

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

TO THE BOARD OF DIRECTORS

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED

We have reviewed the consolidated statement of financial position of Thai Central Chemical Public Company Limited and its subsidiaries and the separate statement of financial position of Thai Central Chemical Public Company Limited as at June 30, 2023, and the related consolidated and separate statements of comprehensive income for the three-month and six-month periods ended June 30, 2023 and related consolidated and separate statements of changes in shareholders' equity and cash flows for the six-month period ended June 30, 2023 and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Thai Standard on Review Engagements No. 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 us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting".

BANGKOK
August 15, 2023

Sophaphan Saptippayarattana
Certified Public Accountant (Thailand)
Registration No. 6523
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2023

Unit : Thousand Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		June 30,	December 31,	June 30,	December 31,
		2023	2022	2023	2022
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4.3	5,618,547	5,518,937	5,467,926	5,368,250
Trade and other current receivables	5.1	1,092,818	472,911	1,100,903	457,888
Inventories	6	2,667,921	3,566,352	2,386,757	3,267,560
Other current financial assets	7.1	919,316	470,890	778,444	300,304
Other current assets		1,643	1,899	1,099	1,161
Total Current Assets		10,300,245	10,030,989	9,735,129	9,395,163
NON-CURRENT ASSETS					
Investment in an associate	18.1.1	136,782	136,852	98,000	98,000
Investments in subsidiaries	18.1.2	-	-	383,855	383,855
Investment properties		29,213	29,213	39,527	39,527
Property, plant and equipment	8	1,503,005	1,489,156	1,300,369	1,287,771
Right-of-use assets	9.1	143,539	128,060	57,389	46,433
Other intangible assets other than goodwill		546,216	545,901	545,901	545,901
Deferred tax assets	10	49,839	50,142	43,733	44,898
Other non-current assets		10,207	8,523	7,126	7,083
Total Non-current Assets		2,418,801	2,387,847	2,475,900	2,453,468
TOTAL ASSETS		12,719,046	12,418,836	12,211,029	11,848,631

See condensed notes to the financial statements

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT JUNE 30, 2023

Unit : Thousand Baht

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term borrowings					
from financial institutions	11	282,687	301,793	-	-
Trade and other current payables	12	1,420,610	428,928	1,329,955	354,374
Current portion of lease liabilities	9.1	20,956	16,867	19,371	15,897
Corporate income tax payable		58,875	122,229	55,181	117,852
Current provision for employee benefits	14	24,310	4,888	17,790	3,653
Other current financial liabilities	7.1	4,548	6,082	4,548	5,745
Other current liabilities		38,496	37,258	25,025	26,524
Total Current Liabilities		<u>1,850,482</u>	<u>918,045</u>	<u>1,451,870</u>	<u>524,045</u>
NON-CURRENT LIABILITIES					
Lease liabilities	9.1	42,773	33,523	39,701	32,102
Deferred tax liabilities	10	116,609	116,609	109,180	109,180
Non-current provision for employee benefits	14	151,392	167,361	132,652	143,892
Other non-current liabilities		16,697	19,445	16,025	15,794
Total Non-current Liabilities		<u>327,471</u>	<u>336,938</u>	<u>297,558</u>	<u>300,968</u>
TOTAL LIABILITIES		<u>2,177,953</u>	<u>1,254,983</u>	<u>1,749,428</u>	<u>825,013</u>

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT JUNE 30, 2023

Unit : Thousand Baht

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
	June 30,	December 31,	June 30,	December 31,
	2023	2022	2023	2022
LIABILITIES AND SHAREHOLDERS' EQUITY				
(CONTINUED)				
SHAREHOLDERS' EQUITY				
SHARE CAPITAL				
Authorized share capital				
584,716,118 ordinary shares of Baht 3 each	1,754,148	1,754,148	1,754,148	1,754,148
Issued and paid-up share capital				
584,714,068 ordinary shares of Baht 3 each, fully paid	1,754,142	1,754,142	1,754,142	1,754,142
DISCOUNT ON ORDINARY SHARES	(43,570)	(43,570)	(43,570)	(43,570)
RETAINED EARNINGS				
Appropriated				
Legal reserve	175,415	175,415	175,415	175,415
Unappropriated	8,645,427	9,220,692	8,575,614	9,137,631
OTHER COMPONENTS OF SHAREHOLDERS' EQUITY	(77,509)	(41,352)	-	-
TOTAL ATTRIBUTIONS TO OWNERS OF THE PARENT	10,453,905	11,065,327	10,461,601	11,023,618
NON-CONTROLLING INTERESTS	87,188	98,526	-	-
TOTAL SHAREHOLDERS' EQUITY	10,541,093	11,163,853	10,461,601	11,023,618
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	12,719,046	12,418,836	12,211,029	11,848,631

See condensed notes to the financial statements

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2023

“UNAUDITED”

