

Sri Trang Agro-Industry Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month period ended 31 March 2022

Independent Auditor's Report on Review of Interim Financial Information

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

I have reviewed the accompanying consolidated statement of financial position of Sri Trang Agro-Industry Public Company Limited and its subsidiaries as at 31 March 2022, and the related consolidated statements of comprehensive income, changes in shareholders' equity, and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Sri Trang Agro-Industry Public Company Limited for the same period (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Supachai Phanyawattano

Certified Public Accountant (Thailand) No. 3930

EY Office Limited

Bangkok: 9 May 2022

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 March 2022	31 December 2021	31 March 2022	31 December 2021
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		20,913,995,201	22,809,650,413	338,504,118	272,036,452
Trade and other receivables	4	9,760,070,116	8,946,114,385	4,939,412,868	4,550,919,850
Amounts due from future brokers		722,048,575	1,307,490,634	-	105,737,796
Inventories	5	33,084,067,380	32,578,453,173	17,371,300,533	16,849,685,126
Short-term loan to subsidiary	3	-	-	331,393,000	332,469,000
Derivative financial instruments	6	468,233,161	215,294,913	299,309,263	111,626,440
Other current financial assets		215,773,164	264,105,305	-	-
Other current assets	7	1,952,088,339	1,665,458,806	107,165,970	71,700,484
Total current assets		67,116,275,936	67,786,567,629	23,387,085,752	22,294,175,148
Non-current assets					
Other non-current financial assets		586,578,976	475,841,743	103,257,046	103,990,591
Investments in subsidiaries	8	-	-	18,839,137,708	18,839,137,708
Investment in associate	9	595,360,474	553,365,209	142,500,000	142,500,000
Investment in joint venture	10	480,969,703	469,119,233	134,716,526	134,716,526
Investment properties		214,707,732	215,174,171	75,663,125	75,663,125
Property, plant and equipment	11	40,212,001,091	37,317,329,706	8,226,312,887	7,637,917,584
Right-of-use assets		456,726,184	403,901,677	100,023,881	109,612,548
Economic tree plantations		2,485,229,950	2,469,746,973	14,763,961	14,434,997
Intangible asset - Computer software		470,022,328	461,176,066	277,123,043	283,911,559
Goodwill		3,174,667,132	3,174,667,132	-	-
Withholding tax deducted at source		547,020,522	547,354,998	401,547,114	401,547,114
Deferred tax assets		557,806,283	616,835,426	-	-
Other non-current assets		44,215,186	36,009,945	12,647,031	13,018,707
Total non-current assets		49,825,305,561	46,740,522,279	28,327,692,322	27,756,450,459
Total assets		116,941,581,497	114,527,089,908	51,714,778,074	50,050,625,607

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

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 March 2022	31 December 2021	31 March 2022	31 December 2021
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	12	5,588,074,926	5,321,957,249	1,538,095,278	1,214,142,162
Short-term borrowings from financial institutions	13	16,199,462,541	21,639,969,479	6,559,031,000	11,817,781,000
Current portions of:					
- Long-term borrowings from financial institutions	13	1,633,802,466	2,140,100,708	196,350,000	807,279,000
- Lease liabilities		158,506,653	148,072,594	45,686,061	43,435,693
Short-term loan from subsidiary	3	-	-	145,000,000	145,000,000
Income tax payable		784,817,316	702,429,814	-	-
Derivative financial instruments	6	276,564,898	552,736,881	116,786,039	333,273,161
Other current liabilities		100,169,683	304,880,640	35,682,236	205,311,058
Total current liabilities		24,741,398,483	30,810,147,365	8,636,630,614	14,566,222,074
Non-current liabilities					
Non-current portions of:					
- Long-term borrowings from financial institutions	13	6,702,290,065	7,127,733,907	-	-
- Debentures	13	17,000,000,000	10,000,000,000	17,000,000,000	10,000,000,000
- Lease liabilities		263,373,195	240,145,648	56,518,567	68,085,258
Derivative financial instruments	6	13,333,381	21,332,231	-	-
Provision for retirement benefit obligations		437,599,451	425,373,598	141,268,039	138,391,700
Deferred tax liabilities		855,158,231	820,385,826	356,336,427	311,247,628
Other non-current liabilities		33,024,745	33,383,077	-	-
Total non-current liabilities		25,304,779,068	18,668,354,287	17,554,123,033	10,517,724,586
Total liabilities		50,046,177,551	49,478,501,652	26,190,753,647	25,083,946,660

