1,000,000	-
STA264A	5	1 April 2021	1 April 2026	1,000	3.70	Starting from 1 October 2021 to 1 April 2026	1,800,000	-
STA314A	10	1 April 2021	1 April 2031	1,000	4.40	Starting from 1 October 2021 to 1 April 2031	700,000	-
STA247A	3	22 July 2021	22 July 2024	1,000	1.79	Starting from 1 January 2022 to 23 July 2024	1,500,000	-
STA257A	4	22 July 2021	22 July 2025	1,000	2.75	Starting from 1 January 2022 to 22 July 2025	500,000	-
STA31DA	10	3 December 2021	3 December 2031	1,000	3.56	Starting from 6 June 2022 to 3 December 2031	1,250,000	-
STA25DA	4	3 December 2021	3 December 2025	1,000	2.39	Starting from 6 June 2022 to 3 December 2025	1,000,000	-
STA28DA	7	3 December 2021	3 December 2028	1,000	3.12	Starting from 6 June 2022 to 4 December 2028	1,250,000	-
STA24DA	3	3 December 2021	3 December 2024	1,000	1.98	Starting from 6 June 2022 to 3 December 2024	1,000,000	-
Total							10,000,0000	1,455,000
Less current portion							-	(1,455,000)
Debentures, net of current portion							10,000,000	-
Fair value							10,121,447	1,460,571

On 27 January 2022, the Company's Extraordinary General Meeting passed resolutions to approve the additional issuance and offering of debentures in an amount of Baht 20,000 million, totaling not exceeding Baht 30,000 million.

The debenture agreements contain covenants and restrictions on the Company, pertaining to matters such as the maintenance of a certain debt to equity ratio.

23. Lease

The Group as a lessee

The Group has lease contracts for use in its operations. Leases generally have lease terms between 1 - 5 years.

A) Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2021 and 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Land and land improvement	Buildings and building improvement	Motor vehicles	Equipment	Total
1 January 2020	7,776	179,561	174,046	1,214	362,597
Additions	1,849	12,932	55,427	-	70,208
Write-off, net	(1,424)	(8,143)	(875)	-	(10,442)
Depreciation for the year	(5,132)	(59,117)	(86,264)	(642)	(151,155)
Translation adjustment	(12)	2,316	(354)	-	1,950
31 December 2020	3,057	127,549	141,980	572	273,158
Additions	14,305	45,350	116,384	114,771	290,810
Write-off, net	-	-	(906)	-	(906)
Depreciation for the year	(7,173)	(67,894)	(79,322)	(20,089)	(174,478)
Translation adjustment	52	12,403	2,863	-	15,318
31 December 2021	10,241	117,408	180,999	95,254	403,902

(Unit: Thousand Baht)

	Separate financial statements				
	Land and land improvement	Buildings and building improvement	Motor vehicles	Equipment	Total
1 January 2020	4,605	83,680	78,535	1,214	168,034
Additions	1,860	-	29,781	-	31,641
Write-off, net	(1,007)	(7,933)	-	-	(8,940)
Depreciation for the year	(4,193)	(27,789)	(43,901)	(642)	(76,525)
31 December 2020	1,265	47,958	64,415	572	114,210
Additions	4,223	1,147	53,178	-	58,548
Depreciation for the year	(3,692)	(17,578)	(41,570)	(305)	(63,145)
31 December 2021	1,796	31,527	76,023	267	109,613

B) Lease liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Lease payments	410,037	264,428	115,917	117,265
Less: Deferred interest expenses	(21,819)	(11,576)	(4,396)	(3,692)
Total	388,218	252,852	111,521	113,303
Less: Portion due within one year	(148,072)	(115,706)	(43,436)	(58,005)
Lease liabilities - net of current portion	240,146	137,146	68,085	55,298

A maturity analysis of lease payments is disclosed in Note 37.2 to the financial statements under the liquidity risk.

C) Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Depreciation of Right-of-use assets	174,478	151,155	63,145	151,155
Interest payments on lease liabilities	10,005	10,228	3,001	10,228
Expense relating to leases of low-value assets	200,307	100,085	83,576	100,085

24. Provision for retirement benefit obligations

Movements of provision for retirement benefit obligations, which represents compensation payable to employees after they retire, during the years ended 31 December 2021 and 2020 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Provision for retirement benefit obligations				
at beginning of year	440,268	384,951	136,674	126,248
Included in profit or loss:				
Current service cost	47,909	36,011	10,050	10,375
Interest cost	13,952	9,876	1,711	2,099
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	-	491	-	-
Financial assumptions changes	(74,823)	19,517	(12,758)	3,906
Experience adjustments	2,593	(6,470)	4,786	(4,471)
Benefits paid during the year	(4,525)	(4,108)	(2,071)	(1,483)
Provision for retirement benefit obligations				
at end of year	<u>425,374</u>	<u>440,268</u>	<u>138,392</u>	<u>136,674</u>

The Group expects to pay Baht 9 million of long-term employee benefits during the next year (Separate financial statements: Baht 4 million) (2020: Baht 6 million, separate financial statements: Baht 4 million).

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit was 16 years (2020: 17 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)	
	Consolidated and separate financial statements	
	<u>2021</u>	<u>2020</u>
Discount rate	2.4	1.6
Future salary increase rate	3.0 - 4.0	3.0 - 4.0
Turnover rate	0.0 - 35.0	0.0 - 35.0

The results of sensitivity analysis for significant assumptions that affect the present value of the provision for retirement benefit obligations as at 31 December 2021 and 2020 are summarised below:

(Unit: Thousand Baht)

	As at 31 December 2021			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(45,010)	52,549	(12,859)	14,756
Salary increase rate	51,767	(45,060)	14,479	(12,796)
	<u>Increase 20%</u>	<u>Decrease 20%</u>	<u>Increase 20%</u>	<u>Decrease 20%</u>
Turnover rate	(23,074)	27,468	(7,694)	9,179

(Unit: Thousand Baht)

	As at 31 December 2020			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(51,565)	59,924	(13,976)	15,784
Salary increase rate	59,329	(51,112)	15,775	(13,807)
	<u>Increase 20%</u>	<u>Decrease 20%</u>	<u>Increase 20%</u>	<u>Decrease 20%</u>
Turnover rate	(25,209)	30,129	(8,660)	10,398

25. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

26. Revaluation surplus

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Balance at beginning of year - net of income tax	3,815,836	3,964,399	1,895,167	1,994,351
Decrease from revaluation of assets				
- net of income tax	(10,816)	(6,346)	-	(6,346)
Decrease from sale/write-off for assets				
- net of income tax	(2,749)	(37,466)	(67,231)	(32,503)
<u>Less</u> depreciation on assets revaluation				
- net of income tax	(109,073)	(104,751)	(57,522)	(60,335)
Increase in share capital of a subsidiary (Note 13.2)	(145)	-	-	-
Effect of restructuring of the subsidiaries (Note 13.2)	(58,046)	-	-	-
Balance at end of year - net of income tax	<u>3,635,007</u>	<u>3,815,836</u>	<u>1,770,414</u>	<u>1,895,167</u>