Unit : Thousand Baht

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2023	2022	2023	2022
Revenues from sales		3,533,640	4,410,289	3,356,289	4,308,329
Revenues from services		34,582	33,133	-	-
Cost of sales of goods		(3,067,841)	(3,836,054)	(2,944,565)	(3,782,656)
Cost of rendering of services		(10,332)	(10,031)	-	-
Gross profit		<u>490,049</u>	<u>597,337</u>	<u>411,724</u>	<u>525,673</u>
Interest revenue		21,340	10,288	20,597	9,243
Other income	15	41,246	46,403	53,068	89,978
Profit before expenses		<u>552,635</u>	<u>654,028</u>	<u>485,389</u>	<u>624,894</u>
Selling expenses		(98,843)	(30,139)	(70,369)	(18,759)
Administrative expenses		(90,132)	(79,532)	(62,716)	(57,355)
Managements and Directors' remuneration	18.2.2	(13,123)	(11,227)	(12,762)	(10,735)
Total expenses		<u>(202,098)</u>	<u>(120,898)</u>	<u>(145,847)</u>	<u>(86,849)</u>
Profit from operating activities		<u>350,537</u>	<u>533,130</u>	<u>339,542</u>	<u>538,045</u>
Finance costs		(4,032)	(1,228)	(552)	(449)
Share of loss from investment in an associate	18.1.1	(29)	(108)	-	-
PROFIT BEFORE INCOME TAX EXPENSE		<u>346,476</u>	<u>531,794</u>	<u>338,990</u>	<u>537,596</u>
INCOME TAX EXPENSE		<u>(65,307)</u>	<u>(103,348)</u>	<u>(63,476)</u>	<u>(99,642)</u>
PROFIT FOR THE PERIOD		<u><u>281,169</u></u>	<u><u>428,446</u></u>	<u><u>275,514</u></u>	<u><u>437,954</u></u>

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2023

“UNAUDITED”

Unit : Thousand Baht

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2023	2022	2023	2022
OTHER COMPREHENSIVE INCOME (LOSS)				
Item that will be reclassified subsequently				
to profit or loss				
Exchange differences on translation of				
financial statements of a foreign subsidiary	2,359	5,601	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	283,528	434,047	275,514	437,954
PROFIT ATTRIBUTABLE TO				
Owners of the parent	275,898	422,672		
Non-controlling interests	5,271	5,774		
	281,169	428,446		
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO				
Owners of the parent	278,257	428,273		
Non-controlling interests	5,271	5,774		
	283,528	434,047		
BASIC EARNINGS PER SHARE				
BAHT	0.47	0.72	0.47	0.75
WEIGHTED AVERAGE NUMBER				
OF ORDINARY SHARES	THOUSAND SHARES	584,714	584,714	584,714

See condensed notes to the financial statements

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

“UNAUDITED”

Unit : Thousand Baht

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2023	2022	2023	2022
Revenues from sales		5,352,440	5,981,501	5,083,762	5,800,546
Revenues from services		67,749	66,046	-	-
Cost of sales of goods		(4,761,845)	(5,371,772)	(4,594,280)	(5,283,984)
Cost of rendering of services		(20,395)	(19,745)	-	-
Gross profit		<u>637,949</u>	<u>656,030</u>	<u>489,482</u>	<u>516,562</u>
Interest revenue		32,503	15,809	31,373	14,364
Other income	15	14,257	15,938	58,924	92,844
Profit before expenses		<u>684,709</u>	<u>687,777</u>	<u>579,779</u>	<u>623,770</u>
Selling expenses		(164,562)	(62,913)	(119,030)	(40,293)
Administrative expenses		(170,354)	(150,789)	(121,703)	(107,640)
Managements and Directors' remuneration	18.2.2	(24,488)	(22,962)	(24,091)	(22,428)
Other expense		-	(3,187)	-	-
Total expenses		<u>(359,404)</u>	<u>(239,851)</u>	<u>(264,824)</u>	<u>(170,361)</u>
Profit from operating activities		<u>325,305</u>	<u>447,926</u>	<u>314,955</u>	<u>453,409</u>
Finance costs		(8,299)	(5,517)	(992)	(881)
Share of loss from investment in an associate	18.1.1	(70)	(67)	-	-
PROFIT BEFORE INCOME TAX EXPENSE		<u>316,936</u>	<u>442,342</u>	<u>313,963</u>	<u>452,528</u>
INCOME TAX EXPENSE	10	(62,277)	(88,830)	(57,380)	(81,929)
PROFIT FOR THE PERIOD		<u><u>254,659</u></u>	<u><u>353,512</u></u>	<u><u>256,583</u></u>	<u><u>370,599</u></u>

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

“UNAUDITED”

Unit : Thousand Baht

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2023	2022	2023	2022
OTHER COMPREHENSIVE INCOME (LOSS)				
Item that will be reclassified subsequently to profit or loss				
Exchange differences on translation of financial statements of a foreign subsidiary	(36,157)	6,355	-	-
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	218,502	359,867	256,583	370,599
PROFIT ATTRIBUTABLE TO				
Owners of the parent	243,335	341,954		
Non-controlling interests	11,324	11,558		
	254,659	353,512		
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO				
Owners of the parent	207,178	348,309		
Non-controlling interests	11,324	11,558		
	218,502	359,867		
BASIC EARNINGS PER SHARE				
	BAHT			
	0.42	0.58	0.44	0.63
WEIGHTED AVERAGE NUMBER				
OF ORDINARY SHARES	THOUSAND SHARES			
	584,714	584,714	584,714	584,714