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

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>31 March 2022</u>	<u>31 December 2021</u>	<u>31 March 2022</u>	<u>31 December 2021</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
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 on the change in the ownership interests in subsidiaries	6,247,647,636	6,247,647,636	-	-
Retained earnings				
Appropriated - statutory reserve	153,600,000	153,600,000	153,600,000	153,600,000
Unappropriated	26,276,548,210	24,741,526,831	11,267,980,371	10,638,643,488
Other components of shareholders' equity				
Surplus on revaluation of assets - net of income tax	3,610,054,069	3,635,007,392	1,757,096,826	1,770,413,550
Surplus (deficit) on changes in fair value through other comprehensive income of investments in equity - net of income tax	(14,430,661)	3,645,991	5,663,347	6,250,583
Cash flow hedge reserve - net of income tax	(68,714,218)	(22,960,096)	(48,267,749)	9,819,694
Exchange differences on translation of financial statements in foreign currencies	(534,598,920)	(494,288,125)	-	-
Equity attributable to equity holders of the Company	48,058,057,748	46,652,131,261	25,524,024,427	24,966,678,947
Non-controlling interests of the subsidiaries	18,837,346,198	18,396,456,995	-	-
Total shareholders' equity	66,895,403,946	65,048,588,256	25,524,024,427	24,966,678,947
Total liabilities and shareholders' equity	116,941,581,497	114,527,089,908	51,714,778,074	50,050,625,607
	-	-	-	-

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

Directors

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 31 March 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
Profit or loss:					
Revenues from sales of goods and services		27,999,879,268	31,579,549,772	16,058,704,614	11,725,271,726
Cost of sales and services		(23,473,691,571)	(18,027,212,837)	(14,336,176,942)	(10,325,458,505)
Gross profit		4,526,187,697	13,552,336,935	1,722,527,672	1,399,813,221
Other income		43,723,099	59,952,024	31,751,948	23,963,515
Dividend income		178,984	11,398	39,740	11,398
Selling and distribution expenses		(1,885,675,995)	(1,175,927,947)	(876,301,605)	(683,398,811)
Administrative expenses		(500,749,523)	(459,738,316)	(160,232,233)	(132,897,397)
Gain on exchange rates		49,187,149	451,970,778	66,095,663	163,066,581
Gain from disposal of non-current assets held for sale		-	-	-	957,865,596
Other gain (loss)	14	109,527,491	(1,104,217,771)	(1,992,173)	(630,415,518)
Profit from operating activities		2,342,378,902	11,324,387,101	781,889,012	1,098,008,585
Share of profit from investments in associate and joint venture		53,845,736	32,492,123	-	-
Finance income		30,266,859	24,677,222	3,795,262	3,223,146
Finance cost		(222,225,154)	(176,000,363)	(109,906,646)	(65,327,974)
Profit before income tax		2,204,266,343	11,205,556,083	675,777,628	1,035,903,757
Income tax	15	(225,281,677)	(831,890,356)	(59,757,469)	(76,759,497)
Profit for the period		1,978,984,666	10,373,665,727	616,020,159	959,144,260
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 currencies		(50,138,837)	219,307,006	-	-
Gain (loss) on cash flow hedge - net of income tax		(53,345,242)	8,699,203	(58,087,443)	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		(103,484,079)	228,006,209	(58,087,443)	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Gain (loss) on changes in value of equity investments designated at fair value through other comprehensive income - net of income tax		(29,997,447)	5,262,712	(587,236)	5,163,663
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(29,997,447)	5,262,712	(587,236)	5,163,663
Other comprehensive income for the period		(133,481,526)	233,268,921	(58,674,679)	5,163,663
Total comprehensive income for the period		1,845,503,140	10,606,934,648	557,345,480	964,307,923

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

(Unaudited but reviewed)

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the three-month period ended 31 March 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Profit attributable to:				
Equity holders of the Company	1,509,018,272	5,958,503,044	616,020,159	959,144,260
Non-controlling interests of the subsidiaries	469,966,394	4,415,162,683		
	<u>1,978,984,666</u>	<u>10,373,665,727</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	1,405,926,487	6,156,794,793	557,345,480	964,307,923
Non-controlling interests of the subsidiaries	439,576,653	4,450,139,855		
	<u>1,845,503,140</u>	<u>10,606,934,648</u>		
Earnings per share				
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>0.98</u>	<u>3.88</u>	<u>0.40</u>	<u>0.62</u>

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

(Unaudited but reviewed)

