Sri Trang Agro-Industry Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month and six-month periods
ended 30 June 2021

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 30 June 2021, and the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the six-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 periods (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: 10 August 2021

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2021 (Unaudited but reviewed)	31 December 2020 (Audited)	30 June 2021 (Unaudited but reviewed)	31 December 2020 (Audited)
Assets					
Current assets					
Cash and cash equivalents		27,484,754,789	26,446,683,536	324,735,882	298,780,383
Trade and other receivables	*4*	11,976,344,434	9,260,149,876	3,337,239,186	2,886,595,893
Amounts due from future brokers		1,051,131,721	801,544,051	105,667,500	-
Inventories	*5*	20,917,595,148	19,031,541,468	9,016,975,113	10,075,612,645
Current portion of long-term loan to subsidiary	*3*	-	-	318,847,000	597,348,000
Derivative financial instruments	*6*	415,784,405	235,945,051	297,559,505	173,362,103
Other current assets	*7*	1,437,437,455	1,599,102,740	66,852,853	72,815,215
Non-current assets held for sale	*8.1*	-	-	-	307,402,970
Total current assets		63,283,047,952	57,374,966,722	13,467,877,039	14,411,917,209
Non-current assets					
Other non-current financial assets		100,164,008	97,086,142	99,041,894	96,071,528
Investments in subsidiaries	*8*	-	-	18,793,137,708	18,705,637,813
Investment in associate	*9*	460,353,153	507,741,337	142,500,000	142,500,000
Investment in joint venture	*10*	426,201,830	431,884,363	134,716,526	134,716,526
Investment properties		209,974,866	193,600,198	75,663,125	75,663,125
Property, plant and equipment	*11*	30,223,029,926	27,243,331,530	7,430,961,551	7,707,942,980
Right-of-use assets	*12*	335,863,956	273,158,309	106,737,854	114,209,614
Economic tree plantations	*13*	2,435,745,186	2,390,231,063	14,131,749	13,938,754
Intangible asset - Computer software	*14*	473,110,702	451,342,005	310,637,638	338,848,102
Goodwill		3,174,667,132	3,174,667,132	-	-
Withholding tax deducted at source		486,558,875	492,219,875	386,383,967	386,383,967
Deferred tax assets		611,359,500	269,818,457	-	-
Other non-current assets		47,933,573	217,175,166	12,204,570	11,583,615
Total non-current assets		38,984,962,707	35,742,255,577	27,506,116,582	27,727,496,024
Total assets		102,268,010,659	93,117,222,299	40,973,993,621	42,139,413,233

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 30 June 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2021 (Unaudited but reviewed)	31 December 2020 (Audited)	30 June 2021 (Unaudited but reviewed)	31 December 2020 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	*15*	4,931,981,473	4,635,946,027	1,021,588,804	988,045,291
Short-term borrowings from financial institutions	*16*	16,455,112,166	22,162,290,499	9,885,233,000	15,889,794,000
Current portions of:					
- Long-term borrowings from financial institutions	*16*	2,356,798,605	2,328,352,364	1,293,569,000	1,554,136,000
- Debenture	*16*	-	1,455,000,000	-	1,455,000,000
- Lease liabilities	*16*	120,487,955	115,706,540	42,944,061	58,005,394
Short-term loan from subsidiary	*3*	-	-	145,000,000	145,000,000
Income tax payable		1,967,949,878	1,399,708,727	-	-
Derivative financial instruments	*6*	566,564,528	139,406,892	278,166,208	63,000,451
Other current liabilities		190,073,923	183,957,212	150,859,487	88,173,474
Total current liabilities		26,588,968,528	32,420,368,261	12,817,360,560	20,241,154,610
Non-current liabilities					
Non-current portions of:					
- Long-term borrowings from financial institutions	*16*	6,976,916,900	5,996,840,314	-	471,350,000
- Debentures	*16*	3,500,000,000	-	3,500,000,000	-
- Lease liabilities	*16*	192,324,617	137,145,778	63,367,596	55,298,123
Derivative financial instruments	*6*	32,358,644	44,471,537	-	-
Provision for retirement benefit obligations		468,292,617	440,267,971	142,138,652	136,673,521
Deferred tax liabilities		716,450,083	647,918,723	218,828,078	96,228,324
Other non-current liabilities		33,310,802	33,291,499	-	-
Total non-current liabilities		11,919,653,663	7,299,935,822	3,924,334,326	759,549,968
Total liabilities		38,508,622,191	39,720,304,083	16,741,694,886	21,000,704,578

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 30 June 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2021 (Unaudited but reviewed)	31 December 2020 (Audited)	30 June 2021 (Unaudited but reviewed)	31 December 2020 (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 from the change in the ownership interests in subsidiaries	*1.2*	6,145,932,832	6,087,887,261	-	-
Retained earnings					
Appropriated - statutory reserve		153,600,000	153,600,000	153,600,000	153,600,000
Unappropriated		23,629,949,393	16,795,645,402	9,827,732,170	6,702,074,215
Other components of shareholders' equity					
Surplus on revaluation of assets - net of income tax		3,701,697,155	3,815,836,066	1,860,723,307	1,895,167,475
Surplus (deficit) on changes in fair value through other comprehensive income of investments in equity - net of income tax		2,396,033	(66,260)	2,291,626	(84,667)
Cash flow hedge reserve - net of income tax		(14,543,489)	(19,987,589)	-	-
Exchange differences on translation of financial statements in foreign currencies		(826,471,232)	(1,149,629,226)	-	-
Equity attributable to equity holders of the Company		45,180,512,324	38,071,237,286	24,232,298,735	21,138,708,655
Non-controlling interests of the subsidiaries	*1.2*	18,578,876,144	15,325,680,930	-	-
Total shareholders' equity		63,759,388,468	53,396,918,216	24,232,298,735	21,138,708,655
Total liabilities and shareholders' equity		102,268,010,659	93,117,222,299	40,973,993,621	42,139,413,233
		-	-	-	-

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

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Directors

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(Unaudited but reviewed)