See condensed notes to the financial statements

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

“UNAUDITED”

Unit : Thousand Baht

	Note	Attributions to owners of the parent				Total	Non-	Total	
		Issued and	Discount on	Retained earnings		Other components of	attributions to	controlling	shareholders'
		paid-up	ordinary	Appropriated	Unappropriated	shareholders' equity	owners of	interests	equity
		share capital	shares	Legal reserve		Exchange differences on translation of financial statements of a foreign subsidiary	the parent		
Beginning balances as at January 1, 2022		1,754,142	(43,570)	175,415	9,375,981	(46,726)	11,215,242	99,842	11,315,084
Dividends paid	17	-	-	-	(994,014)	-	(994,014)	-	(994,014)
Dividends to non-controlling interests of subsidiaries	17	-	-	-	-	-	-	(24,194)	(24,194)
Profit for the period		-	-	-	341,954	-	341,954	11,558	353,512
Other comprehensive income for the period		-	-	-	-	6,355	6,355	-	6,355
Ending balances as at June 30, 2022		1,754,142	(43,570)	175,415	8,723,921	(40,371)	10,569,537	87,206	10,656,743
Beginning balances as at January 1, 2023		1,754,142	(43,570)	175,415	9,220,692	(41,352)	11,065,327	98,526	11,163,853
Dividends paid	17	-	-	-	(818,600)	-	(818,600)	-	(818,600)
Dividends to non-controlling interests of subsidiaries	17	-	-	-	-	-	-	(22,662)	(22,662)
Profit for the period		-	-	-	243,335	-	243,335	11,324	254,659
Other comprehensive loss for the period		-	-	-	-	(36,157)	(36,157)	-	(36,157)
Ending balances as at June 30, 2023		1,754,142	(43,570)	175,415	8,645,427	(77,509)	10,453,905	87,188	10,541,093

See condensed notes to the financial statements

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

SEPARATE FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

“UNAUDITED”

Unit : Thousand Baht

	Note	Issued and paid-up share capital	Discount on ordinary shares	Retained earnings Appropriated Legal reserve	Unappropriated	Total shareholders' equity
Beginning balances as at January 1, 2022		1,754,142	(43,570)	175,415	9,271,169	11,157,156
Dividends paid	17	-	-	-	(994,014)	(994,014)
Total comprehensive income for the period		-	-	-	370,599	370,599
Ending balances as at June 30, 2022		<u>1,754,142</u>	<u>(43,570)</u>	<u>175,415</u>	<u>8,647,754</u>	<u>10,533,741</u>
Beginning balances as at January 1, 2023		1,754,142	(43,570)	175,415	9,137,631	11,023,618
Dividends paid	17	-	-	-	(818,600)	(818,600)
Total comprehensive income for the period		-	-	-	256,583	256,583
Ending balances as at June 30, 2023		<u>1,754,142</u>	<u>(43,570)</u>	<u>175,415</u>	<u>8,575,614</u>	<u>10,461,601</u>

See condensed notes to the financial statements

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

“UNAUDITED”

Unit : Thousand Baht

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2023	2022	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit for the period		254,659	353,512	256,583	370,599
Adjusted by					
Income tax expense	10	62,277	88,830	57,380	81,929
Expected credit loss	16	6,532	7,626	6,164	7,626
Loss on diminution in value of inventories	16	3,713	83,110	3,713	83,134
Depreciation and amortization	16	125,041	137,974	111,188	121,990
Gain on sales of property, plant and equipment	15	(4,219)	(2,077)	(3,528)	(1,495)
Employee benefit obligations expense	14	10,639	7,158	9,881	6,479
Share of loss from investment in an associate	18.1.1	70	67	-	-
Unrealized gain on exchange rate		(46,294)	(17,499)	(8,963)	(18,569)
Dividend income	15	-	-	(28,588)	(35,181)
Interest income		(32,503)	(15,809)	(31,373)	(14,364)
Finance costs		8,299	5,517	992	881
Total adjustments from reconciliation of gain balances		388,214	648,409	373,449	603,029
Changes in operating assets and liabilities					
Operating assets (increase) decrease					
Trade and other current receivables		(621,622)	(809,629)	(644,181)	(728,456)
Inventories		894,718	(2,486,182)	877,091	(2,404,005)
Other current assets		256	839	62	(228)
Other non-current assets		(1,684)	(89)	(43)	25
Operating liabilities increase (decrease)					
Trade and other current payables		977,150	2,387,677	962,906	2,380,082
Other current liabilities		1,238	(10,243)	(1,499)	(2,436)
Other non-current liabilities		(2,748)	1,546	231	(67)
Cash paid for employee benefit obligations	14	(7,186)	(7,331)	(6,984)	(7,331)
Net cash provided by (used in) operations		1,628,336	(275,003)	1,561,032	(159,387)
Cash paid for income tax		(125,327)	(150,729)	(118,887)	(142,075)
Net cash provided by (used in) operating activities		1,503,009	(425,732)	1,442,145	(301,462)

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

“UNAUDITED”