27. Other income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Compensation income received under the credit support program for rubber producers by the Rubber Authority of Thailand	149,599	82,485	-	2,535
Income of production waste sales	72,923	62,080	7,372	2,368
Income of export incentive	57,209	29,505	-	-
Income from insurance claim compensation	47,835	77,113	37,615	46,922
Income from government subsidy	32,039	-	-	-
Income of management fee	15,434	10,780	15,434	10,780
Rental income	14,458	20,537	1,316	1,219
Income of factory supply sales	4,804	4,954	574	4,351
Income from computer software	120	140	3,013	2,734
Income from guaranteed loans	1	-	29,872	14,869
Office service income	-	1	42,252	46,322
Others	26,158	59,705	-	4,958
Total other income	<u>420,580</u>	<u>347,300</u>	<u>137,448</u>	<u>137,058</u>

28. Other gain (loss)

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Gain (loss) from derivative financial instruments	(1,779,300)	4,912	(848,072)	271,490
Gain (loss) from disposals and write-off for fixed assets	(56,223)	(85,784)	31,996	(3,876)
Total other gain (loss), net	<u>(1,835,523)</u>	<u>(80,872)</u>	<u>(816,076)</u>	<u>267,614</u>

29. Expenses by nature

Significant expenses classified by nature are as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Changes in inventories of finished goods and work in progress	(6,150,621)	(2,130,572)	(2,468,794)	(1,267,374)
Raw materials and consumables used	75,196,113	45,786,812	38,382,423	22,794,655
Reduction of inventory cost to net realisable value (reversal)	3,514	30,708	(48,319)	43,848
Salaries and wages and other employee benefits	4,346,678	3,946,595	930,740	825,135
Depreciation	2,909,791	2,717,554	816,093	871,078
Amortisation - economic tree plantations	17,169	9,351	409	403
Amortisation - intangible assets	79,484	74,472	65,343	66,306
Transportation and distribution expense	3,793,218	1,478,726	1,289,902	641,693
Energy expense	3,631,319	3,025,153	751,036	554,458
Cess expense*	1,630,058	1,180,181	1,167,767	838,297

*The cess expense is a fee charged to exporters of natural rubber products for the rubber replanting aid fund managed by the Office of the Rubber Authority of Thailand (RAOT) for the purpose of replanting support. Such fee is calculated based on exported quantity at the price on export dates multiplied by a fixed rate as agreed.

30. Income tax

Income tax for the years ended 31 December 2021 and 2020 are made up as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Current income tax:				
Current income tax charge	2,686,021	1,495,538	-	-
Income tax directly related to share holders' equity	-	59,129	-	-
Adjustment in respect of income tax of previous year	19,530	(15,101)	-	233
Deferred tax:				
Relating to origination and reversal of temporary differences	(163,974)	127,914	209,386	48,755
Income tax reported in profit or loss	<u>2,541,577</u>	<u>1,667,480</u>	<u>209,386</u>	<u>48,988</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2021 and 2020 are as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Deferred tax relating to				
Gain (loss) on changes in value of equity investments designated at fair value through other comprehensive income	1,609	(1,903)	1,584	(1,931)
Loss on revaluation of assets	(2,704)	(1,586)	-	(1,586)
Actuarial gain (loss)	15,298	(2,041)	1,594	113
Gain (loss) on cash flow hedges	1,280	(8,894)	2,455	-
	<u>15,483</u>	<u>(14,424)</u>	<u>5,633</u>	<u>(3,404)</u>

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Accounting profit before tax	28,718,453	17,064,049	12,078,824	2,533,710
Applicable tax rate	8 - 25%	17 - 25%	20%	20%
Accounting profit before tax multiplied by income tax rate	5,924,308	3,484,108	2,415,765	506,746
Share of profit from investments in an associate and a joint venture	(48,277)	(33,717)	-	-
Unused tax losses and deductible temporary difference were not recognised during the year	99,177	173,280	-	800
Utilisation of previously unused tax losses and deductible temporary unrecognised difference	(186,826)	(159,210)	(215,497)	(117,542)
Adjustment in respect of income tax of previous year	19,530	(15,101)	-	233
Effects of:				
Promotional privileges (Note 31)	(3,130,710)	(1,704,631)	(114,054)	(23,958)
Exemption of income	(31,338)	(42,820)	(1,840,941)	(293,862)
Non-deductible expenses	47,936	76,920	23,012	26,901
Additional expense deductions allowed	(118,858)	(100,028)	(56,490)	(48,814)
Tax at concessionary rate of 10% (a)	(20,886)	(14,428)	-	-
Others	(12,479)	3,107	(2,409)	(1,516)
Total	<u>(3,266,335)</u>	<u>(1,781,880)</u>	<u>(1,990,882)</u>	<u>(341,249)</u>
Income tax reported in the profit or loss	<u>2,541,577</u>	<u>1,667,480</u>	<u>209,386</u>	<u>48,988</u>

Additional information

- (a) On 11 May 2005, the Ministry of Trade and Industry of Singapore awarded the Global Trader Programme status to a subsidiary of the Group for the period from 1 April 2005 to 31 December 2009. Under this programme, income derived from qualifying trading transactions of approved products is taxed at the concessionary rate of 10%. On 16 February 2015, this status was extended from 1 January 2020 to 31 December 2024.

The components of deferred tax assets and deferred tax liabilities are as follows.

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Deferred tax assets				
Unused tax losses	372,274	644,925	110,478	362,525
Unrealised losses on derivative financial instruments	7,317	23,165	3,732	12,602
Allowance for diminution in value of inventories	382,666	65,009	83	5,352
Cumulative loss from assets revaluation and allowance for asset impairment	51,959	44,455	16,691	16,934
Provision for retirement benefit obligations	84,410	86,391	27,678	27,334
Loss on cash flow hedge	21,621	8,894	9,113	-
Others	68,889	20,336	46	67
Total	989,136	893,175	167,821	424,814
Deferred tax liabilities				
Asset revaluation surplus	1,142,407	1,218,401	442,603	473,792
Fair value estimation of investment properties	12,577	12,578	12,578	12,578
Unrealised gains on derivative financial instruments	17,533	39,969	10,757	34,672
Gains on cash flow hedge	18,079	-	11,568	-
Others	2,091	328	1,563	-
Total	1,192,687	1,271,276	479,069	521,042
Deferred tax liabilities, net	<u>(203,551)</u>	<u>(378,101)</u>	<u>(311,248)</u>	<u>(96,228)</u>
Deferred tax assets (liabilities) presented in the statements of financial position:				
Deferred tax assets	616,835	269,818	-	-
Deferred tax liabilities	<u>(820,386)</u>	<u>(647,919)</u>	<u>(311,248)</u>	<u>(96,228)</u>
	<u>(203,551)</u>	<u>(378,101)</u>	<u>(311,248)</u>	<u>(96,228)</u>

Movements of deferred tax liabilities during the years ended 31 December 2021 and 2020 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated financial		Separate financial	
	statements		statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Balance at beginning of year - net	378,101	322,453	96,228	50,877
Deferred tax recognised in				
profit or loss	(163,974)	68,785	209,387	48,755
other comprehensive income	15,483	(14,424)	5,633	(3,404)
Translation adjustment	(26,060)	1,287	-	-
Balance at end of year - net	<u>203,550</u>	<u>378,101</u>	<u>311,248</u>	<u>96,228</u>

As at 31 December 2021, the Group had deductible temporary differences and unused tax losses totaling Baht 1,640 million (the Company only: Baht 793 million) (2020: Baht 1,853 million, the Company only: Baht 793 million), on which deferred tax assets have not been recognised as the Group and the Company believe that future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The Group has the unused tax losses amounting to Baht 1,535 million which will expire by 2024 (the Company only: Baht 757 million by 2024).