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2022

(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													
through other													
Exchange													
differences on													
translation of													
financial statements													
in foreign currencies													
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													
Issued and paid-up share capital	Premium on ordinary shares	Surplus on the change in the ownership interests in subsidiaries	Retained earnings		Surplus on revaluation of assets - net of income tax	income of investments in equity - net of income tax	Cash flow hedge reserve - net of income tax	financial statements in foreign currencies	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 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 period	-	-	-	5,958,503,044	-	-	-	-	-	5,958,503,044	4,415,162,683	10,373,665,727	
Other comprehensive income for the period	-	-	-	-	-	5,262,712	4,887,286	188,141,751	198,291,749	198,291,749	34,977,172	233,268,921	
Total comprehensive income for the period	-	-	-	5,958,503,044	-	5,262,712	4,887,286	188,141,751	198,291,749	6,156,794,793	4,450,139,855	10,606,934,648	
Amortisation on surplus on revaluation of assets	-	-	-	28,560,309	(28,560,309)	-	-	-	(28,560,309)	-	-	-	
Share-based payment paid by the subsidiary	-	-	-	-	-	-	-	-	-	-	3,743,927	3,743,927	
Effect of restructuring of the subsidiaries	-	-	58,045,571	-	-	(58,045,571)	-	-	(58,045,571)	-	-	-	
Balance as at 31 March 2021	1,535,999,998	10,851,951,634	6,145,932,832	153,600,000	22,782,708,755	3,729,230,186	5,196,452	(15,100,303)	(961,487,475)	2,757,838,860	44,228,032,079	19,779,564,712	64,007,596,791
Balance as at 1 January 2022	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
Profit for the period	-	-	-	1,509,018,272	-	-	-	-	-	1,509,018,272	469,966,394	1,978,984,666	
Other comprehensive income for the period	-	-	-	-	-	(17,026,868)	(45,754,122)	(40,310,795)	(103,091,785)	(103,091,785)	(30,389,741)	(133,481,526)	
Total comprehensive income for the period	-	-	-	1,509,018,272	-	(17,026,868)	(45,754,122)	(40,310,795)	(103,091,785)	1,405,926,487	439,576,653	1,845,503,140	
Amortisation on surplus on revaluation of assets	-	-	-	24,953,323	(24,953,323)	-	-	-	(24,953,323)	-	-	-	
Share-based payment paid by the subsidiary	-	-	-	-	-	-	-	-	-	-	1,312,550	1,312,550	
Disposal of other financial assets	-	-	-	1,049,784	-	(1,049,784)	-	-	(1,049,784)	-	-	-	
Balance as at 31 March 2022	1,535,999,998	10,851,951,634	6,247,647,636	153,600,000	26,276,548,210	3,610,054,069	(14,430,661)	(68,714,218)	(534,598,920)	2,992,310,270	48,058,057,748	18,837,346,198	66,895,403,946

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

(Unaudited but reviewed)

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2022

(Unit: Baht)

	Separate financial statements									
					Other components of shareholders' equity					
					Other comprehensive income				Total other components of shareholders' equity	Total shareholders' equity
					Surplus (deficit) on changes in fair value through other comprehensive income of investments in equity - net of income tax					
					Surplus on revaluation of assets - net of income tax	Cash flow hedge reserve - net of income tax	Total other components of shareholders' equity			
	Issued and paid-up share capital	Premium on ordinary shares	Appropriated - statutory reserve	Unappropriated						
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 period	-	-	-	959,144,260	-	-	-	-	959,144,260	
Other comprehensive income for the period	-	-	-	-	-	5,163,663	-	5,163,663	5,163,663	
Total comprehensive income for the period	-	-	-	959,144,260	-	5,163,663	-	5,163,663	964,307,923	
Amortisation on surplus on revaluation of assets	-	-	-	19,813,149	(19,813,149)	-	-	(19,813,149)	-	
Balance as at 31 March 2021	1,535,999,998	10,851,951,634	153,600,000	7,681,031,624	1,875,354,326	5,078,996	-	1,880,433,322	22,103,016,578	
Balance as at 1 January 2022	1,535,999,998	10,851,951,634	153,600,000	10,638,643,488	1,770,413,550	6,250,583	9,819,694	1,786,483,827	24,966,678,947	
Profit for the period	-	-	-	616,020,159	-	-	-	-	616,020,159	
Other comprehensive income for the period	-	-	-	-	-	(587,236)	(58,087,443)	(58,674,679)	(58,674,679)	
Total comprehensive income for the period	-	-	-	616,020,159	-	(587,236)	(58,087,443)	(58,674,679)	557,345,480	
Amortisation on surplus on revaluation of assets	-	-	-	13,316,724	(13,316,724)	-	-	(13,316,724)	-	
Balance as at 31 March 2022	1,535,999,998	10,851,951,634	153,600,000	11,267,980,371	1,757,096,826	5,663,347	(48,267,749)	1,714,492,424	25,524,024,427	

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

Sri Trang Agro-Industry Public Company Limited and its subsidiaries**Cash flow statement****For the three-month period ended 31 March 2022**