Unit : Thousand Baht

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2023	2022	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES					
(Increase) decrease in time deposits		(420,000)	3,240,000	(450,000)	3,250,000
Cash paid for purchases of property, plant and equipment	4.1	(136,756)	(147,388)	(127,460)	(143,295)
Cash paid for purchases of intangible asset		(332)	-	-	-
Cash received from disposal of property, plant and equipment		5,463	5,158	4,767	4,830
Dividend received from subsidiaries		-	-	28,588	35,181
Interest received		31,923	18,253	30,613	16,952
Net cash provided by (used in) investing activities		(519,702)	3,116,023	(513,492)	3,163,668
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash received from (paid for) bank overdrafts and short-term borrowings from financial institutions	4.2	(25,996)	18,434	-	-
Cash repayment for lease liabilities	4.1	(11,207)	(9,438)	(9,385)	(8,301)
Cash payment for dividend	17	(818,600)	(994,091)	(818,600)	(994,091)
Cash payment for dividend - subsidiaries	17	(22,662)	(24,194)	-	-
Interest paid		(6,852)	(5,378)	(992)	(881)
Net cash flows used in financing activities		(885,317)	(1,014,667)	(828,977)	(1,003,273)
Effect of exchange rate changes on cash and cash equivalents		1,620	3,860	-	-
Net increase in cash and cash equivalents		99,610	1,679,484	99,676	1,858,933
Cash and cash equivalents as at January 1,		5,518,937	4,504,540	5,368,250	4,064,827
Cash and cash equivalents as at June 30,	4.3	5,618,547	6,184,024	5,467,926	5,923,760

See condensed notes to the financial statements

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2023
“Unaudited”

1. OPERATIONS AND GENERAL INFORMATION

The major principal business operations of the Company and its subsidiaries (the “Group”) are summarized as follows:

1.1 The operation of the Company

Thai Central Chemical Public Company Limited (the “Company”) is a listed company in the Stock Exchange of Thailand with its head office located at 944 Mitrtown Office Tower, 8th Floor, Room No. 801-806 and 809-810, Rama 4 Road, Wangmai, Pathumwan, Bangkok.

The Company is a manufacturer, importer, exporter and distributor of various chemical fertilizer compound. The major shareholders of the Company are Sojitz Corporation holding 43.92% and ISTS (Thailand) Co., Ltd. holding 39.53%.

1.2 The operations of subsidiaries

1.2.1 N.I.M. Company Limited was registered in Thailand with its office located at 284 Moo 1, Pakklong Bangplakod Sub-district, Prasamutjedi District, Samutprakan Province. The company’s main business is to lease out tank yard for containing liquid chemicals.

1.2.2 MC Agro-Chemicals Company Limited was registered in Thailand with its office located at 581 Moo 4, Bangpoo Industrial Estate Soi 12, Sukhumvit Road, Samutprakarn Province. The company’s main business is to manufacture, import and distribute chemical products.

1.2.3 TCCC Myanmar Limited was registered in the Republic of the Union of Myanmar with its office located at Lot No. C-15 & C-18 Thilawa SEZ zone A, Yangon Region, the Republic of the Union of Myanmar. The company’s main business is to manufacture, import and distribute various chemical fertilizer compound.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS

- 2.1 These consolidated and separate interim financial statements are prepared in Thai Baht and in compliance with Thai Accounting Standard (“TAS”) No. 34 “Interim Financial Reporting” and accounting practices generally accepted in Thailand. The Company presents the condensed notes to the interim financial statements and the additional information is disclosed in accordance with the regulations of the Office of the Securities and Exchange Commission.
- 2.2 The consolidated and separate statements of financial position as at December 31, 2022, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which had been previously audited.
- 2.3 The unaudited results of operations presented in the three-month and six-month periods ended June 30, 2023 are not necessarily an indication nor anticipation of the operating results for the full year.
- 2.4 Certain financial information which is normally included in the annual financial statements prepared in accordance with Thai Financial Reporting Standards (“TFRS”), but which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements for the three-month and six-month periods ended June 30, 2023, should be read in conjunction with the audited financial statements for the year ended December 31, 2022.
- 2.5 Material intercompany transactions between the Company and its subsidiaries have been eliminated from this interim consolidated financial statements. The interim consolidated financial statements for the three-month and six-month periods ended June 30, 2023, have included the subsidiaries’ interim financial statements for the three-month and six-month periods ended June 30, 2023 which were reviewed.
- 2.6 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the period, the Group has adopted the revised financial reporting standards issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology and clarification of accounting requirements. The adoption of these financial reporting standards does not have any significant impact on the Group’s interim financial statements.

2.7 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

On August 19, 2022, Thai Financial Reporting Standard No.17 “Insurance Contracts” has been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2025 onwards.

The Group’s management will adopt such TFRSs in the preparation of the Group’s financial statements when it becomes effective. The Group’s management has assessed the impact of these TFRSs and considered that the adoption of these financial reporting standards does not have any significant impact on the financial statements of the Group in the period of initial application.