31. Promotional privileges

The Group is granted certain privileges on its manufactures of concentrated latex, block rubber Skim Crepe and rubber gloves, which included among others, as follows.

- (a) Exemption from payment of import duty on imported machinery and equipment as approved by BOI committee
- (b) Exemption from payment of income tax for the periods of 5 to 8 years starting from the commencement date of the promoted business, and 50 percent reduced from the normal income tax rate for the next 3 to 5 years after the period of exemption from payment of income tax is expired

As a promoted industry, the Group must comply with certain conditions and restrictions provided for in the promotional certificates.

The Group operating revenues for the years ended 31 December 2021 and 2020, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Promoted operations		Non-promoted operations		Total	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Sales and service income						
Domestic sales and service income	7,043,850	6,129,043	19,620,526	13,549,531	26,664,376	19,678,574
Export sales and service income	38,010,514	36,163,034	101,295,548	45,198,100	139,306,062	81,361,134
Total sales and service income	<u>45,054,364</u>	<u>42,292,077</u>	<u>120,916,074</u>	<u>58,747,631</u>	<u>165,970,438</u>	<u>101,039,708</u>
Elimination					<u>(47,695,065)</u>	<u>(25,560,963)</u>
Total					<u>118,275,373</u>	<u>75,478,745</u>

(Unit: Thousand Baht)

	Separate financial statements					
	Promoted operations		Non-promoted operations		Total	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Sales and service income						
Domestic sales and service income	6,182,157	4,227,135	11,275,952	8,373,007	17,458,109	12,600,142
Export sales and service income	14,555,212	11,271,504	18,913,051	9,013,974	33,468,263	20,285,478
Total sales and service income	<u>20,737,369</u>	<u>15,498,639</u>	<u>30,189,003</u>	<u>17,386,981</u>	<u>50,926,372</u>	<u>32,885,620</u>

32. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the years.

The basic earnings per share are as follows.

	For the year ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Profit attributable to owners of the Company (Thousand Baht)	15,846,701	9,531,213	11,869,438	2,484,742
Weighted average number of ordinary shares (Thousand shares)	1,536,000	1,536,000	1,536,000	1,536,000
Basic earnings per share (Baht)	10.32	6.21	7.73	1.62

33. Segment information

The chief operating decision-maker has been identified as the Managing Director. The Managing Director reviews the Group's internal reporting regularly in order to assess performance and allocate resources. The Managing Director measures the business based on a measure of segment profit, which is derived on a basis consistent with the measurement of profit for the year in the consolidated financial statements.

Operating segments are defined as components of the Group for which separate financial statements available on a company basis are evaluated regularly by the chief operating decision-maker.

There are three reportable segments as follows.

- 1) Natural Rubber Products: This segment is engaged in manufacture, sale and trading of ribbed smoked sheets, concentrated latex and block rubbers.
- 2) Gloves: this segment also includes the manufacture and sale of powdered and powder-free latex examination gloves
- 3) Other Businesses:
 - Plantation: This is engaged in plantations including rubber, palm, temperate fruits and economic trees.
 - Engineering Business: This is engaged in the engineering services including research and development of machinery and production processes, and also providing information system services.
 - Logistics services and other services: These services are provided mainly to the Group, with minor services provided externally.
 - Other Rubber Products: This segment is engaged in manufacture, sale of escalator handrails, rubber injection-moulded goods, and high-pressure hydraulic hoses.

Financial information by products and services for the years ended 31 December 2021 and 2020 is presented as follows.

For the year ended 31 December 2021

(Unit: Thousand Baht)

	Natural rubbers	Gloves	Others	Elimination	Consolidated financial statements
Revenues					
Revenues from external customers	70,701,104	47,497,236	77,033	-	118,275,373
Inter-segment revenues	5,922,887	-	4,918,960	(10,841,847)	-
Total revenues	76,623,991	47,497,236	4,995,993	(10,841,847)	118,275,373
Other income and expenses					
Depreciation and amortisation	(1,478,634)	(1,416,383)	(112,325)	-	(3,007,342)
Finance income	5,632	104,933	3,729	(1,085)	113,209
Finance cost	(698,741)	(126,560)	(4,518)	1,085	(828,734)
Share of profit from investments in an associate and a joint venture	62,738	-	178,649	-	241,387
Segment profit					
Profit before income tax	13,706,078	25,769,562	463,662	(11,220,849)	28,718,453
Income tax	(413,102)	(2,095,379)	(44,296)	11,200	(2,541,577)
Profit for the year	13,292,976	23,674,183	419,366	(11,209,649)	26,176,876
Total assets	77,468,176	55,496,566	18,086,600	(36,524,252)	114,527,090

For the year ended 31 December 2020

(Unit: Thousand Baht)

	Natural rubbers	Gloves	Others	Elimination	Consolidated financial statements
Revenues					
Revenues from external customers	44,678,063	30,750,423	50,259	-	75,478,745
Inter-segment revenues	4,283,097	-	2,743,275	(7,026,372)	-
Total revenues	48,961,160	30,750,423	2,793,534	(7,026,372)	75,478,745
Other income and expenses					
Depreciation and amortisation	(1,586,107)	(1,132,295)	(82,976)	-	(2,801,378)
Finance income	10,028	39,185	2,111	-	51,324
Finance cost	(547,000)	(142,152)	(1,779)	-	(690,931)
Share of profit from investments in an associate and a joint venture	35,493	-	133,093	-	168,586
Segment profit					
Profit (loss) before income tax	2,395,712	16,145,896	(68,925)	(1,408,634)	17,064,049
Income tax	(58,264)	(1,590,698)	(13,984)	(4,533)	(1,667,479)
Profit (loss) for the period	2,337,448	14,555,198	(82,909)	(1,413,167)	15,396,570
Total assets	59,859,216	46,233,238	12,474,069	(25,449,301)	93,117,222

Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
Revenue from external customers		
Thailand	14,530,235	8,564,442
China	37,843,635	26,856,336
USA	18,249,915	7,803,335
Singapore	4,888,716	6,517,835
Japan	4,049,432	3,922,242
Others	38,713,440	21,814,555
Total	<u>118,275,373</u>	<u>75,478,745</u>
Non-current assets (other than financial instruments and deferred tax assets)		
Thailand	43,282,040	32,995,140
Indonesia	2,062,888	2,111,127
Others	302,917	269,084
Total	<u>45,647,845</u>	<u>35,375,351</u>

Major customers

The Group has no major customer with revenue of 10 percent or more of its revenues.