			(Unit: Baht)	
	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash flows from operating activities				
Profit before income tax	2,204,266,343	11,205,556,083	675,777,628	1,035,903,757
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities:				
Unrealised loss (gain) on exchange rates	1,803,220	(214,786,568)	14,401,588	(19,604,388)
Unrealised loss on revaluation of derivative financial instruments	30,390,304	880,117,073	35,362,857	454,410,760
Share-based payment expenses	1,312,550	3,743,927	-	-
Expected credit losses	6,800,707	2,423,943	-	-
Reduction of inventory cost to net realisable value (reversal)	36,122,664	(58,835,797)	-	(48,098,431)
Expenses for retirement benefit obligations	12,323,353	13,895,879	2,973,839	2,939,893
Depreciation	725,457,112	681,167,304	187,872,565	208,032,525
Amortisation - economic tree plantations	5,240,327	3,089,260	100,914	100,914
Amortisation - intangible asset	21,517,184	18,198,377	15,811,217	16,440,967
Finance income	(30,266,859)	(24,677,222)	(3,795,262)	(3,223,146)
Finance cost	222,225,154	176,000,363	109,906,646	65,327,974
Dividend income	(178,984)	(11,398)	(39,740)	(11,398)
Share of profit from investments in associate and joint venture	(53,845,736)	(32,492,123)	-	-
Write-off for machinery and assets under construction from fire incident	-	47,946,041	-	-
Loss (gain) on disposal and write-off for property, plant and equipment, right-of-use assets and economic tree plantations	1,987,931	18,449,170	(2,614,522)	16,180,985
Gain from disposal of non-current assets held for sale	-	-	-	(957,865,596)
Profit from operating activities before changes in operating assets and liabilities	3,185,155,270	12,719,784,312	1,035,757,730	770,534,816
Operating assets (increase) decrease				
Trade and other receivables	(823,205,461)	(3,742,642,341)	(396,829,519)	(683,894,104)
Amounts due from future brokers	585,442,059	(322,591,419)	105,737,796	(105,667,500)
Inventories	(1,172,059,288)	(3,851,026,721)	(1,033,757,512)	(1,572,170,000)
Other current assets	(217,265,836)	600,937,213	(5,569,948)	46,390,187
Other non-current assets	(8,205,241)	(292,259,666)	371,676	(117,353)
Operating liabilities increase (decrease)				
Trade and other payables	26,772,982	(187,147,241)	85,718,649	(11,789,076)
Other current liabilities	(204,710,957)	(101,600,506)	(169,628,822)	(65,075,835)
Provision for retirement benefit obligations	(97,500)	(230,500)	(97,500)	(100,500)
Other non-current liabilities	(358,332)	14,580	-	-
Cash flows provided by (used in) operating activities	1,371,467,696	4,823,237,711	(378,297,450)	(1,621,889,365)
Cash received from interest income	29,915,317	26,381,076	3,826,813	3,354,106
Cash paid for interest expense	(189,932,927)	(164,278,808)	(59,285,941)	(54,647,155)
Cash refunded from income tax	3,408,538	-	-	-
Cash paid for income tax	(113,543,087)	(202,000,680)	(29,895,538)	(22,627,085)
Net cash flows provided by (used in) operating activities	1,101,315,537	4,483,339,299	(463,652,116)	(1,695,809,499)

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

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the three-month period ended 31 March 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash flows from investing activities				
Cash paid for purchases of other financial assets	(239,746,865)	-	(500)	-
Cash received from disposal of other financial assets	145,589,784	-	-	-
Dividends received	178,984	11,398	39,740	11,398
Cash received from repayment of long-term loan to subsidiary	-	-	332,469,000	597,348,000
Cash paid for long-term loan to subsidiary	-	-	(334,598,000)	(311,818,000)
Cash paid for investment in subsidiary	-	-	-	(22,000,000)
Cash received from disposal of property, plant and equipment	3,918,157	9,725,900	2,695,702	4,589,848
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	(3,468,455,913)	(896,060,320)	(585,842,232)	(37,540,581)
Net cash flows provided by (used in) investing activities	(3,558,515,853)	(886,323,022)	(585,236,290)	1,495,859,231
Cash flows from financing activities				
Increase (decrease) in short-term borrowings from financial institutions	(5,204,647,799)	2,363,367,023	(5,260,503,000)	1,185,155,000
Cash received from short-term loan from subsidiary	-	-	145,000,000	-
Cash paid for repayment of short-term loan from subsidiary	-	-	(145,000,000)	-
Increase in long-term borrowings from financial institutions	-	429,500,000	-	309,500,000
Repayments of long-term borrowings from financial institutions	(931,929,000)	(993,136,000)	(610,929,000)	(829,136,000)
Proceeds from issuance of debentures	7,000,000,000	-	7,000,000,000	-
Repayments of lease liabilities	(44,411,238)	(52,231,977)	(12,797,386)	(17,766,609)
Dividend paid	(414,542)	(798,802)	(414,542)	(798,802)
Net cash flows provided by financing activities	818,597,421	1,746,700,244	1,115,356,072	646,953,589
Increase (decrease) in translation adjustments	(257,052,317)	240,439,698	-	-
Net increase (decrease) in cash and cash equivalents	(1,895,655,212)	5,584,156,219	66,467,666	447,003,321
Cash and cash equivalents at beginning of the period	22,809,650,413	26,446,683,536	272,036,452	298,780,383
Cash and cash equivalents at end of the period	20,913,995,201	32,030,839,755	338,504,118	745,783,704
	-	-	-	-
Supplemental cash flows information				
Non-cash transactions:				
Increase in payables from purchases of assets	113,039,831	191,034,185	171,007,409	243,807
Purchases of assets by entering into lease agreements	79,009,774	113,046,830	4,002,811	4,260,221
Increase in retention	62,023,401	18,612,525	14,073,728	-

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

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Notes to interim consolidated financial statements

For the three-month period ended 31 March 2022

1. General information

1.1 Basis of preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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

1.2 Basis of preparation of interim consolidated financial statements

These interim consolidated financial statements include the financial statements of Sri Trang Agro-Industry Public Company Limited ("the Company") and its subsidiaries ("the subsidiaries") (collectively as "the Group") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2021, with no change in shareholding structure of subsidiaries during the current period.

2. Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2021.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2022, do not have any significant impact on the Group's financial statements.

3. Related party transactions

During the periods, the Group had significant business transactions with related parties are as follows.

(Unit: Thousand Baht)				
For the three-month periods ended 31 March				
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Transactions with subsidiaries				
Sales of goods	-	-	7,380,097	3,717,842
Purchases of goods	-	-	801,769	232,568
Service income	-	-	44,120	43,325
Service expenses	-	-	149,727	129,995
Rental expenses	-	-	200	254
Interest income	-	-	3,794	3,223
Interest expenses	-	-	342	358
Sales of assets	-	-	-	177,470
Sales of investments	-	-	-	1,087,799
Transactions with associate				
Sales of goods	5,306	4,145	-	-
Purchases of goods	37	8	13	-
Service income	6,839	6,781	655	655
Rental income	100	100	-	-
Transactions with joint venture				
Purchases of goods	858,432	675,637	-	-
Service income	6,145	5,169	6,141	5,167

Such transactions arose in the ordinary course of business. There were no significant changes in the transfer pricing policy of transactions with related parties during the current period.

(Unaudited but reviewed)

Outstanding balances arising from significant business transactions between the Group and those related companies

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2022	31 December 2021 (Audited)	31 March 2022	31 December 2021 (Audited)
Trade accounts receivable (Note 4)				
Subsidiaries	-	-	2,413,090	1,448,813
Associate	4,496	5,129	669	223
	<u>4,496</u>	<u>5,129</u>	<u>2,413,759</u>	<u>1,449,036</u>
Other receivables (Note 4)				
Subsidiaries	-	-	7,596	33,617
Associate	1,180	1,026	-	-
	<u>1,180</u>	<u>1,026</u>	<u>7,596</u>	<u>33,617</u>
Advance payments for goods (Note 4)				
Subsidiaries	<u>-</u>	<u>-</u>	<u>79,756</u>	<u>505,353</u>
Trade accounts payable (Note 12)				
Subsidiaries	-	-	131,571	130,434
Associate	27	26	-	-
Joint venture	154,136	62,360	-	-
	<u>154,163</u>	<u>62,386</u>	<u>131,571</u>	<u>130,434</u>
Other payables (Note 12)				
Subsidiaries	-	-	24,780	21,096
Joint venture	146	-	146	-
	<u>146</u>	<u>-</u>	<u>24,926</u>	<u>21,096</u>

(Unaudited but reviewed)

Short-term loan to a subsidiary - PT Star Rubber

	(Unit: Thousand Baht)
	Separate financial statements
Balance as at 1 January 2022	332,469
Increase	334,598
Decrease	(332,469)
Unrealised loss on exchange rate	(3,205)
Balance as at 31 March 2022	331,393

As at 31 March 2022, the such short-term loan was subjected to interest at the rate of 5.06 percent per annum and was unsecured.

Short-term loan from a subsidiary - Startex Rubber Co., Ltd.

	(Unit: Thousand Baht)
	Separate financial statements
Balance as at 1 January 2022	145,000
Increase	145,000
Decrease	(145,000)
Balance as at 31 March 2022	145,000

Directors and management's benefits

	(Unit: Thousand Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term employee benefits	79,911	81,603	15,887	15,527
Post-employment benefits	2,812	2,813	847	728
Share-based payment benefits	755	2,152	-	-
Total	83,478	86,568	16,734	16,255

Guarantee obligations with related parties

The Group has outstanding guarantee obligations with its subsidiaries, as described in Note 18 to the interim financial statements.

4. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
		(Audited)		(Audited)
Trade accounts receivable - related parties (Note 3)				
Aged on the basis of due dates				
Not yet due	4,360	5,129	2,071,704	1,093,560
Past due				
Up to 30 days	136	-	210,637	195,200
31 - 60 days	-	-	75,470	101,287
61 - 90 days	-	-	-	58,989
121 - 365 days	-	-	55,948	-
Total trade accounts receivable - related parties	4,496	5,129	2,413,759	1,449,036
Trade accounts receivable - unrelated parties				
Aged on the basis of due dates				
Not yet due	7,809,233	7,573,069	2,039,011	2,126,886
Past due				
Up to 30 days	904,061	626,515	247,155	300,366
31 - 60 days	94,392	63,981	12,278	8,238
61 - 90 days	24,189	15,983	-	-
91 - 120 days	4,328	6,138	-	-
121 - 365 days	23,450	57	-	-
Over 365 days	40,047	37,900	30,885	30,885
Total	8,899,700	8,323,643	2,329,329	2,466,375
Less: Allowance for expected credit losses	(48,747)	(41,946)	(31,115)	(31,115)
Total trade accounts receivable - unrelated parties, net	8,850,953	8,281,697	2,298,214	2,435,260
Total trade accounts receivable - net	8,855,449	8,286,826	4,711,973	3,884,296
Other receivables				
Other receivables - related parties (Note 3)	1,180	1,026	7,596	33,617
Other receivables - unrelated parties	186,512	161,962	40,495	17,396
Advance payments for goods				
- related parties (Note 3)	-	-	79,756	505,353
Prepaid expenses and advance payments for goods				
- unrelated parties	716,929	496,300	99,593	110,258
Total other receivables	904,621	659,288	227,440	666,624
Total trade and other receivables - net	9,760,070	8,946,114	4,939,413	4,550,920