Sri Trang Agro-Industry Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 June 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Profit or loss:					
Revenues from sales of goods and services		29,803,602,702	15,256,065,756	11,963,167,558	7,192,954,864
Cost of sales and services		(18,852,501,615)	(12,785,621,239)	(10,346,986,827)	(6,446,206,700)
Gross profit		10,951,101,087	2,470,444,517	1,616,180,731	746,748,164
Other income		94,352,821	40,042,541	61,181,974	20,882,882
Dividend income		907,067	1,187,996	5,579,008,698	531,433,871
Selling and distribution expenses		(1,247,091,071)	(750,490,739)	(648,803,398)	(454,522,815)
Administrative expenses		(481,626,437)	(429,241,547)	(133,926,033)	(190,252,376)
Gain (loss) on exchange rates		50,531,909	(31,164,530)	(48,168,935)	(64,514,380)
Other gain (loss)	*17*	(113,672,779)	225,174,680	54,362,817	86,517,445
Operating profit		9,254,502,597	1,525,952,918	6,479,835,854	676,292,791
Share of profit from investments in associate and joint venture		72,964,960	22,425,843	-	-
Finance income		29,779,677	6,228,971	3,536,271	16,819,546
Finance cost		(210,301,153)	(173,592,625)	(82,056,419)	(83,112,785)
Profit before income tax		9,146,946,081	1,381,015,107	6,401,315,706	609,999,552
Income tax	*18*	(950,551,304)	(85,209,630)	(45,246,184)	68,933,376
Profit for the period		8,196,394,777	1,295,805,477	6,356,069,522	678,932,928
Other comprehensive income:					
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods					
Exchange differences on translation of financial statements					
in foreign currencies		158,302,005	(125,886,110)	-	-
Gain (loss) on cash flow hedge - net of income tax		991,111	(7,534,348)	-	-
Other comprehensive income to be reclassified to					
profit or loss in subsequent periods - net of income tax		159,293,116	(133,420,458)	-	-
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods					
Gain (loss) on changes in value of equity investments					
designated at fair value through other comprehensive					
income - net of income tax		(2,800,419)	1,844,788	(2,787,370)	1,694,439
Other comprehensive income not to be reclassified to					
profit or loss in subsequent periods - net of income tax		(2,800,419)	1,844,788	(2,787,370)	1,694,439
Other comprehensive income for the period		**156,492,697**	**(131,575,670)**	**(2,787,370)**	**1,694,439**
Total comprehensive income for the period		**8,352,887,474**	**1,164,229,807**	**6,353,282,152**	**680,627,367**

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 30 June 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Profit attributable to:					
Equity holders of the Company		5,043,707,602	1,093,705,018	6,356,069,522	678,932,928
Non-controlling interests of the subsidiaries		3,152,687,175	202,100,459		
		8,196,394,777	1,295,805,477		
Total comprehensive income attributable to:					
Equity holders of the Company		5,176,480,240	963,225,935	6,353,282,152	680,627,367
Non-controlling interests of the subsidiaries		3,176,407,234	201,003,872		
		8,352,887,474	1,164,229,807		
Earnings per share	*19*				
Basic earnings per share					
Profit attributable to equity holders of the Company		3.28	0.71	4.14	0.44

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

For the six-month period ended 30 June 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Profit or loss:					
Revenues from sales of goods and services		61,383,152,474	32,737,147,180	23,688,439,284	16,913,637,138
Cost of sales and services		(36,879,714,452)	(27,801,060,295)	(20,672,445,332)	(14,910,257,717)
Gross profit		24,503,438,022	4,936,086,885	3,015,993,952	2,003,379,421
Other income		154,304,845	69,288,720	85,145,489	40,703,431
Dividend income		918,465	1,890,074	5,579,020,096	532,135,949
Selling and distribution expenses		(2,423,019,018)	(1,637,524,265)	(1,332,202,209)	(1,039,926,716)
Administrative expenses		(941,364,753)	(799,871,890)	(266,823,430)	(334,181,085)
Gain (loss) on exchange rates		502,502,687	(24,225,680)	114,897,646	44,758,128
Gain from disposal of non-current assets held for sale	*8.1*	-	-	957,865,596	-
Other gain (loss)	*17*	(1,217,890,550)	88,886,266	(576,052,701)	102,863,333
Operating profit		20,578,889,698	2,634,530,110	7,577,844,439	1,349,732,461
Share of profit from investments in associate and joint venture		105,457,083	121,925,008	-	-
Finance income		54,456,899	10,472,807	6,759,417	35,132,700
Finance cost		(386,301,516)	(378,288,783)	(147,384,393)	(200,781,090)
Profit before income tax		20,352,502,164	2,388,639,142	7,437,219,463	1,184,084,071
Income tax	*18*	(1,782,441,660)	(165,699,011)	(122,005,681)	12,615,583
Profit for the period		18,570,060,504	2,222,940,131	7,315,213,782	1,196,699,654
Other comprehensive income:					
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods					
Exchange differences on translation of financial statements					
in foreign currencies		377,609,011	112,836,813	-	-
Gain (loss) on cash flow hedge - net of income tax		9,690,314	(9,589,482)	-	-
Other comprehensive income to be reclassified to					
profit or loss in subsequent periods - net of income tax		387,299,325	103,247,331	-	-
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods					
Actuarial loss - net of income tax		-	(10,765)	-	-
Gain (loss) on changes in value of equity investments					
designated at fair value through other comprehensive					
income - net of income tax		2,462,293	(10,994,302)	2,376,293	(11,106,557)
Other comprehensive income not to be reclassified to					
profit or loss in subsequent periods - net of income tax		2,462,293	(11,005,067)	2,376,293	(11,106,557)
Other comprehensive income for the period		**389,761,618**	**92,242,264**	**2,376,293**	**(11,106,557)**
Total comprehensive income for the period		**18,959,822,122**	**2,315,182,395**	**7,317,590,075**	**1,185,593,097**

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 six-month period ended 30 June 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Profit attributable to:					
Equity holders of the Company		11,002,210,646	1,947,850,799	7,315,213,782	1,196,699,654
Non-controlling interests of the subsidiaries		7,567,849,858	275,089,332		
		18,570,060,504	2,222,940,131		
Total comprehensive income attributable to:					
Equity holders of the Company		11,333,275,033	2,040,559,375	7,317,590,075	1,185,593,097
Non-controlling interests of the subsidiaries		7,626,547,089	274,623,020		
		18,959,822,122	2,315,182,395		
Earnings per share	*19*				
Basic earnings per share					
Profit attributable to equity holders of the Company		7.16	1.27	4.76	0.78