34. Dividends

<u>Dividends</u>	<u>Approved by</u>	<u>Total dividends</u> (Million Baht)	<u>Dividend per share</u> (Baht per share)
Interim dividends for 2019	Board of Directors' meeting on 16 April 2020	538	0.35
Interim dividends for 2020	Board of Directors' meeting on 13 November 2020	768	0.50
Total dividends for 2020		<u>1,306</u>	
Dividends for the year 2020	The Company's Annual General Meeting on 16 February 2021	2,688	1.75
Interim dividends from the operating for 2021	The Company's Board of Directors meeting on 12 May 2021	1,536	1.00
Interim dividends from the operating for 2021	The Company's Board of Directors meeting on 10 August 2021	1,920	1.25
Interim dividends from the operating for 2021	The Company's Board of Directors meeting on 8 November 2021	1,920	1.25
Total dividends for 2021		<u>8,064</u>	

35. Commitments and contingent liabilities

(Unit: Million Baht)

	As at 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Sales and purchases commitments*				
Purchases from				
Joint venture	1,335	715	-	-
Third parties	282	95	-	-
Sales to				
Subsidiaries	-	-	6,015	4,680
Third parties	27,118	15,318	10,901	8,543

(Unit: Million Baht)

	As at 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Capital commitments relating to				
the construction of factory buildings and				
acquisition of machinery	8,090	3,235	628	12
the acquisition of computer software	-	30	4	1
Guarantees on borrowings of subsidiaries				
(USD 5 million)	167	150	167	150
(IDR 1,031 billion)	2,420	2,515	2,420	2,515
Guarantees and contingent liabilities				
Bank guarantees for electricity usage and				
sales of goods	165	162	67	66
Credit facility of standby-letters of credit				
(USD 5 million)	-	150	-	150
Letters of credit with overseas suppliers				
(USD 4 million)	147	505	-	-
The future aggregate minimum payments				
 under non-cancellable lease and				
 service agreements				
Not later than 1 year	33	41	17	2
Later than 1 year but not later than 5 years	30	60	20	2

* The Group is committed to certain sales and purchases of natural rubber. Some of the contractual prices are fixed, and settled at future dates, and some of the contractual prices are not fixed at the contract date. However, the values of these commitments are presented at the fixed contractual prices, or the market prices at the end of the period in cases where the contract price is not fixed at the contract date.

36. Fair value hierarchy

As at 31 December 2021 and 2020, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows.

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 31 December 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Equity instruments designated at fair value through other comprehensive income	77,493	334,648	63,000	475,141
Financial assets at fair value through profit or loss	-	264,105	-	264,105
Derivative financial instruments (Note 37.1)	82,654	132,641	-	215,295
Property and plant	-	-	17,651,224	17,651,224
Investment properties	-	-	215,174	215,174
Liabilities measured at fair value				
Derivative financial instruments (Note 37.1)	19,345	196,769	-	216,114
Liabilities for which fair value are disclosed				
Debentures	-	10,121,447	-	10,121,447

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Equity instruments designated at fair value through other comprehensive income	32,385	-	64,000	96,385
Derivative financial instruments (Note 37.1)	77,669	158,276	-	235,945
Property and plant	-	-	17,606,857	17,606,857
Investment properties	-	-	193,600	193,600
Liabilities measured at fair value				
Derivative financial instruments (Note 37.1)	30,577	153,301	-	183,878
Liabilities for which fair value are disclosed				
Debentures	-	1,460,571	-	1,460,571

(Unit: Thousand Baht)

	Separate financial statements			
	As at 31 December 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Equity instruments designated at fair value				
through other comprehensive income	40,991	-	63,000	103,991
Derivative financial instruments (Note 37.1)	49,649	61,977	-	111,626
Property and plant	-	-	5,946,285	5,946,285
Investment properties	-	-	75,663	75,663
Liabilities measured at fair value				
Derivative financial instruments (Note 37.1)	13,702	50,522	-	64,224
Liabilities for which fair value are disclosed				
Debentures	-	10,121,447	-	10,121,447

(Unit: Thousand Baht)

	Separate financial statements			
	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Equity instruments designated at fair value				
through other comprehensive income	32,072	-	64,000	96,072
Derivative financial instruments (Note 37.1)	67,037	106,325	-	173,362
Property and plant	-	-	5,946,285	5,946,285
Investment properties	-	-	75,663	75,663
Liabilities measured at fair value				
Derivative financial instruments (Note 37.1)	21,454	41,546	-	63,000
Liabilities for which fair value are disclosed				
Debentures	-	1,460,571	-	1,460,571

During the current year, there are no transfer within the fair value hierarchy.

37. Financial instruments

37.1 Derivatives and hedge accounting

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Derivative assets				
Derivative assets not designated				
as hedging instruments				
Foreign exchange options	-	23,050	-	10,023
Rubber options	-	9,432	-	9,432
Rubber price swaps	4,136	180	4,136	180
Forward foreign exchange contracts	58,201	125,614	-	86,690
Rubber futures	82,654	77,669	49,649	67,037
Physical forward contracts	270	-	-	-
Derivative assets designated				
as hedging instruments				
Forward foreign exchange contracts	70,034	-	57,841	-
Total derivative assets	215,295	235,945	111,626	173,362
Current derivative liabilities				
Derivatives liabilities not designated				
as hedging instruments				
Foreign exchange options	-	92,706	-	37,968
Rubber options	6,085	4,286	2,108	2,020
Rubber price swaps	2,847	-	2,847	-
Forward foreign exchange contracts	78,249	11,838	-	1,558
Rubber futures	19,345	30,577	13,702	21,454
Physical forward contracts	1,482	-	-	-
Derivatives liabilities designated				
as hedging instruments				
Forward foreign exchange contracts	86,774	-	45,567	-
Open rubber sale contracts	357,955	-	269,049	-
Total current derivative liabilities	552,737	139,407	333,273	63,000

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Non - current derivative liabilities				
Derivatives liabilities designated as hedging instruments				
Interest rate swap	21,332	44,471	-	-
Total non - current derivative liabilities	21,332	44,471	-	-
Total derivative liabilities	574,069	183,878	333,273	63,000

Derivative financial instruments are measured at fair value with hierarchy level 2, except for rubber futures are measured at fair value with hierarchy level 1.

Derivatives not designated as hedging instruments

The Group has entered into contacts of derivative financial instruments as follows.