5. Inventories

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
		(Audited)		(Audited)
Inventories - at cost	33,547,019	32,374,960	17,616,857	16,583,099
Adjustments for fair value hedge	(275,602)	354,720	(244,773)	267,369
Reduction of cost to net realisable value	(187,350)	(151,227)	(783)	(783)
Inventories - net	<u>33,084,067</u>	<u>32,578,453</u>	<u>17,371,301</u>	<u>16,849,685</u>

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 March 2022 and 31 December 2021 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Inventories at net realisable value (NRV)*	16,782,653	15,293,209	8,950,084	7,416,257
Inventories at lower of cost or net realisable value (NRV) - as measured and included in the financial statements	<u>15,146,304</u>	<u>14,063,664</u>	<u>8,112,154</u>	<u>6,756,718</u>
Difference	<u>1,636,349</u>	<u>1,229,545</u>	<u>837,930</u>	<u>659,539</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 a difference 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.

(Unaudited but reviewed)

6. Derivative financial instruments

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2022	31 December 2021 (Audited)	31 March 2022	31 December 2021 (Audited)
Derivative assets				
<i>Derivative assets not designated as hedging instruments</i>				
Rubber options	326	-	-	-
Rubber price swaps	16,079	4,136	16,079	4,136
Forward foreign exchange contracts	100,329	58,201	-	-
Rubber futures	8,576	82,654	1,724	49,649
Physical forward contracts	-	270	-	-
<i>Derivative assets designated as hedging instruments</i>				
Forward foreign exchange contracts	67,938	70,034	36,733	57,841
Open rubber sale contracts	274,985	-	244,773	-
Total derivative assets	468,233	215,295	299,309	111,626
Current derivative liabilities				
<i>Derivative liabilities not designated as hedging instruments</i>				
Rubber options	6,547	6,085	2,118	2,108
Rubber price swaps	4,615	2,847	4,615	2,847
Forward foreign exchange contracts	86,465	77,829	-	-
Rubber futures	26,219	19,345	23,815	13,702
Physical forward contracts	-	1,482	-	-
Equity Accumulators	7,118	420	-	-
<i>Derivative liabilities designated as hedging instruments</i>				
Forward foreign exchange contracts	145,601	86,774	86,238	45,567
Open rubber sale contracts	-	357,955	-	269,049
Total current derivative liabilities	276,565	552,737	116,786	333,273
Non - current derivative liabilities				
<i>Derivative liabilities designated as hedging instruments</i>				
Interest rate swaps	13,333	21,332	-	-
Total non - current derivative liabilities	13,333	21,332	-	-
Total derivative liabilities	289,898	574,069	116,786	333,273

(Unaudited but reviewed)

Derivative financial instruments were measured at fair value with hierarchy level 2, except for rubber futures were measured at fair value with hierarchy level 1, and there were no transfers within the fair value hierarchy during the current period.

7. Other current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
		(Audited)		(Audited)
Refundable value-added tax	1,797,232	1,544,504	66,809	62,572
Prepaid withholding tax deducted at source	103,164	33,800	29,896	-
Input tax waiting for tax invoice or not yet due	51,692	87,155	10,461	9,128
Total other current assets	1,952,088	1,665,459	107,166	71,700

8. Investments in subsidiaries

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

Dividend payment

On 7 April 2022, STGT’s the Annual General meeting passed resolutions to approve a dividend payment for the year 2021 of Baht 4.65 per share, totaling Baht 13,305.61 million. The total interim dividend which STGT already paid is Baht 4.00 per share, totaling Baht 11,444.49 million as follows.

Approved by STGT’s Board of Directors meeting	Total dividends (Million Baht)	Dividend per share (Baht per share)
12 May 2021	4,286.33	1.50
10 August 2021	3,579.08	1.25
8 November 2021	3,579.08	1.25
Total interim dividends for the year 2021	11,444.49	4.00

Therefore, STGT will pay the remaining dividend at the rate Baht 0.65 per share, totaling Baht 1,861.12 million in May 2022.