2.8 The consolidated interim financial statements include the account balances of the Company and the its subsidiaries, after eliminating intercompany transactions and balances. The Company’s shareholdings in subsidiaries are as follows:

	As at June 30, 2023 2022		As at December 31, 2022
	Percentage of shareholding		Percentage of shareholding
N.I.M. Company Limited	51.00	51.00	51.00
MC Agro-Chemicals Company Limited	99.99	99.99	99.99
TCCC Myanmar Limited	99.99	99.99	99.99

2.9 The consolidated and separate interim financial statements are prepared in English version followed the consolidated and separate interim financial statements prepared in Thai language under Thai laws. In the event of any conflict or different interpretation in the two languages, the Thai version of interim consolidated and separate financial statements will prevail.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended December 31, 2022.

4. SUPPLEMENTARY DISCLOSURES OF CASH FLOWS INFORMATION

4.1 Purchases of property, plant and equipment for the six-month periods ended June 30, 2023 and 2022 are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2023	2022	2023	2022
Payables - acquisitions of property, plant and equipment as at January 1,	27,601	45,892	27,601	45,892
<u>Add</u> Purchases of property, plant and equipment	124,819	109,063	115,523	104,970
<u>Less</u> Cash payments	(136,756)	(147,388)	(127,460)	(143,295)
Payables - asset acquisitions of property, plant and equipment as at June 30,	<u>15,664</u>	<u>7,567</u>	<u>15,664</u>	<u>7,567</u>
Lease liabilities as at January 1, (including current portion)	50,390	49,390	47,999	46,301
<u>Add</u> Lease liabilities during the periods	24,546	5,451	20,458	4,254
<u>Less</u> Cash payments	(11,207)	(9,438)	(9,385)	(8,301)
Lease liabilities as at June 30, (including current portion)	<u>63,729</u>	<u>45,403</u>	<u>59,072</u>	<u>42,254</u>

4.2 The cash flows from bank overdrafts and short-term borrowings from financial institutions for the six-month periods ended June 30, 2023 and 2022 are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2023	2022	2023	2022
Bank overdrafts and short-term borrowings from financial institutions as at January 1,	301,793	198,221	-	-
<u>Add</u> Cash receive (payments) net	(25,996)	18,434	-	-
<u>Add</u> Unrealized loss on foreign exchange rate from financial statement translation	<u>6,890</u>	<u>10,998</u>	<u>-</u>	<u>-</u>
Bank overdrafts and short-term borrowings from financial institutions as at June 30,	<u>282,687</u>	<u>227,653</u>	<u>-</u>	<u>-</u>

4.3 Cash and cash equivalents

Cash and cash equivalents as at June 30, 2023 and December 31, 2022, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	June 30,	December 31,	June 30,	December 31,
	2023	2022	2023	2022
Cash on hand	1,262	1,568	560	560
Bank deposits in savings and current accounts	3,067,283	2,447,367	2,917,364	2,297,688
Time deposits with maturity within 3 months (2023: interest rates 1.35% - 1.85% per annum) (2022: interest rates 0.60% - 0.83% per annum)	2,550,002	3,070,002	2,550,002	3,070,002
	<u>5,618,547</u>	<u>5,518,937</u>	<u>5,467,926</u>	<u>5,368,250</u>

5. TRADE AND OTHER CURRENT RECEIVABLES

5.1 Trade and other current receivables as at June 30, 2023 and December 31, 2022, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	June 30,	December 31,	June 30,	December 31,
	2023	2022	2023	2022
Trade receivables (see Note 5.2)	1,038,167	412,917	1,050,701	403,913
Other receivables	3,521	5,583	7,426	8,474
Prepaid expenses	39,552	48,314	31,494	39,912
Accrued income	7,291	5,837	7,104	5,470
Advance payments	4,287	260	4,178	119
	<u>1,092,818</u>	<u>472,911</u>	<u>1,100,903</u>	<u>457,888</u>

5.2 Trade receivables as at June 30, 2023 and December 31, 2022, are classified by aging as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements	Financial Statements	Separate	Financial Statements
	As at	As at	As at	As at
	June 30,	December 31,	June 30,	December 31,
	2023	2022	2023	2022
Number of outstanding trade receivables	477	328	189	119
Other companies				
Current	1,024,989	392,891	861,763	316,316
Overdue				
Less than or up to 3 months	23,392	23,630	22,778	19,718
More than 3 months up to 6 months	30	1,543	-	1,543
More than 6 months up to 12 months	1,505	-	1,443	-
More than 12 months	20,720	20,790	19,539	19,609
	1,070,636	438,854	905,523	357,186
Related companies (see Note 18.2.1)				
Current	-	-	175,963	71,348
Total trade receivables	1,070,636	438,854	1,081,486	428,534
<u>Less</u> Allowance for expected credit loss	(32,469)	(25,937)	(30,785)	(24,621)
	1,038,167	412,917	1,050,701	403,913

Movements of allowance for expected credit loss of trade receivables for the six-month period ended June 30, 2023 as follows:

	Unit : Thousand Baht	
	Consolidated	Separate
	Financial	Financial
	Statements	Statements
Beginning balance as at January 1, 2023	25,937	24,621
Increase	6,532	6,164
Ending balance as at June 30, 2023	32,469	30,785