- Foreign exchange options and forward foreign exchange contracts to hedge its foreign currency risks
- Rubber options, rubber price swaps, rubber futures and physical forward contracts to hedge its commodity price risks

The contracts are entered into for periods consistent with the underlying transactions, generally within 1 year.

Derivatives designated as hedging instruments

Cash flow hedges

Interest rate risk

The Group had an interest rate swap agreement to hedge the exposure to cash flow volatility which the Group has to pay. The Group receives a variable rate of interest and pays fixed rate of interest.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the interest rate swap match the terms of the variable interest rate loan (i.e., interest rate, notional amount, maturity and payment dates). There is no ineffectiveness portion of such hedge.

	(Unit Million Baht)	
	Consolidated	
	financial statements	
	As at 31 December	
	<u>2021</u>	<u>2020</u>
Carrying liability amount of the interest rate swap	(21)	(45)
Notional amount	1,153	1,393
Hedge ratio	1 : 1	1 : 1
Maturity date	June 2023 to March 2025	June 2023 to March 2025
Changes in fair value of the hedging instruments		
used for measuring ineffectiveness	24	(45)
Cash flow hedge reserve	(17)	(36)

Foreign currency risk

Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of forecast sales in US dollar. These forecast transactions are highly probable. The foreign exchange forward contract balances vary with the level of expected foreign currency sales and changes in foreign exchange forward rates.

In addition, hedge ineffectiveness can arise from changes to the forecasted amount of cash flows of hedged items and hedging instruments.

	(Unit Million Baht)	
	As at 31 December 2021	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Carrying amount of the foreign exchange forward contracts		
Assets	70,034	57,841
Liabilities	(86,774)	(45,567)
Notional amount (USD)	457,871	321,486
Hedge ratio	1 : 1	1 : 1
Maturity date	January 2022 to June 2023	January 2022 to June 2023
Changes in fair value of the hedging instruments		
used for measuring ineffectiveness	(17)	12
Cash flow hedge reserve	(13)	10

Impact of hedging on equity

Set out below is a reconciliation of each component of equity and analysis of other comprehensive income:

(Unit: Million Baht)

	Cash flow hedge reserve	
	Consolidated financial statements	Separate financial statements
As at 1 January 2020	(29)	-
Effective portion of changes in fair value arising from derivatives designated as hedging instruments for cash flow hedges	(16)	-
Amount reclassified to profit or loss	-	-
Tax effect	9	-
As at 31 December 2020	(36)	-
Effective portion of changes in fair value arising from derivatives designated as hedging instruments for cash flow hedges	7	12
Amount reclassified to profit or loss	-	-
Tax effect	(1)	(2)
As at 31 December 2021	(30)	10

Fair value hedge

Commodity price risk (rubber)

For natural rubber product segment of the Group, it purchases cup lump which is main raw material of block rubber manufacturing. The Group entered into open rubber sale contracts to hedge against risks of rubber price volatility in sales expected to be delivered in the future in accordance with the risk management strategy outlined by the Board of Directors.

There is an economic relationship between the open rubber sale contracts and the cup lump or block rubber as the significant terms, i.e. volume and deliver period, match those of the forecast sales considered to be highly probable within the next 12 months.

In addition, hedge ineffectiveness can arise from quality inspection results of block rubber or cup lump not complied with the term of sale contracts, or changes in conditions of sale contracts.

(Unit Million Baht)

	As at 31 December 2021	
	Consolidated	Separate
	financial statements	financial statements
Carrying amount of the open rubber sale contracts	(358)	(269)
Delivery period	January to May	January to May
	2022	2022
Reference rubber price at end of year		
(USD per ton)	1,738 - 1,830	1,738 - 1,830
Hedge ratio	1 : 1	1 : 1
Changes in fair value of the hedging instruments used for measuring ineffectiveness (presented in profit or loss net of sales of goods)	(358)	(269)
Changes in fair value of the hedged items used for measuring ineffectiveness (presented in profit or loss net of cost of sales)	355	267
Carrying amount with accumulated fair value adjustments of inventories only part of cup lump, crepe rubber and block rubber which are the hedged items (presented in statement of financial position as inventories)	355	267

Effect from interest rate benchmark reform

The Group has exposures from certain loan agreements to benchmark InterBank Offered Rates (“IBORs”) on its financial instruments that will be reformed. The Group anticipates that IBORs reform will impact its risk management and hedge accounting. The Group applies temporary exceptions which enable entities to continue applying hedge accounting during the period of uncertainty.

However, the Group monitors and evaluates the effect of IBORs reform and adhere to International Swaps and Derivatives Association (ISDA) protocol to transit to alternative benchmark rates after the IBORs reform. If the counterparties agree to adhere to ISDA protocol, the Company and the counterparties are not required to revise a bilateral contract.

As at 31 December 2021, the Group has interest rate swaps, that are designated as hedging instruments to hedge cash flows on loans that carry interest at floating rates based on THBFX and mature within 2025.

37.2 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. Thus, risk management plan for the Group focusing on the fluctuation of financial market to reduce the effect of risk to the Group's operations. The Group used financial instruments to protect potential risk.

Risk management is carried out under supervision by the Group management, who identifies, evaluates and hedges financial risks. In addition, the Group applies hedge accounting as follows.

- Interest rate swap to leverage risk of volatility of interest rate
- Forward foreign exchange contracts to leverage risk of volatility of foreign currency
- Open rubber sale contracts to leverage risk of volatility of raw material and finished goods price

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, loans to subsidiaries, investments, and short-term and long-term loans from financial institutions. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade and other receivables and loans. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Group does not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables and loans as stated in the statement of financial position.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored. In addition, the Group does not have high concentrations of credit risk since it has a large customer.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by geography, product type, customer type and customer rating.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks, loan to subsidiaries, short-term and long-term borrowings from financial institutions and debentures. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To manage this, the Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

As at 31 December 2021 and 2020, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

((Unit: Thousand Baht))

Consolidated financial statements as at 31 December 2021

	Fixed interest rates					Total	Effective interest rate
	Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non- interest bearing		
Financial Assets							
Cash and cash equivalent	7,686,852	-	-	12,830,012	2,292,787	22,809,650	0.05 - 2.50
Trade and other receivables*	-	-	-	-	8,449,814	8,449,814	-
Amounts due from future brokers	1,307,491	-	-	-	-	1,307,491	(1)
Other financial assets	264,105	701	-	-	475,141	739,947	0.90 - 15.00
Total	9,258,448	701	-	12,830,012	11,217,741	33,306,902	
Financial liabilities							
Trade and other payables*	-	-	-	-	3,659,879	3,659,879	-
Short-term borrowings from financial institutions	21,639,969	-	-	-	-	21,639,969	(1)
Debentures	-	6,800,000	3,200,000	-	-	10,000,000	(1)
Long-term borrowings from financial institutions*	335,929	-	-	8,933,350	-	9,269,279	(1) , (2) , (3)
Total	21,975,898	6,800,000	3,200,000	8,933,350	3,659,879	44,569,127	