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 six-month period ended 30 June 2021

(Unit: Baht)

	Consolidated financial statements												
	Attributable to the equity holders of the Company												
						Other components of shareholders' equity							
						Other comprehensive income							
	Issued and paid-up share capital	Premium on ordinary shares	Surplus from the change in the ownership interests in subsidiaries	Retained earnings: Appropriated - statutory reserve	Retained earnings: Unappropriated	Surplus on revaluation of assets - net of income tax	Surplus (deficit) on changes in fair value through other comprehensive income of investments in equity - net of income tax	Cash flow hedge reserve - net of income tax	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
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 period	-	-	-	-	1,947,850,799	-	-	-	-	-	1,947,850,799	275,089,332	2,222,940,131
Other comprehensive income for the period	-	-	-	-	(10,765)	-	(10,994,302)	(7,775,232)	111,488,875	92,719,341	92,708,576	(466,312)	92,242,264
Total comprehensive income for the period	-	-	-	-	1,947,840,034	-	(10,994,302)	(7,775,232)	111,488,875	92,719,341	2,040,559,375	274,623,020	2,315,182,395
Amortisation on asset revaluation	-	-	-	-	64,504,056	(64,504,056)	-	-	-	(64,504,056)	-	-	-
Dividend paid	-	-	-	-	(537,599,999)	-	-	-	-	-	(537,599,999)	-	(537,599,999)
Dividend paid by the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(2,938)	(2,938)
Share-based payment paid by the subsidiary	-	-	-	-	-	-	-	-	-	-	-	14,472,487	14,472,487
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 30 June 2020	1,535,999,998	10,851,951,634	6,087,887,261	153,600,000	9,911,001,418	3,899,894,942	(3,449,519)	(21,401,855)	(981,903,763)	2,893,139,805	31,433,580,116	10,515,262,859	41,948,842,975
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	-	-	-	-	11,002,210,646	-	-	-	-	-	11,002,210,646	7,567,849,858	18,570,060,504
Other comprehensive income for the period	-	-	-	-	-	-	2,462,293	5,444,100	323,157,994	331,064,387	331,064,387	58,697,231	389,761,618
Total comprehensive income for the period	-	-	-	-	11,002,210,646	-	2,462,293	5,444,100	323,157,994	331,064,387	11,333,275,033	7,626,547,089	18,959,822,122
Amortisation on asset revaluation	-	-	-	-	56,093,340	(56,093,340)	-	-	-	(56,093,340)	-	-	-
Dividend paid (Note 20)	-	-	-	-	(4,223,999,995)	-	-	-	-	-	(4,223,999,995)	-	(4,223,999,995)
Dividend paid by the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(4,380,881,433)	(4,380,881,433)
Share-based payment paid by the subsidiary (Note 8.1)	-	-	-	-	-	-	-	-	-	-	-	7,529,453	7,529,453
Increase in share capital of the subsidiary (Note 8.3)	-	-	-	-	-	-	-	-	-	-	-	105	105
Effect of restructuring of the subsidiaries (Note 1.2)	-	-	58,045,571	-	-	(58,045,571)	-	-	-	(58,045,571)	-	-	-
Balance as at 30 June 2021	1,535,999,998	10,851,951,634	6,145,932,832	153,600,000	23,629,949,393	3,701,697,155	2,396,033	(14,543,489)	(826,471,232)	2,863,078,467	45,180,512,324	18,578,876,144	63,759,388,468

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 six-month period ended 30 June 2021

(Unit: Baht)

	Separate financial statements							
					Other components of shareholders' equity			
					Other comprehensive income			
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings: Appropriated - statutory reserve	Retained earnings: Unappropriated	Surplus on revaluation of assets - net of income tax	Surplus (deficit) on changes in fair value through other comprehensive income of investments in equity - net of income tax	Total other components of shareholders' equity	Total shareholders' equity
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 period	-	-	-	1,196,699,654	-	-	-	1,196,699,654
Other comprehensive income for the period	-	-	-	-	-	(11,106,557)	(11,106,557)	(11,106,557)
Total comprehensive income for the period	-	-	-	1,196,699,654	-	(11,106,557)	(11,106,557)	1,185,593,097
Amortisation on asset revaluation	-	-	-	62,649,772	(62,649,772)	-	(62,649,772)	-
Dividend paid	-	-	-	(537,599,999)	-	-	-	(537,599,999)
Balance as at 30 June 2020	1,535,999,998	10,851,951,634	153,600,000	6,151,391,415	1,931,701,389	(3,467,377)	1,928,234,012	20,621,177,059
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	-	-	-	7,315,213,782	-	-	-	7,315,213,782
Other comprehensive income for the period	-	-	-	-	-	2,376,293	2,376,293	2,376,293
Total comprehensive income for the period	-	-	-	7,315,213,782	-	2,376,293	2,376,293	7,317,590,075
Amortisation on asset revaluation	-	-	-	34,444,168	(34,444,168)	-	(34,444,168)	-
Dividend paid (Note 20)	-	-	-	(4,223,999,995)	-	-	-	(4,223,999,995)
Balance as at 30 June 2021	1,535,999,998	10,851,951,634	153,600,000	9,827,732,170	1,860,723,307	2,291,626	1,863,014,933	24,232,298,735