6. INVENTORIES

Inventories as at June 30, 2023 and December 31, 2022, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements	Financial Statements	Separate	Financial Statements
	As at	As at	As at	As at
	June 30,	December 31,	June 30,	December 31,
	2023	2022	2023	2022
Inventories	2,692,599	3,587,317	2,411,435	3,288,525
<u>Less</u> Allowance for diminution in value of inventories	(24,678)	(20,965)	(24,678)	(20,965)
	2,667,921	3,566,352	2,386,757	3,267,560

As at June 30, 2023 and December 31, 2022, inventories in the consolidated financial statements included inventories which were under obligation that the Company and a subsidiary have to delivery of fertilizer to the holders of the delivery orders (the “fertilizer notes”) which have been issued by the Company and a subsidiary to their customers of Baht 138.15 million and Baht 109.11 million, respectively (see Note 13).

As at June 30, 2023 and December 31, 2022, inventories in the separate financial statements included inventories which were under obligation that the Company has to delivery of fertilizer to the holders of the fertilizer notes which have been issued by the Company to its customers of Baht 135.26 million and Baht 86.59 million, respectively (see Note 13).

7. OTHER CURRENT FINANCIAL ASSETS AND OTHER CURRENT FINANCIAL LIABILITIES

7.1 Other current financial assets and other current financial liabilities as at June 30, 2023 and December 31, 2022, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	June 30,	December 31,	June 30,	December 31,
	2023	2022	2023	2022
Other current financial assets				
Time deposits (see Note 7.2)	890,586	470,586	750,000	300,000
Derivatives - Forward contracts	28,730	304	28,444	304
	<u>919,316</u>	<u>470,890</u>	<u>778,444</u>	<u>300,304</u>
Other current financial liabilities				
Derivatives - Forward contracts	4,548	6,082	4,548	5,745
	<u>4,548</u>	<u>6,082</u>	<u>4,548</u>	<u>5,745</u>

7.2 Time deposits as at June 30, 2023 and December 31, 2022, consist of:

Unit : Thousand Baht					
Maturity date		Interest rate (% per annum)		Consolidated Financial Statements	
As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
Time deposits	Maturity date over 3 months but less than 1 year	0.25 - 1.55	0.25 - 0.85	<u>890,586</u>	<u>470,586</u>

Maturity date		Interest rate (% per annum)		Separate Financial Statements	
As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
Time deposits	Maturity date over 3 months but less than 1 year	1.00 - 1.55	0.45 - 0.85	750,000	300,000

8. PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment for the six-month period ended June 30, 2023, are as follows:

	Consolidated Financial Statements	Unit : Thousand Baht Separate Financial Statements
Property, plant and equipment - net as at January 1, 2023	1,489,156	1,287,771
<u>Add</u> Purchase during the period	124,819	115,523
<u>Add</u> Transfer equipment from right-of-use assets	135	-
<u>Less</u> Disposal during the period	(1,245)	(1,239)
Depreciation for the period	(113,723)	(101,686)
Exchange differences on translation of financial statements of a foreign subsidiary	3,863	-
Property, plant and equipment - net as at June 30, 2023	<u>1,503,005</u>	<u>1,300,369</u>

As at June 30, 2023 and December 31, 2022, costs of assets which are fully depreciated but still in use as the following:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
Gross carrying amount of plant and equipment which are fully depreciated but still in use	<u>3,057,533</u>	<u>3,053,237</u>	<u>2,711,796</u>	<u>2,718,935</u>

As at June 30, 2023 and December 31, 2022, the Company used certain land, land improvements and buildings which have total net book value of Baht 380.27 million and Baht 395.28 million, respectively, as collateral with a local financial institution for guarantee credit facilities (see Note 19.3).

As at June 30, 2023 and December 31, 2022, a subsidiary used all land and buildings which have total net book value of Baht 21.56 million as collateral with local financial institutions for guarantee bank overdrafts and credit facilities (see Notes 11 and 19.3).

9. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

9.1 Right-of-use assets and leases liabilities as at June 30, 2023 and December 31, 2022, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	June 30,	December 31,	June 30,	December 31,
	2023	2022	2023	2022
Right-of-use assets				
Land	79,640	78,214	-	-
Building	19,811	23,413	19,811	23,413
Equipment	21	59	21	59
Vehicles	44,067	26,374	37,557	22,961
	<u>143,539</u>	<u>128,060</u>	<u>57,389</u>	<u>46,433</u>
Lease liabilities				
Current portion of lease liabilities	20,956	16,867	19,371	15,897
Lease liabilities	42,773	33,523	39,701	32,102
	<u>63,729</u>	<u>50,390</u>	<u>59,072</u>	<u>47,999</u>

For the six-month period ended June 30, 2023, rights-of-use assets recognized in the consolidated financial statements and the separate financial statements amounting to Baht 24.55 million and Baht 20.46 million, respectively.

The Group leases several assets including land of which lease term 48 years, office buildings, equipment and vehicles of which average lease term during 3 - 6 years.