((Unit: Thousand Baht))

Consolidated financial statements as at 31 December 2020

	Fixed interest rates					Total	Effective interest rate
	Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non- interest bearing		
Financial Assets							
Cash and cash equivalent	6,423,548	-	-	17,261,506	2,761,630	26,446,684	0.05 - 3.25
Trade and other receivables*	-	-	-	-	8,702,097	8,702,097	-
Amounts due from future brokers	801,544	-	-	-	-	801,544	(1)
Other financial assets	-	701	-	-	96,385	97,086	1.25
Total	7,225,092	701	-	17,261,506	11,560,112	36,047,411	
Financial liabilities							
Trade and other payables*	-	-	-	-	2,735,056	2,735,056	-
Short-term borrowings from financial institutions	22,162,290	-	-	-	-	22,162,290	(1) , (2)
Debentures	1,455,000	-	-	-	-	1,455,000	(1)
Long-term borrowings from financial institutions*	604,136	-	-	7,723,350	-	8,327,486	(1) , (2) , (3)
Total	24,221,426	-	-	7,723,350	2,735,056	34,679,832	

* excluded from non-financial assets or liabilities

(Unit: Thousand Baht)

Separate financial statements as at 31 December 2021

	Fixed interest rates					Total	Effective interest rate
	Within	1 - 5	Over	Floating	Non - interest		
	1 year	years	5 years	interest rate	bearing		
<u>Financial Assets</u>							
Cash and cash equivalent	-	-	-	188,033	84,003	272,036	0.05 - 0.55
Trade and other receivables*	-	-	-	-	3,935,309	3,935,309	-
Amounts due from future brokers	105,738	-	-	-	-	105,738	(1)
Long-term loans to subsidiary	332,469	-	-	-	-	332,469	(1)
Other financial assets	-	-	-	-	103,991	103,991	-
Total	438,207	-	-	188,033	4,123,303	4,749,543	
<u>Financial liabilities</u>							
Trade and other payables*	-	-	-	-	948,024	948,024	-
Short-term borrowings from financial institutions	11,817,781	-	-	-	-	11,817,781	(1)
Short-term borrowings from subsidiary	145,000	-	-	-	-	145,000	(1)
Debentures	-	6,800,000	3,200,000	-	-	10,000,000	(1)
Long-term borrowings from financial institutions*	335,929	-	-	471,350	-	807,279	(1), (2)
Total	12,298,710	6,800,000	3,200,000	471,350	948,024	23,718,084	

(Unit: Thousand Baht)

Separate financial statements as at 31 December 2020

	Fixed interest rates					Total	Effective interest rate
	Within	1 - 5	Over	Floating	Non - interest		
	1 year	years	5 years	interest rate	bearing		
<u>Financial Assets</u>							
Cash and cash equivalent	-	-	-	116,911	181,869	298,780	0.30 - 0.60
Trade and other receivables*	-	-	-	-	2,827,160	2,827,160	-
Long-term loans to subsidiary	597,348	-	-	-	-	597,348	(1)
Other financial assets	-	-	-	-	96,072	96,072	-
Total	597,348	-	-	116,911	3,105,101	3,819,360	
<u>Financial liabilities</u>							
Trade and other payables*	-	-	-	-	721,640	721,640	-
Short-term borrowings from financial institutions	15,889,794	-	-	-	-	15,889,794	(1)
Short-term borrowings from subsidiary	145,000	-	-	-	-	145,000	(1)
Debentures	1,455,000	-	-	-	-	1,455,000	(1)
Long-term borrowings from financial institutions*	604,136	-	-	1,421,350	-	2,025,486	(1), (2)
Total	18,093,930	-	-	1,421,350	721,640	20,236,920	

(1) Fixed rate per annum

(2) MLR less fixed rate per annum

(3) THBFIX6M plus fixed rate per annum

* excluded from non-financial assets or liabilities

Interest rate sensitivity analysis

The Group's interest rate risk arises from borrowings. Borrowings on which interest is charged at floating rates expose the Group to risk in respect of interest cash flows.

If the interest rate changes by 0.25% per annum (2020: 0.75% per annum), with all other variables held constant, the impact of floating rate borrowings on profit before tax would be as follows.

(Unit: Thousand Baht)

	As at 31 December			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Impact to profit before tax				
in the statements of comprehensive income				
- Decrease in interest rate by 0.75%				
Pre-tax profit increase	-	57,908	-	10,660
- Increase in interest rate by 0.75%				
Pre-tax profit decrease	-	(57,908)	-	(10,660)
- Decrease in interest rate by 0.25%				
Pre-tax profit increase	22,330	-	1,178	-
- Increase in interest rate by 0.25%				
Pre-tax profit decrease	(22,330)	-	(1,178)	-
Impact to shareholders' equity				
in the statements of financial position				
- Decrease in interest rate by 0.75%				
shareholders' equity increase	(11,879)	(23,599)	-	-
- Increase in interest rate by 0.75%				
shareholders' equity decrease	11,613	23,599	-	-

Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from trading transactions and loans that are denominated in foreign currencies. The Group manages its risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of forecasted foreign sales by entering into forward foreign exchange contracts with maturity within one year.

the Group negotiates the terms of forward foreign exchange contracts to match the terms of such sales. The derivative covers the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable that is denominated in the foreign currency.

As at 31 December 2021 and 2020, the balances of financial assets and liabilities denominated in foreign currencies were summarised below.

Consolidated financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	124.5	208.4	34.5	92.1	33.4199	30.0371
Japan yen	990.9	1,081.9	-	-	0.2906	0.2907
Singapore dollar	1.0	0.6	0.1	2.7	24.7357	22.6632
China renminbi	133.8	89.8	-	-	5.2507	4.6187

Separate financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	56.5	64.4	14.9	30.5	33.4199	30.0371

In addition, the Group's exposures to foreign currency risk arises from investments in overseas subsidiaries companies and an indirect joint venture which are unhedged. The management of the Group intends to hold such investments for the long term, and has no plans to dispose of them in the future.

Foreign currency sensitivity analysis

The Group operates internationally and is exposed to foreign exchange risk in respect of various foreign currencies, primarily the US Dollar and Indonesian Rupiah. Foreign exchange risk arises from commercial transactions, net investment in foreign operations and borrowings. If the exchange rate of the Thai Baht changes by 1.56% (2020: 3.10%) against the US Dollar and by 3.32% (2020: 5.25%) against the Indonesian Rupiah, with all other variables held constant, profit before tax and shareholders' equity would be affected as follows.