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

Cash flow statement

For the six-month period ended 30 June 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit before income tax	20,352,502,164	2,388,639,142	7,437,219,463	1,184,084,071
Adjustments to reconcile profit before income tax to				
net cash provided by (paid from) operating activities:				
Unrealised loss (gain) on exchange rates	(140,536,776)	79,381,382	(17,882,603)	11,465,758
Unrealised loss (gain) on revaluation of derivative				
financial instruments	449,298,383	(98,103,046)	247,293,706	(70,290,457)
Share-based payment expenses	7,529,453	14,472,487	-	-
Expected credit losses (reversal)	1,813,244	293,189	-	(1,698,931)
Reduction of inventory cost to net realisable value (reversal)	(41,845,738)	226,171,778	(47,493,100)	120,756,868
Expenses for retirement benefit obligations	28,569,813	24,470,070	5,880,298	6,226,789
Depreciation	1,441,454,166	1,317,869,406	415,501,192	435,445,320
Amortisation - economic tree plantations	7,214,725	3,705,197	202,950	194,371
Amortisation - intangible asset	36,391,108	37,468,863	32,910,553	33,291,159
Write-off withholding tax deducted at source	-	32,052,793	-	28,638,625
Finance income	(54,456,899)	(10,472,807)	(6,759,417)	(35,132,700)
Finance cost	386,301,516	378,288,783	147,384,393	200,781,090
Dividend income	(918,465)	(1,890,074)	(5,579,020,096)	(532,135,949)
Share of profit from investments in associate and joint venture	(105,457,083)	(121,925,008)	-	-
Written-off machinery and assets under construction from fire incident	47,946,041	9,627,483	-	9,627,483
Loss (gain) on disposal and written-off of property, plant and equipment,				
right-of-use assets, economic tree plantations and intangible assets	35,232,842	5,991,376	16,499,468	(3,785,170)
Gain from lease modification	(766,439)	-	(776,630)	-
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	22,450,272,055	4,285,848,037	1,693,094,581	1,394,182,127
Operating assets (increase) decrease				
Trade and other receivables	(2,523,343,001)	220,531,185	(425,805,549)	303,598,806
Amounts due from future brokers	(249,587,670)	49,743,284	(105,667,500)	30,384,003
Inventories	(2,046,188,043)	4,269,267,090	949,805,281	3,271,487,168
Other current assets	288,809,521	(317,519,516)	46,779,080	6,900,558
Other non-current assets	(11,954,211)	(4,817,742)	(620,954)	114,170
Operating liabilities increase (decrease)				
Trade and other payables	(31,800,434)	470,455,955	7,281,620	(56,974,183)
Other current liabilities	6,116,711	29,981	62,686,013	(8,455,246)
Provision for retirement benefit obligations	(545,167)	(325,600)	(415,167)	(195,600)
Other non-current liabilities	19,303	11,895	-	-
Cash flows provided by operating activities	17,881,799,064	8,973,224,569	2,227,137,405	4,941,041,803
Cash received from interest income	56,156,562	10,931,422	6,964,471	35,340,267
Cash paid for interest income	(372,145,226)	(420,051,975)	(126,103,579)	(204,287,419)
Cash received for withholding tax deducted at source refund	-	153,837,506	-	50,045,714
Cash paid for income tax	(1,615,417,300)	(66,766,300)	(40,816,718)	(27,612,170)
Net cash flows provided by operating activities	15,950,393,100	8,651,175,222	2,067,181,579	4,794,528,195

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

Cash flow statement (continued)

For the six-month period ended 30 June 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from investing activities				
Dividends received	159,446,265	118,680,074	5,579,020,096	532,135,949
Cash received from repayment of long-term loan to subsidiary	-	-	597,348,000	239,813,600
Cash paid for long-term loan to subsidiary	-	-	(311,818,000)	-
Cash paid for investment in subsidiary	-	-	(87,499,895)	(140,000,000)
Cash received from disposal of property, plant and equipment				
economic tree plantations and intangible assets	14,819,906	15,404,231	6,692,792	76,754,638
Cash received from disposal of non-current assets held for sale	-	-	1,265,268,566	-
Cash paid for purchases of investment properties, property,				
plant and equipment, economic tree plantations and intangible assets	(4,004,687,557)	(882,452,305)	(128,817,510)	(173,764,905)
Cash received from disposal of investment in associate	-	8,355,000	-	8,355,000
Net cash flows provided by (used in) investing activities	(3,830,421,386)	(740,013,000)	6,920,194,049	543,294,282
Cash flows from financing activities				
Decrease in short-term borrowings from financial institutions	(5,842,811,027)	(4,679,051,982)	(6,004,561,000)	(4,113,247,000)
Repayment of short-term loan from subsidiary	-	-	-	(15,000,000)
Increase in long-term borrowings from financial institutions	2,402,500,000	-	309,500,000	-
Repayments of long-term borrowings from financial institutions	(1,407,136,000)	(3,197,650,400)	(1,054,136,000)	(642,650,400)
Proceeds from issuance of debentures	3,500,000,000	-	3,500,000,000	-
Cash paid for redemption of debentures	(1,455,000,000)	-	(1,455,000,000)	-
Repayments of lease liabilities	(92,786,250)	(79,324,097)	(33,416,410)	(37,427,709)
Dividend paid	(4,223,806,719)	(535,016,381)	(4,223,806,719)	(535,016,381)
Dividend paid by subsidiaries	(4,380,881,433)	(2,938)	-	-
Cash received from increase in share capital of subsidiary	105	14,609,276,074	-	-
Net cash flows provided by (used in) financing activities	(11,499,921,324)	6,118,230,276	(8,961,420,129)	(5,343,341,490)
Increase in translation adjustments	418,020,863	121,497,532	-	-
Net increase (decrease) in cash and cash equivalents	1,038,071,253	14,150,890,030	25,955,499	(5,519,013)
Cash and cash equivalents at beginning of the period	26,446,683,536	2,381,822,723	298,780,383	190,156,195
Cash and cash equivalents at end of the period	27,484,754,789	16,532,712,753	324,735,882	184,637,182
	-		-	
Supplemental cash flows information				
Non-cash transactions:				
Increase in payables from purchases of assets	191,904,100	-	2,537,062	-
Purchases of assets by entering into lease agreements	146,283,849	29,258,466	27,201,180	13,993,478
Increase in retention	56,203,166	-	780,546	-
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 interim financial statements.

Sri Trang Agro-Industry Public Company Limited and its subsidiaries
Notes to interim consolidated financial statements
For the three-month and six-month periods ended 30 June 2021

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

For reporting purposes, the Company and its subsidiaries are referred to as “the Group”.

These interim consolidated financial statements include the financial statements of Sri Trang Agro-Industry Public Company Limited (“the Company”) and its subsidiaries (“the subsidiaries”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2020. However, during the period, there were changes in the composition of the Group, as follows:

a) On 7 January 2021, Sri Trang Gloves (Thailand) Public Company Limited (“STGT”) (a subsidiary) 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.