On November 17, 2016, TCCC Myanmar Limited entered into the land leasehold agreement with a local supplier in the Republic of the Union of Myanmar, for its operating premise, in amounting to USD 2.62 million or equivalent to Baht 93.58 million and it will be expired on June 4, 2064. Such leasehold right included in right-of-use assets in the consolidated financial statements.

9.2 Amounts recognized in the statement of comprehensive income for the three-month and six-month periods ended June 30, comprise:

For the three-month periods ended June 30,

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2023	2022	2023	2022
Depreciation - right-of-use assets	5,921	4,599	4,966	3,731
Interest expense	579	417	532	382
Expense relating to short-term leases	2,703	3,754	29	934
Expense relating to leases of low-value assets	1,394	1,515	1,351	1,319
	<u>10,597</u>	<u>10,285</u>	<u>6,878</u>	<u>6,366</u>

For the six-month periods ended June 30,

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2023	2022	Financial Statements	
			2023	2022
Depreciation - right-of-use assets	11,289	10,110	9,502	8,383
Interest expense	1,051	866	970	794
Expense relating to short-term leases	5,724	6,475	29	1,163
Expense relating to leases of low-value assets	2,788	3,040	2,701	2,663
	<u>20,852</u>	<u>20,491</u>	<u>13,202</u>	<u>13,003</u>

10. DEFERRED INCOME TAX AND INCOME TAX EXPENSE

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income taxes issued by the same taxation authority. Deferred income tax as at June 30, 2023 and December 31, 2022, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	June 30,	December 31,	June 30,	December 31,
	2023	2022	2023	2022
Deferred tax assets	49,839	50,142	43,733	44,898
Deferred tax liabilities	<u>116,609</u>	<u>116,609</u>	<u>109,180</u>	<u>109,180</u>

Movements of deferred tax assets and liabilities for the six-month periods ended June 30, 2023 and 2022 are as follows:

Consolidated Financial Statements

As at June 30, 2023

	Unit : Thousand Baht		
	Balances	Recognized in	Balances
	as at	profit or loss	as at
	January 1,		June 30,
	2023		2023
Allowance for expected credit loss	5,160	1,233	6,393
Allowance for diminution in value of inventories	4,232	847	5,079
Provision for sale promotions	5,875	1,313	7,188
Provision for employee benefits	33,719	1,422	35,141
Financial (assets) liabilities at FVTPL	1,156	(5,993)	(4,837)
Tax losses	-	875	875
Total deferred tax assets	<u>50,142</u>	<u>(303)</u>	<u>49,839</u>
Gain on fair value adjustment from investment in a subsidiary to an associate	7,429	-	7,429
Accumulated amortization - right for use of trademarks	<u>109,180</u>	<u>-</u>	<u>109,180</u>
Total deferred tax liabilities	<u>116,609</u>	<u>-</u>	<u>116,609</u>

As at June 30, 2022

	Unit : Thousand Baht		
	Balances as at January 1, 2022	Recognized in profit or loss	Balances as at June 30, 2022
Allowance for expected credit loss	5,272	1,525	6,797
Allowance for diminution in value of inventories	5,681	16,801	22,482
Provision for sale promotions	523	(8)	515
Provision for employee benefits	32,820	1,432	34,252
Financial (assets) liabilities at FVTPL	1,555	(13,020)	(11,465)
Total deferred tax assets	45,851	6,730	52,581
Gain on fair value adjustment from investment in a subsidiary to an associate	7,429	-	7,429
Accumulated amortization - right for use of trademarks	109,180	-	109,180
Total deferred tax liabilities	116,609	-	116,609

Separate Financial Statements

As at June 30, 2023

	Unit : Thousand Baht		
	Balances as at January 1, 2023	Recognized in profit or loss	Balances as at June 30, 2023
Allowance for expected credit loss	4,924	1,233	6,157
Allowance for diminution in value of inventories	4,232	847	5,079
Provision for sale promotions	5,875	1,313	7,188
Provision for employee benefits	28,778	1,310	30,088
Financial (assets) liabilities at FVTPL	1,089	(5,868)	(4,779)
Total deferred tax assets	44,898	(1,165)	43,733
Accumulated amortization - right for use of trademarks	109,180	-	109,180
Total deferred tax liabilities	109,180	-	109,180

As at June 30, 2022

	Unit : Thousand Baht		
	Balances as at January 1, 2022	Recognized in profit or loss	Balances as at June 30, 2022
Allowance for expected credit loss	5,036	1,525	6,561
Allowance for diminution in value of inventories	5,681	16,801	22,482
Provision for sale promotions	523	(8)	515
Provision for employee benefits	28,317	1,295	29,612
Financial (assets) liabilities at FVTPL	1,601	(12,948)	(11,347)
Total deferred tax assets	41,158	6,665	47,823
Accumulated amortization - right for use of trademarks	109,180	-	109,180
Total deferred tax liabilities	109,180	-	109,180

Income tax expense for the six-month periods ended June 30, 2023 and 2022 consists of the following:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2023	2022	2023	2022
Income tax expense in respect of the current period	61,974	95,560	56,215	88,594
Deferred tax relating to temporary differences	303	(6,730)	1,165	(6,665)
Income tax expense	<u>62,277</u>	<u>88,830</u>	<u>57,380</u>	<u>81,929</u>