(Unit: Thousand Baht)

	As at 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Impact to profit before tax				
in the statements of comprehensive income				
THB against USD				
- Weakened	121,429	231,716	16,326	21,309
- Strengthened	(121,429)	(231,716)	(16,326)	(21,309)
THB against IDR				
- Weakened	(77,634)	(129,634)	-	-
- Strengthened	77,634	129,634	-	-
Impact to shareholders' equity				
in the statements of financial position				
THB against USD				
- Weakened	(190,667)	(212,532)	-	-
- Strengthened	190,667	212,532	-	-
THB against IDR				
- Weakened	41,265	56,921	-	-
- Strengthened	(41,265)	(56,921)	-	-

Risk from fluctuation in raw material and finished goods prices

The Group is exposed to natural rubber price risk. The Group, therefore, enters into rubber options, rubber price swaps, rubber futures, physical forward contracts and open rubber sale contracts to manage the risks arising from such rubber price fluctuations

Commodity price sensitivity analysis

The Group uses derivative instruments to manage commodity price risk exposure. If the price of natural rubber changes by 1.76% (2020: 1.52%), with all other variables held constant, profit before tax for the years would be affected as follows.

(Unit: Thousand Baht)

	As at 31 December			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Impact to profit before tax				
in the statements of comprehensive income				
- Decrease in price of natural rubber				
Pre-tax profit decrease	(51,998)	(29,173)	(28,443)	(29,393)
- Increase in price of natural rubber				
Pre-tax profit increase	51,998	29,173	28,443	29,393

Liquidity risk

The Group monitors its liquidity requirements to ensure it has sufficient cash to meet operational needs.

The table below analyses the Group's maturity grouping based on the remaining periods at the date of statements of financial position to the contractual maturity date based on notional amount. The positive figures represent cash to be inflows and negative figures represent cash to be outflows due to be mature.

The amounts disclosed below are the contractual undiscounted cash flows.

(Unit: Thousand Baht)

Consolidated financial statements as at 31 December 2021					
	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years	Total
Short-term borrowings					
from financial institutions	(21,724,645)	-	-	-	(21,724,645)
Trade accounts payable	(1,427,654)	-	-	-	(1,427,654)
Accrued expenses	(2,232,225)	-	-	-	(2,232,225)
Long-term borrowings					
from financial institutions	(2,378,590)	(1,565,790)	(5,867,194)	(118,424)	(9,929,998)
Debentures	(286,700)	(1,270,560)	(6,393,769)	(3,625,600)	(11,576,629)
Finance lease liabilities	(159,378)	(134,837)	(115,822)	-	(410,037)
Derivative financial instruments					
- Interest rate swaps	-	-	(1,153,000)	-	(1,153,000)
- Rubber futures (Buy)	(582,394)	-	-	-	(582,394)
- Rubber futures (Sell)	3,327,511	-	-	-	3,327,511
- Forward foreign exchange contracts (Buy)	(3,566,678)	-	-	-	(3,566,678)
- Forward foreign exchange contracts (Sell)	22,388,362	-	-	-	22,388,362
- Physical forward contracts	45,949	-	-	-	45,949
- Rubber price swaps (Buy)	(160,520)	-	-	-	(160,520)
- Rubber price swaps (Sell)	113,385	-	-	-	113,385
- Rubber options (Sell)	207,496	-	-	-	207,496

(Unit: Thousand Baht)

Consolidated financial statements as at 31 December 2020

	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years	Total
Short-term borrowings					
from financial institutions	(24,711,383)	-	-	-	(24,711,383)
Trade accounts payable	(1,510,514)	-	-	-	(1,510,514)
Accrued expenses	(1,224,542)	-	-	-	(1,224,542)
Long-term borrowings					
from financial institutions	(2,544,794)	(1,454,465)	(4,663,962)	(246,861)	(8,910,082)
Debentures	(1,472,053)	-	-	-	(1,472,053)
Finance lease liabilities	(122,722)	(96,344)	(45,362)	-	(264,428)
Derivative financial instruments					
- Interest rate swaps	-	-	(1,393,000)	-	(1,393,000)
- Rubber futures (Buy)	(424,304)	-	-	-	(424,304)
- Rubber futures (Sell)	2,299,445	-	-	-	2,299,445
- Forward foreign exchange contracts (Buy)	(894,195)	-	-	-	(894,195)
- Forward foreign exchange contracts (Sell)	8,825,829	-	-	-	8,825,829
- Foreign exchange options (Buy)	(32,650,328)	-	-	-	(32,650,328)
- Foreign exchange options (Sell)	4,220,213	-	-	-	4,220,213
- Rubber price swaps (Buy)	(67,583)	-	-	-	(67,583)
- Rubber options (Buy)	(302,744)	-	-	-	(302,744)
- Rubber options (Sell)	417,835	-	-	-	417,835

(Unit: Thousand Baht)

Separate financial statements as at 31 December 2021

	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years	Total
Short-term borrowings					
from financial institutions	(11,834,102)	-	-	-	(11,834,102)
Trade accounts payable	(492,784)	-	-	-	(492,784)
Accrued expenses	(455,240)	-	-	-	(455,240)
Long-term borrowings					
from financial institutions	(813,332)	-	-	-	(813,332)
Debentures	(286,700)	(1,270,560)	(6,393,769)	(3,625,600)	(11,576,629)
Finance lease liabilities	(45,795)	(37,766)	(32,357)	-	(115,918)
Derivative financial instruments					
- Rubber futures (Buy)	(565,958)	-	-	-	(565,958)
- Rubber futures (Sell)	2,114,126	-	-	-	2,114,126
- Forward foreign exchange contracts (Sell)	10,744,040	-	-	-	10,744,040
- Rubber price swaps (Buy)	(160,520)	-	-	-	(160,520)
- Rubber price swaps (Sell)	113,385	-	-	-	113,385
- Rubber options (Sell)	113,385	-	-	-	113,385

(Unit: Thousand Baht)

Separate financial statements as at 31 December 2020

	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years	Total
Short-term borrowings					
from financial institutions	(18,375,093)	-	-	-	(18,375,093)
Trade accounts payable	(430,084)	-	-	-	(430,084)
Accrued expenses	(291,473)	-	-	-	(291,473)
Long-term borrowings					
from financial institutions	(1,589,389)	(474,427)	-	-	(2,063,816)
Debentures	(1,472,053)	-	-	-	(1,472,053)
Finance lease liabilities	(60,604)	(43,983)	(12,679)	-	(117,266)
Derivative financial instruments					
- Rubber futures (Buy)	(231,043)	-	-	-	(231,043)
- Rubber futures (Sell)	2,159,029	-	-	-	2,159,029
- Forward foreign exchange contracts (Sell)	4,802,293	-	-	-	4,802,293
- Foreign exchange options (Buy)	(13,787,029)	-	-	-	(13,787,029)
- Foreign exchange options (Sell)	1,832,263	-	-	-	1,832,263
- Rubber price swaps (Buy)	(67,583)	-	-	-	(67,583)
- Rubber options (Buy)	(302,744)	-	-	-	(302,744)
- Rubber options (Sell)	379,508	-	-	-	379,508

37.3 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

For derivatives, their fair value has been determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies, interest rate yield curves and commodity price yield curves. The Group has considered counterparty credit risk when determining the fair value of derivatives.