1.3 New financial reporting standards

a) Financial reporting standards that became effective in the current period

During the period, 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 in accordance with 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.

b) 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.

2. Significant accounting policies

The interim consolidated 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 2020, except that the Group initially adopted fair value hedges in the current period.

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 sales 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.

3. Related party transactions

During the periods, 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)

	For the three-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Transactions with subsidiaries				
Sales of goods	-	-	4,477,633	1,341,275
Purchases of goods	-	-	214,572	675,306
Service income	-	-	35,247	38,546
Service expenses	-	-	104,169	121,387
Rental income	-	-	-	58
Rental expenses	-	-	200	200
Dividend income	-	-	5,435,225	427,197
Interest income	-	-	3,443	16,710
Interest expenses	-	-	361	374
Sales of fixed assets	-	-	3,506	74,327
Transactions with associate				
Sales of goods	4,848	3,836	-	-
Purchases of goods	91	9	-	-
Service income	9,237	6,951	656	666
Service expenses	-	13	-	-
Rental income	100	100	-	-
Dividend income	133,025	116,790	117,375	103,050
Transactions with joint venture				
Purchases of goods	544,353	468,923	-	-
Service income	5,427	2,356	5,422	2,352
Dividend income	25,502	-	25,502	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Transactions with subsidiaries				
Sales of goods	-	-	8,195,475	3,390,016
Purchases of goods	-	-	447,140	1,157,560
Service income	-	-	78,572	86,020
Service expenses	-	-	234,164	274,641
Rental income	-	-	-	116
Rental expenses	-	-	454	400
Dividend income	-	-	5,435,225	427,197
Interest income	-	-	6,666	35,023
Interest expenses	-	-	719	773
Sales of fixed assets	-	-	180,976	74,327
Sales of investments	-	-	1,087,799	-
Transactions with associate				
Sales of goods	8,993	7,709	-	-
Purchases of goods	99	17	-	-
Service income	14,437	13,237	1,311	1,329
Service expenses	1,581	24	-	-
Rental income	200	200	-	-
Dividend income	133,025	116,790	117,375	103,050
Transactions with joint venture				
Purchases of goods	1,219,990	1,108,853	-	-
Service income	10,596	6,087	10,589	6,076
Dividend income	25,502	-	25,502	-

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 or rates

(3) Dividend income is made with announced payment rate

(4) Interest income/expenses are charged at rates with reference to loan agreements

(5) Sales of assets are based on contract prices with reference to market prices

Outstanding balances arising from significant business transactions

As at 30 June 2021 and 31 December 2020, the balances of the accounts between the Group and those related parties were as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
		(Audited)		(Audited)
Trade accounts receivable (Note 4)				
Subsidiaries	-	-	746,854	621,622
Associate	3,484	4,018	223	223
Joint venture	2,164	-	864	-
	5,648	4,018	747,941	621,845
Other receivables (Note 4)				
Subsidiaries	-	-	16,595	16,418
Associate	812	716	-	-
	812	716	16,595	16,418
Trade accounts payable (Note 15)				
Subsidiaries	-	-	174,331	142,757
Associate	8	10	-	-
Joint venture	54,405	34,722	-	-
	54,413	34,732	174,331	142,757
Other payables (Note 15)				
Subsidiaries	-	-	9,881	8,921

Outstanding balances arising from loans to a subsidiary

As at 30 June 2021 and 31 December 2020, the balances of loans to a subsidiary were as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
		(Audited)		(Audited)
Interest receivables (Note 4)	-	-	37	168
Long-term loan	-	-	318,847	597,348

As at 30 June 2021 and 31 December 2020, long-term loans to a subsidiary were unsecured and were summarised as below.

	Separate financial statements				
	30 June 2021				
		Principle			
	Relationship	Million USD	(Equivalent) Million Baht	Interest rates (%)	Borrowing periods
PT Star Rubber	An indirect subsidiary	10	319	4.23	1 year

	Separate financial statements				
	31 December 2020				
		Principle			
	Relationship	Million USD	(Equivalent) Million Baht	Interest rates (%)	Borrowing periods
		(Audited)			
PT Star Rubber	An indirect subsidiary	20	597	5.05	3 years

Movements in the balances of long-term loans to a subsidiary for the six-month period ended 30 June 2021 were as follows.

(Unit: Thousand Baht)

	Separate financial statements				
Long-term loans	Balance as at 31 December 2020	Increase during the period	Decrease during the period	Unrealised gain on exchange rate	Balance as at 30 June 2021
	(Audited)				
Subsidiaries	597,348	311,818	(597,348)	7,029	318,847

Outstanding balance arising from loan from a subsidiary

The Company had the balance of a short-term loan from Startex Rubber Co., Ltd. (a direct subsidiary) amounting to Bah 145 million, which was subjected to interest at the rate of 1.0 percent per annum. The loan was unsecured and was repayable on call.

The balance had no movement during the six-month period ended 30 June 2021.

Directors and management's benefits

During the three-month and six-month periods ended 30 June 2021 and 2020, the Group had employee benefit expenses of their directors and management as below.

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Short-term employee benefits	72,292	60,572	15,025	10,625
Post-employment benefits	2,460	2,395	728	779
Share-based payment benefits	2,177	8,320	-	-
Total	76,929	71,287	15,753	11,404

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Short-term employee benefits	153,895	129,810	30,552	22,048
Post-employment benefits	5,273	4,802	1,456	1,580
Share-based payment benefits	4,329	8,320	-	-
Total	163,497	142,932	32,008	23,628

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 22 to the interim consolidated financial statements.

4. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
		(Audited)		(Audited)
Trade accounts receivable - related parties (Note 3)				
Aged on the basis of due dates				
Not yet due	5,648	4,018	740,176	621,845
Past due				
Up to 30 days	-	-	7,765	-
Total trade accounts receivable - related parties	5,648	4,018	747,941	621,845
Trade accounts receivable - unrelated parties				
Aged on the basis of due dates				
Not yet due	9,016,514	8,111,952	2,189,742	2,028,242
Past due				
Up to 30 days	488,696	463,710	192,807	126,278
31 - 60 days	32,682	13,529	1,830	13,365
61 - 90 days	14,721	863	-	51
91 - 120 days	136	1,972	-	-
121 - 365 days	967	3,525	326	907
Over 365 days	40,273	39,273	30,951	30,443
Total	9,593,989	8,634,824	2,415,656	2,199,286
Less: Allowance for expected credit losses	(37,087)	(35,274)	(26,697)	(26,697)
Total trade accounts receivable - unrelated parties, net	9,556,902	8,599,550	2,388,959	2,172,589
Total trade accounts receivable - net	9,562,550	8,603,568	3,136,900	2,794,434
Other receivables				
Other receivables - related parties (Note 3)	812	716	16,595	16,418
Other receivables - unrelated parties	134,295	97,813	21,232	16,140
Interest receivables - related parties (Note 3)	-	-	37	168
Prepaid expenses and advance payments for goods	2,278,687	558,053	162,475	59,436
Total other receivables	2,413,794	656,582	200,339	92,162
Total trade and other receivables - net	11,976,344	9,260,150	3,337,239	2,886,596

5. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
		(Audited)		(Audited)
Inventories - at cost	21,225,441	19,179,254	9,174,909	10,124,714
Accumulated adjustments for fair value hedge	(201,979)	-	(156,326)	-
Reduction of cost to net realisable value	(105,867)	(147,713)	(1,608)	(49,101)
Inventories - net	20,917,595	19,031,541	9,016,975	10,075,613

Additional information

Inventory balances of the Group, for only ribbed smoked sheets, concentrated latex and block rubber (net of fair value hedge transactions), as at 30 June 2021 and 31 December 2020 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Inventories at net realisable value (NRV)*	11,904,632	16,061,791	6,888,980	10,328,030
Inventories at lower of cost or net realisable value (NRV) - as measured and included in the financial statements	11,065,512	15,505,784	6,397,881	9,905,671
Differences	839,120	556,007	491,099	422,359

*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.

6. Derivative financial instruments

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2021	31 December 2020 (Audited)	30 June 2021	31 December 2020 (Audited)
Derivative assets				
Derivative assets not designated as hedging instruments				
Foreign exchange options	-	23,050	-	10,023
Rubber options	11,620	9,432	11,620	9,432
Rubber price swaps	23,904	180	23,904	180
Forward foreign exchange contracts	26,171	125,614	7,062	86,690
Rubber futures	152,110	77,669	98,648	67,037
Derivative assets designated as hedging instruments				
Open sale rubber contracts	201,979	-	156,326	-
Total derivative assets	415,784	235,945	297,560	173,362
Current derivative liabilities				
Derivatives liabilities not designated as hedging instruments				
Foreign exchange options	-	92,706	-	37,968
Rubber options	9,281	4,286	6,729	2,020
Forward foreign exchange contracts	555,048	11,838	269,201	1,558
Rubber futures	2,236	30,577	2,236	21,454
Total current derivative liabilities	566,565	139,407	278,166	63,000
Non - current derivative liabilities				
Derivatives liabilities designated as hedging instruments				
Interest rate swaps	32,358	44,471	-	-
Total non - current derivative liabilities	32,358	44,471	-	-
Total derivative liabilities	598,923	183,878	278,166	63,000

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

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

7. Other current Assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
		(Audited)		(Audited)
Refundable value-added tax	1,242,413	1,557,020	19,240	69,234
Prepaid withholding tax deducted at source	137,934	10,790	40,817	-
Input tax waiting for tax invoice or not yet due	57,090	31,293	6,796	3,581
Total other current assets	1,437,437	1,599,103	66,853	72,815

8. Investments in subsidiaries

8.1 Sri Trang Gloves (Thailand) Plc. ("STGT")

Share-based payment under STGT ESOP

STGT recognised share-based payment expenses amounting to Baht 7.5 million for the six-month period ended 30 June 2021. (2020: Baht 14.5 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 is 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.

Capacity expansion projects

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 STGT. As at 31 December 2020, the Company classified investments in these two subsidiaries 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 and the 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.

Dividend payment

On 2 April 2021, STGT's the Annual General Meeting passed a resolution to approve a dividend payment in respect of operating results of 2020 at a rate of Baht 2.0 per share, totaling of Baht 5,715.12 million, to its shareholders. STGT paid the dividends on 28 April 2021.

On 12 May 2021, STGT's Board of Directors meeting passed a resolution to approve the payment of an interim dividend at a rate of Baht 1.5 per share, or a total of Baht 4,286.34 million to its shareholders from the operating results for the three-month period end 31 March 2021. STGT paid the dividends on 10 June 2021.

On 10 August 2021, STGT's Board of Directors meeting passed resolutions to approve the payment of an interim dividend at a rate of Baht 1.25 per share, or a total of Baht 3,579.08 million to its shareholders from the operating results for the three-month period end 30 June 2021. STGT will pay the dividends in the third quarter of 2021.

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

During the current period, the Company paid Baht 44 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 40 million for the additional capital. Therefore, the separate financial statements as at 30 June 2021, the Company had investments in SRP of Baht 6,993 million.

8.3 Sri Trang IBC Co., Ltd. ("IBC")

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

9. Investment in associate

Movement for the six-month period ended 30 June 2021 of investment in Semperflex Asia Co., Ltd. is as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
	Carrying amounts based on equity method	Cost
Net book value as at 1 January 2021	507,741	142,500
Share of profit from investment in associate	85,637	-
Dividends received by the Group	(133,025)	-
Net book value as at 30 June 2021	460,353	142,500

10. Investment in joint venture

Movement for the six-month period ended 30 June 2021 of investment in Thaitech Rubber Corp., Ltd. is as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
	Carrying amounts based on equity method	Cost
Net book value as at 1 January 2021	431,884	134,717
Share of profit from investment in joint venture	19,820	-
Dividends received by the Group	(25,502)	-
Net book value as at 30 June 2021	426,202	134,717

11. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2021	27,243,332	7,707,943
Acquisitions	4,343,681	127,036
Capitalised interest	39,727	-
Disposals and written-off, net	(91,479)	(23,189)
Depreciation	(1,350,291)	(380,828)
Depreciation capitalised to assets (Note 13)	(26,681)	-
Transfer to investment properties	(8,650)	-
Translation adjustment	73,391	-
Net book value as at 30 June 2021	30,223,030	7,430,962

12. Right-of-use assets

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2021	273,158	114,210
Additions	146,284	27,201
Written-off, net	(906)	-
Depreciation	(91,163)	(34,673)
Translation adjustment	8,491	-
Net book value as at 30 June 2021	335,864	106,738

13. Economic tree plantations

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2021	2,390,231	13,939
Acquisitions	32,565	396
Disposals and written-off, net	(6,517)	-
Amortisation	(7,215)	(203)
Depreciation capitalised to assets (Note 11)	26,681	-
Net book value as at 30 June 2021	2,435,745	14,132

14. Intangible asset - Computer software

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2021	451,342	338,848
Additions	57,687	4,703
Disposals and written-off, net	(3)	(3)
Amortisation	(36,391)	(32,910)
Translation adjustment	476	-
Net book value as at 30 June 2021	473,111	310,638

15. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
		(Audited)		(Audited)
Trade accounts payable - related parties (Note 3)	54,413	34,732	174,331	142,757
Trade accounts payable - unrelated parties	1,906,077	1,475,782	397,010	287,327
Other payables - related parties (Note 3)	-	-	9,881	8,921
Other payables - unrelated parties	1,268,153	1,224,542	264,386	282,635
Advance receipt for goods and others	1,703,338	1,900,890	175,981	266,405
Total trade and other payables	4,931,981	4,635,946	1,021,589	988,045

16. Borrowings

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2021	32,195,335	19,483,584
Decrease in short-term borrowings from financial institutions	(5,842,811)	(6,004,561)
Increase in long-term borrowings from financial institutions	2,402,500	309,500
Repayments of long-term borrowings from financial institutions	(1,407,136)	(1,054,136)
Amortisation of finance fee	440	-
Issuance of debentures	3,500,000	3,500,000
Redemption of debenture	(1,455,000)	(1,455,000)
Increase in lease liabilities	146,284	27,201
Written-off lease liabilities	(1,673)	(777)
Repayments of lease liabilities	(92,786)	(33,416)
Unrealised loss on exchange rates	21,027	12,719
Translation adjustment	135,460	-
Balance as at 30 June 2021	29,601,640	14,785,114

Short-term borrowings from financial institutions

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			
	30 June 2021		31 December 2020	
	Million USD	(Equivalent) Million Baht	Million USD	(Equivalent) Million Baht
			(Audited)	
Credit facilities	10	321	10	300

Long-term borrowings from financial institutions

The long-term borrowing agreements of the Group contain certain covenants, among other things, require the Group to maintain certain financial ratios.

During the current period, a domestic subsidiary entered into a long-term borrowing agreement with a domestic commercial bank for credit facilities of Baht 782 million, with a term of 6 years. This borrowing is subjected to interest at a rate of MLR less fixed rate percent per annum and is unsecured. Principal is repayable quarterly from December 2022 and interest is repayable quarterly. Subsequently on 30 June 2021, the subsidiary withdrew the borrowing in full amount.

Debentures

On 1 April 2021, the Company issued senior unsecured debentures, interest was payable semi-annually, as follows:

Debenture	Term	Maturity date	Fixed discount rate (Percent per annum)	Quantity (Units)	Par value (Baht per unit)	Amount (Thousand Baht)
STA234A	2 years	1 April 2023	2.15	1,000,000	1,000	1,000,000
STA264A	5 years	1 April 2026	3.70	1,800,000	1,000	1,800,000
STA314A	10 years	1 April 2031	4.40	700,000	1,000	700,000
Total						3,500,000

Subsequently in July 2021, the Company additionally issued 2 tranches of debentures amounting to Baht 2,000 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.

17. Other gain (loss)

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Gain (loss) from derivative financial instruments	(97,655)	226,115	53,904	88,814
Gain (loss) from disposals and written-off fixed assets	(16,784)	(1,133)	(318)	4,417
Gain from lease modification	766	-	777	-
Gain (loss) from disposal of investments in an associate	-	193	-	(6,714)
Total other gain (loss), net	(113,673)	225,175	54,363	86,517

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Gain (loss) from derivative financial instruments	(1,183,424)	94,684	(560,331)	105,792
Gain (loss) from disposals and written-off fixed assets	(35,233)	(5,991)	(16,499)	3,785
Gain from lease modification	766	-	777	-
Gain (loss) from disposal of investments in an associate	-	193	-	(6,714)
Total other gain (loss), net	(1,217,891)	88,886	(576,053)	102,863

18. 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.

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.

Income tax for the three-month and six-month periods ended 30 June 2021 and 2020 are made up as follows.

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Current income tax:				
Interim corporate income tax charge	1,042,923	54,774	-	233
Income tax directly related to shareholders' equity	-	59,129	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(92,372)	(28,693)	45,246	(69,166)
Income tax reported in the profit or loss	950,551	85,210	45,246	(68,933)

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Current income tax:				
Interim corporate income tax charge	2,051,001	135,605	-	232
Adjustment in respect of income tax of previous year	(336)	-	-	-
Income tax directly related to shareholders' equity	-	59,129	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(268,223)	(29,035)	122,006	(12,848)
Income tax reported in the profit or loss	1,782,442	165,699	122,006	(12,616)

19. Earnings per share

	For the three-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Basic earnings per share				
Profit attributable to owners of the Company (Thousand Baht)	5,043,708	1,093,705	6,356,070	678,933
Weighted average number of ordinary shares (Thousand shares)	1,536,000	1,536,000	1,536,000	1,536,000
Earnings per share (Baht per share)	3.28	0.71	4.14	0.44

	For the six-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Basic earnings per share				
Profit attributable to owners of the Company (Thousand Baht)	11,002,211	1,947,851	7,315,214	1,196,700
Weighted average number of ordinary shares (Thousand shares)	1,536,000	1,536,000	1,536,000	1,536,000
Earnings per share (Baht per share)	7.16	1.27	4.76	0.78

20. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht per share)
Final dividends for 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
Total dividends for the six-month period ended 30 June 2021		4,224	

21. Segment information

The Group operated across three main segments. The allocation of revenue is based on the products and services. During the current period, the Group did not change the organisation of their reportable segments.