Incorporation of a new subsidiary

On 9 May 2022, STGT’s Board of Directors meeting passed resolutions approving the incorporation of a new subsidiary, Sri Trang Responsible Gloves Supply Inc., for distribution of gloves in USA. STGT was in the process of considering and deciding on a registered share capital and registering the incorporation.

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

During in April 2022, the Company paid Baht 32 million for the additional capital of SRP that was called up in 2021.

On 9 May 2022, the Board of Directors of the Company passed resolutions to approve the increase in SRP's registered share capital amounting to Baht 80 million for use in its operation in 2022.

9. Investment in associate

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	Carrying amounts based on equity method	Cost
Semperflex Asia Co., Ltd.		
Net book value as at 1 January 2022	553,365	142,500
Share of profit from investment in associate	41,995	-
Net book value as at 31 March 2022	595,360	142,500

10. Investment in joint venture

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	Carrying amounts based on equity method	Cost
Thaitech Rubber Corp., Ltd.		
Net book value as at 1 January 2022	469,119	134,717
Share of profit from investment in joint venture	11,851	-
Net book value as at 31 March 2022	480,970	134,717

11. Property, plant and equipment

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2022	37,317,330	7,637,918
Acquisitions	3,601,140	761,471
Capitalised interest	30,001	1,808
Disposals and write-off, net	(3,031)	(84)
Transfer to other assets	(21,732)	-
Depreciation	(679,536)	(174,800)
Depreciation capitalised to assets	(10,627)	-
Translation adjustment	(21,544)	-
Net book value as at 31 March 2022	<u>40,212,001</u>	<u>8,226,313</u>

12. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2022	2021	2022	2021
	(Audited)		(Audited)	
Trade accounts payable - related parties (Note 3)	154,163	62,386	131,571	130,434
Trade accounts payable - unrelated parties	1,282,263	1,365,268	372,132	362,350
Other payables - related parties (Note 3)	146	-	24,926	21,096
Other payables - unrelated parties	1,993,618	2,232,225	589,980	434,144
Advance receipt for goods and others				
- unrelated parties	<u>2,157,885</u>	<u>1,662,078</u>	<u>419,486</u>	<u>266,118</u>
Total trade and other payables	<u>5,588,075</u>	<u>5,321,957</u>	<u>1,538,095</u>	<u>1,214,142</u>

13. Borrowings

	(Unit: Thousand Baht)	
Short-term borrowings from financial institutions	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2022	21,639,969	11,817,781
Decrease	(5,204,648)	(5,260,503)
Unrealised loss (gain) on exchange rates	(3,686)	1,753
Translation adjustment	(232,172)	-
Balance as at 31 March 2022	<u>16,199,463</u>	<u>6,559,031</u>

An overseas subsidiary had credit facilities with an overseas financial institution which were guaranteed by a domestic subsidiary.

	(Unit: Thousand Baht)	
Long-term borrowings from financial institutions	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2022	9,267,835	807,279
Repayments	(931,929)	(610,929)
Amortisation of finance fee	187	-
Balance as at 31 March 2022	<u>8,336,093</u>	<u>196,350</u>

There was no change in the conditions of the long-term borrowing agreements during the current period.

	(Unit: Thousand Baht)	
Debentures	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2022	10,000,000	10,000,000
Issuance	7,000,000	7,000,000
Balance as at 31 March 2022	<u>17,000,000</u>	<u>17,000,000</u>

(Unaudited but reviewed)

During the current period, the Company issued senior unsecured debentures, interest was payable semi-annually, as follows:

Debenture	Term (years)	Maturity date	Fixed discount rate	Quantity (Units)	Par value (Baht per unit)	Amount (Million Baht)
			(Percent per annum)			
STA253A	3	31 March 2025	2.08	2,000,000	1,000	2,000
STA273A	5	31 March 2027	2.85	500,000	1,000	500
STA293A	7	31 March 2029	3.56	1,000,000	1,000	1,000
STA323A	10	31 March 2032	3.94	2,000,000	1,000	2,000
STA343A	12	31 March 2034	4.17	1,500,000	1,000	1,500
Total						<u>7,000</u>

Subsequently in April 2022, the Company additionally issued a tranche of debenture amounting to Baht 1,180 million.

There was no change in the conditions of the debenture agreements during the current period.

14. Other gain (loss)

	(Unit: Thousand Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Gain (loss) from derivative financial instruments	111,515	(1,085,769)	(4,606)	(614,235)
Gain (loss) from disposals and write-off for fixed assets	(1,988)	(18,449)	2,614	(16,181)
Total other gain (loss), net	<u>109,527</u>	<u>(1,104,218)</u>	<u>(1,992)</u>	<u>(630,416)</u>

15. Income tax

Interim corporate income tax of the Company and the local subsidiaries was calculated on profit before income tax from operations without BOI promotional privileges for the periods, after adding back expenses and deducting income which are disallowable for tax computation purposes, using the estimated effective tax rate for the year.