During the current year, there are no transfers within the fair value hierarchy.

38. Financial instruments by category

(Unit: Thousand Baht)

Consolidated financial statements				
As at 31 December 2021				
Financial assets at fair value				
	through profit or loss	through other comprehensive income	amortised cost	Total
Assets as per statement of financial position				
Cash and cash equivalents	-	-	22,809,650	22,809,650
Derivatives not designated as hedging instruments	145,261	-	-	145,261
Trade accounts receivable, net	-	-	8,449,814	8,449,814
Amounts due from future brokers	-	-	1,307,491	1,307,491
Other financial assets	264,105	475,141	701	739,947
Total	409,366	475,141	32,567,656	33,452,163
Financial liabilities at fair value				
	through profit or loss	through other comprehensive income	amortised cost	Total
Liabilities as per statement of financial position				
Trade accounts payable	-	-	3,659,879	3,659,879
Short-term borrowings from financial institutions	-	-	21,639,969	21,639,969
Derivatives not designated as hedging instruments	108,008	-	-	108,008
Long-term borrowings from financial institutions	-	-	9,269,279	9,269,279
Debentures	-	-	10,000,000	10,000,000
Total	108,008	-	44,569,127	44,677,135

(Unit: Thousand Baht)

Consolidated financial statements				
As at 31 December 2020				
Financial assets at fair value				
	through profit or loss	through other comprehensive income	amortised cost	Total
Assets as per statement of financial position				
Cash and cash equivalents	-	-	26,446,684	26,446,684
Derivatives not designated as hedging instruments	235,945	-	-	235,945
Trade accounts receivable, net	-	-	8,702,097	8,702,097
Amounts due from future brokers	-	-	801,544	801,544
Other financial assets	-	96,385	701	97,086
Total	235,945	96,385	35,951,026	36,283,356
Financial liabilities at fair value				
	through profit or loss	through other comprehensive income	amortised cost	Total
Liabilities as per statement of financial position				
Trade accounts payable	-	-	2,735,056	2,735,056
Short-term borrowings from financial institutions	-	-	22,162,290	22,162,290
Derivatives not designated as hedging instruments	139,407	-	-	139,407
Long-term borrowings from financial institutions	-	-	8,327,486	8,327,486
Debentures	-	-	1,455,000	1,455,000
Total	139,407	-	34,679,832	34,819,239

(Unit: Thousand Baht)

Separate financial statements				
As at 31 December 2021				
Financial assets at fair value				
	through profit or loss	through other comprehensive income	amortised cost	Total
Assets as per statement of financial position				
Cash and cash equivalents	-	-	272,036	272,036
Derivatives not designated as hedging instruments	53,785	-	-	53,785
Trade accounts receivable, net	-	-	3,935,309	3,935,309
Amounts due from future brokers	-	-	105,738	105,738
Long-term borrowings to subsidiary	-	-	332,469	332,469
Other financial assets	-	103,991	-	103,991
Total	53,785	103,991	4,645,552	4,803,328
Financial liabilities at fair value				
	through profit or loss	amortised cost	Total	
Liabilities as per statement of financial position				
Trade accounts payable	-	948,024	948,024	
Short-term borrowings from financial institutions	-	11,817,781	11,817,781	
Short-term borrowings from subsidiary	-	145,000	145,000	
Derivatives not designated as hedging instruments	18,657	-	18,657	
Long-term borrowings from financial institutions	-	807,279	807,279	
Debentures	-	10,000,000	10,000,000	
Total	18,657	23,718,084	23,736,741	

(Unit: Thousand Baht)

Separate financial statements				
As at 31 December 2020				
Financial assets at fair value				
	through profit or loss	through other comprehensive income	amortised cost	Total
Assets as per statement of financial position				
Cash and cash equivalents	-	-	298,780	298,780
Derivatives not designated as hedging instruments	173,362	-	-	173,362
Trade accounts receivable, net	-	-	2,827,160	2,827,160
Long-term borrowings to subsidiary	-	-	597,348	597,348
Other financial assets	-	96,072	-	96,072
Total	173,362	96,072	3,723,288	3,992,722
Financial liabilities at fair value				
	through profit or loss		amortised cost	Total
Liabilities as per statement of financial position				
Trade accounts payable	-		721,557	721,557
Short-term borrowings from financial institutions	-		15,889,794	15,889,794
Short-term borrowings from subsidiary	-		145,000	145,000
Derivatives not designated as hedging instruments	63,000		-	63,000
Long-term borrowings from financial institutions	-		2,025,486	2,025,486
Debentures	-		1,455,000	1,455,000
Total	63,000		20,236,837	20,299,837

39. Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if any) or to historical information about counterparty default rates:

Group 1: New other customers/related parties (less than 6 months)

Group 2: Existing customers/related parties (more than 6 months) with no defaults in the past

Group 3: Existing customers/related parties (more than 6 months) with some defaults in the past that were fully recovered

Maintenance margins are held with high quality counterparties with no history of default. None of the financial assets that are fully performing had been renegotiated during the financial year.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Deposits held at call with banks				
Aa1	1,988,063	721,168	-	-
Aa3	320,034	371,507	-	136
A1	1,162,495	1,122,109	314	436
A2	4	-	-	-
A3	6,109	-	-	-
Baa1	11,386,906	23,632,543	261,739	286,942
Baa2	276,213	443,291	11	1,941
No rating	7,609,529	95,668	1	1
Total deposits held at call with banks	<u>22,749,353</u>	<u>26,386,286</u>	<u>262,065</u>	<u>289,456</u>

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Trade accounts receivable				
Counterparties without external credit rating				
Group 1	429,899	621,341	186,639	123,618
Group 2	7,856,911	7,952,147	2,248,844	2,049,195
Group 3	16	14	-	-
Total unimpaired trade accounts receivable	<u>8,286,826</u>	<u>8,573,502</u>	<u>2,435,483</u>	<u>2,172,813</u>

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Derivative financial instruments				
Counterparties with external credit rating				
Aa1	84,158	81,643	49,649	67,037
Aa2	11,407	-	-	-
Aa3	-	65	-	-
Baa1	115,230	144,625	57,841	96,713
Counterparties without external credit rating				
Group 2	4,500	9,612	4,136	9,612
Total derivative financial instruments (Note 37.1)	<u>215,295</u>	<u>235,945</u>	<u>111,626</u>	<u>173,362</u>

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Fixed deposits pledged as collateral				
Baa1	701	701	-	-
Total fixed deposits pledged as collateral (Note 12)	<u>701</u>	<u>701</u>	<u>-</u>	<u>-</u>

40. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods.

41. Events after the reporting period

On 17 February 2022, the Company's Board of Directors meeting passed resolutions to approve a dividend payment in respect of operating results of 2021 to shareholders of Baht 0.65 per share, totaling of Baht 998 million. The Company will propose the Company's Shareholder Annual General Meeting to approve the dividend payment within second quarter of 2022.

42. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 17 February 2022.