Financial information by products and services, which is presented to the Group's Board of Directors who is the chief operating decision makers, for the three-month and six-month periods ended 30 June 2021 and 2020 has been presented as follows:

For the three-month period ended 30 June 2021 (Unit: Thousand Baht)

	Natural rubbers	Gloves	Others	Elimination	Consolidated financial statements
Revenues					
Revenues from external customers	16,811,425	12,978,431	13,747	-	29,803,603
Inter-segment revenues	1,438,571	-	1,036,843	(2,475,414)	-
Total revenues	18,249,996	12,978,431	1,050,590	(2,475,414)	29,803,603
Other income and expenses					
Depreciation and amortisation	(371,006)	(385,755)	(25,844)	-	(782,605)
Finance income	1,330	28,147	664	(361)	29,780
Finance cost	(178,654)	(31,430)	(578)	361	(210,301)
Share of profit from investments in an associate and a joint venture	22,891	-	50,074	-	72,965
Segment profit					
Profit before income tax	6,749,381	8,046,810	69,446	(5,718,691)	9,146,946
Income tax	(109,459)	(832,374)	(11,451)	2,733	(950,551)
Profit for the period	6,639,922	7,214,436	57,995	(5,715,958)	8,196,395
Total assets	61,368,944	57,499,249	14,317,681	(30,917,863)	102,268,011

For the three-month period ended 30 June 2020 (Unit: Thousand Baht)

	Natural rubbers	Gloves	Others	Elimination	Consolidated financial statements
Revenues					
Revenues from external customers	10,291,078	4,953,518	11,470	-	15,256,066
Inter-segment revenues	875,701	-	606,173	(1,481,874)	-
Total revenues	11,166,779	4,953,518	617,643	(1,481,874)	15,256,066
Other income and expenses					
Depreciation and amortisation	(396,554)	(279,628)	(20,378)	-	(696,560)
Finance income	4,825	964	814	(374)	6,229
Finance cost	(135,181)	(38,542)	(244)	374	(173,593)
Share of profit (loss) from investments in an associate and a joint venture	(15,291)	-	37,717	-	22,426
Segment profit					
Profit before income tax	452,460	1,239,916	17,206	(328,567)	1,381,015
Income tax	62,919	(146,941)	(1,188)	-	(85,210)
Profit for the period	515,379	1,092,975	16,018	(328,567)	1,295,805
Total assets	51,193,941	29,310,803	11,740,626	(24,472,075)	67,773,295

For the six-month period ended 30 June 2021 (Unit: Thousand Baht)

	Natural rubbers	Gloves	Others	Elimination	Consolidated financial statements
Revenues					
Revenues from external customers	32,900,066	28,452,147	30,939	-	61,383,152
Inter-segment revenues	2,798,893	-	1,780,741	(4,579,634)	-
Total revenues	35,698,959	28,452,147	1,811,680	(4,579,634)	61,383,152
Other income and expenses					
Depreciation and amortisation	(742,406)	(686,666)	(55,988)	-	(1,485,060)
Finance income	2,710	51,444	1,022	(719)	54,457
Finance cost	(321,308)	(62,971)	(2,742)	719	(386,302)
Share of profit from investments in an associate and a joint venture	19,820	-	85,637	-	105,457
Segment profit					
Profit before income tax	8,177,790	18,865,603	128,497	(6,819,388)	20,352,502
Income tax	(233,270)	(1,531,029)	(11,496)	(6,647)	(1,782,442)
Profit for the period	7,944,520	17,334,574	117,001	(6,826,035)	18,570,060
Total assets	61,368,944	57,499,249	14,317,681	(30,917,863)	102,268,011

For the six-month period ended 30 June 2020 (Unit: Thousand Baht)

	Natural rubbers	Gloves	Others	Elimination	Consolidated financial statements
Revenues					
Revenues from external customers	23,921,081	8,790,740	25,326	-	32,737,147
Inter-segment revenues	1,698,045	-	1,251,947	(2,949,992)	-
Total revenues	25,619,126	8,790,740	1,277,273	(2,949,992)	32,737,147
Other income and expenses					
Depreciation and amortisation	(802,713)	(515,868)	(40,462)	-	(1,359,043)
Finance income	8,854	1,132	1,260	(773)	10,473
Finance cost	(300,975)	(77,508)	(579)	773	(378,289)
Share of profit from investments in an associate and a joint venture	60,125	-	61,800	-	121,925
Segment profit					
Profit before income tax	939,764	1,733,996	44,449	(329,570)	2,388,639
Income tax	18,034	(178,692)	(5,041)	-	(165,699)
Profit for the period	957,798	1,555,304	39,408	(329,570)	2,222,940
Total assets	51,193,941	29,310,803	11,740,626	(24,472,075)	67,773,295

22. Commitments and contingent liabilities

(Unit: Million Baht)

	30 June 2021	
	Consolidated financial statements	Separate financial statements
Sales and purchases commitments*		
Purchases from		
Joint venture	512	-
Third parties	45	-
Sales to		
Subsidiaries	-	7,246
Third parties	21,863	11,772

* 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.

(Unit: Million Baht)

	30 June 2021	
	Consolidated financial statements	Separate financial statements
Capital commitments - purchase of fixed assets	3,548	138
Guarantees on borrowings of subsidiaries		
(IDR 1,878 Billion)	4,159	4,159
Guarantees and contingent liabilities		
Bank guarantees for electricity usage and sales of goods	185	65
Letters of credit with overseas suppliers (USD 21 million)	690	-
The future aggregate minimum payments under non-cancellable lease and service agreements		
Not later than 1 year	39	17
Later than 1 year but not later than 5 years	42	28

23. 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.

24. Events after the reporting period

On 10 August 2021, the Company's Board of Director meeting passed a resolution to approve the payment of an interim dividend at a rate of Baht 1.25 per share, or a total of Baht 1,920 million, to its shareholders from the net income during the year 2021. The Company will pay the dividends in the third quarter of 2021.

25. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 10 August 2021.