(Unaudited but reviewed)

Interim corporate income tax of the overseas subsidiaries was calculated in accordance with the accounting standards and/or tax law of that company's country of domicile.

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current income tax:				
Interim corporate income tax charge	123,496	1,008,077	-	-
Adjustment in respect of income tax of previous year	-	(336)	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	101,786	(175,851)	59,757	76,759
Income tax reported in the profit or loss	<u>225,282</u>	<u>831,890</u>	<u>59,757</u>	<u>76,759</u>
Income tax reported in other comprehensive income	<u>(9,596)</u>	<u>3,490</u>	<u>(14,669)</u>	<u>1,291</u>

16. Dividends

On 7 April 2022, the Company's the Annual General meeting passed resolutions to approve a dividend payment for the year 2021 of Baht 4.15 per share, totaling Baht 6,374 million. The total interim dividend which the Company already paid is Baht 3.50 per share, totaling Baht 5,376 million as follows.

Approved by		
the Company's Board of Directors meeting	Total dividends	Dividend per share
	(Million Baht)	(Baht per share)
12 May 2021	1,536	1.00
10 August 2021	1,920	1.25
8 November 2021	1,920	1.25
Total interim dividends for the year 2021	<u>5,376</u>	<u>3.50</u>

Therefore, the Company will pay the remaining dividend at the rate Baht 0.65 per share, totaling Baht 998 million in May 2022.

17. Segment information

The Group has not changed the organisation of their reportable segments during the current period.

(Unaudited but reviewed)

The Group's financial information by segments for the three-month period ended 31 March 2022 and 2021

(Unit: Thousand Baht)

	Natural rubbers		Gloves		Others		Elimination		Consolidated financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues										
Revenues from external customers	20,926,474	16,088,641	7,049,547	15,473,716	23,858	17,193	-	-	27,999,879	31,579,550
Inter-segment revenues	1,890,617	1,360,322	-	-	1,502,450	743,898	(3,393,067)	(2,104,220)	-	-
Total revenues	<u>22,817,091</u>	<u>17,448,963</u>	<u>7,049,547</u>	<u>15,473,716</u>	<u>1,526,308</u>	<u>761,091</u>	<u>(3,393,067)</u>	<u>(2,104,220)</u>	<u>27,999,879</u>	<u>31,579,550</u>
Other income and expenses										
Depreciation and amortisation	(349,242)	(371,400)	(370,729)	(300,911)	(32,244)	(30,144)	-	-	(752,215)	(702,455)
Finance income	1,303	1,380	20,884	23,297	8,879	358	(799)	(358)	30,267	24,677
Finance cost	(186,314)	(142,654)	(34,954)	(31,541)	(1,756)	(2,163)	799	358	(222,225)	(176,000)
Share of profit (loss) from investments in associate and joint venture	11,851	(3,071)	-	-	41,995	35,563	-	-	53,846	32,492
Segment profit										
Profit before income tax	1,093,925	1,428,409	1,109,803	10,818,793	113,804	59,051	(113,266)	(1,100,697)	2,204,266	11,205,556
Income tax	(82,244)	(123,811)	(115,982)	(698,655)	(22,491)	(45)	(4,565)	(9,379)	(225,282)	(831,890)
Profit for the period	<u>1,011,681</u>	<u>1,304,598</u>	<u>993,821</u>	<u>10,120,138</u>	<u>91,313</u>	<u>59,006</u>	<u>(117,831)</u>	<u>(1,110,076)</u>	<u>1,978,984</u>	<u>10,373,666</u>
Total assets	<u>80,271,367</u>	<u>64,641,280</u>	<u>55,452,529</u>	<u>59,299,336</u>	<u>17,752,477</u>	<u>13,556,625</u>	<u>(36,534,792)</u>	<u>(29,955,993)</u>	<u>116,941,581</u>	<u>107,541,248</u>

18. Commitments and contingent liabilities

(Unit: Million Baht)

	As at 31 March 2022	
	Consolidated financial statements	Separate financial statements
Sales and purchases commitments*		
Purchases from		
Joint venture	1,244	-
Third parties	111	-
Sales to		
Subsidiaries	-	7,261
Third parties	33,311	11,634
Capital commitments relating to		
The construction of factory buildings and acquisition of machinery	17,436	818
The acquisition of computer software	4	-
Guarantees on borrowings of subsidiaries		
(USD 10 million)	333	-
(IDR 1,338 billion)	3,106	3,106
Guarantees and contingent liabilities		
Bank guarantees for electricity usage and sales of goods	220	66
Letters of credit with overseas suppliers (USD 2 million)	75	-
The future aggregate minimum payments under non-cancellable lease and service agreements		
Not later than 1 year	33	15
Later than 1 year but not later than 5 years	36	17

* 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.

19. Financial Instrument

Fair value of financial instrument

Most of the Group's financial instruments are classified as short-term or have interest rates that are close to market rate. Therefore, the carrying amounts of these financial instruments is estimated to approximate their fair value.

20. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 9 May 2022.