The income tax expense for the six-month periods ended June 30, 2023 and 2022 can be reconciled to the accounting profit as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2023	2022	2023	2022
Profit before income tax	316,936	442,342	313,963	452,528
Income tax calculated at 20%	63,387	88,469	62,793	90,506
Tax effects of transactions that are not taxable income and expenses	(1,110)	361	(5,413)	(8,577)
Income tax expense	<u>62,277</u>	<u>88,830</u>	<u>57,380</u>	<u>81,929</u>
	% Rate	% Rate	% Rate	% Rate
Effective tax rate	19.65	20.08	18.28	18.10

For the six-month periods ended June 30, 2023 and 2022, the Company and subsidiaries in Thailand have applied the tax rate of 20% for calculating corporate tax expense and deferred income tax.

For the six-month periods ended June 30, 2023 and 2022, the foreign subsidiary applied the tax rate of each country for calculating corporate income tax expense and deferred income tax.

11. BANK OVERDRAFTS AND SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term borrowings from financial institutions as at June 30, 2023 and December 31, 2022, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	June 30,	December 31,	June 30,	December 31,
	2023	2022	2023	2022
Bank overdrafts and short-term borrowings from financial institutions	<u>282,687</u>	<u>301,793</u>	<u>-</u>	<u>-</u>

As at June 30, 2023 and December 31, 2022, a subsidiary has credit lines from local financial institutions for bank overdrafts, short-term borrowings and other facilities which carried interest during 3.35% - 3.85% and 2.60% - 2.85% per annum, respectively, and mortgaged by all land and buildings (see Note 8).

As at June 30, 2023 and December 31, 2022, a subsidiary has credit lines from foreign financial institutions for short-term borrowings and other facilities with interest rate during 5.59% - 6.05% and 4.18% - 5.30% per annum, respectively, and guaranteed by the Company (see Note 19.5).

12. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at June 30, 2023 and December 31, 2022, consist of:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
Trade payables	1,047,168	74,127	1,019,424	57,177
Other payables	97,914	74,047	75,141	73,107
Accrued dividends	2,638	2,638	2,638	2,638
Accrued expenses	134,742	169,007	97,489	134,863
Advance received from customers (see Note 13)	26,558	35,192	26,512	35,063
Deferred sales (see Note 13)	111,590	73,917	108,751	51,526
	<u>1,420,610</u>	<u>428,928</u>	<u>1,329,955</u>	<u>354,374</u>

13. DEFERRED SALES AND ADVANCE RECEIVED FROM CUSTOMERS

Deferred sales and advance received from customers represent obligations that the Company and a subsidiary have to deliver fertilizer to the holders of delivery orders (the “fertilizer note”) which have been issued by the Company and a subsidiary to its customers.

Deferred sales represent the issued fertilizer notes which have not yet been delivered fertilizer and not yet been received the payment. The Company and a subsidiary have accounted for such outstanding balance of the unpaid and undelivered fertilizer notes in trade receivables at the same amount. However, in the business practice, the customers may cancel the undelivered fertilizer notes which they have not paid for while the Company and a subsidiary are unable to cancel the undelivered fertilizer notes.

While inventories in the consolidated and separate financial statements as at June 30, 2023 and December 31, 2022, included inventories which were under the obligations that the Company and a subsidiary issued fertilizer notes or received payments from customers but the fertilizer has not been delivered (see Note 6). The Company and a subsidiary have recorded such transactions as “Deferred sales” and “Advance received from customers”, respectively (see Note 12).

14. PROVISION FOR EMPLOYEE BENEFITS

The Company and its subsidiaries in Thailand operate post-employment benefit obligations due upon retirement under the Thai Labor Protection Act, which are considered as unfunded defined benefit plans.

Provision for employee benefits as at June 30, 2023 and December 31, 2022, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	June 30,	December 31,	June 30,	December 31,
	2023	2022	2023	2022
Provision for employee benefits - current portion	24,310	4,888	17,790	3,653
Provision for employee benefits	151,392	167,361	132,652	143,892
	<u>175,702</u>	<u>172,249</u>	<u>150,442</u>	<u>147,545</u>

Amounts recognized in the statements of comprehensive income in respect of the post-employment benefit obligations due upon retirement for the six-month periods ended June 30, 2023 and 2022 are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2023	2022	2023	2022
Current service cost	8,694	5,744	8,179	5,225
Interest cost	1,945	1,414	1,702	1,254
	<u>10,639</u>	<u>7,158</u>	<u>9,881</u>	<u>6,479</u>

Movements in provision for employee benefits for the six-month periods ended June 30, 2023 and 2022 are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2023	2022	2023	2022
Provision for employee benefits as at January 1, (Including current portion)	172,249	171,433	147,545	148,914
Current service cost	8,694	5,744	8,179	5,225
Interest cost	1,945	1,414	1,702	1,254
Benefit paid	(7,186)	(7,331)	(6,984)	(7,331)
Provision for employee benefits as at June 30, (Including current portion)	<u>175,702</u>	<u>171,260</u>	<u>150,442</u>	<u>148,062</u>

The principal actuarial assumptions used to calculate the provision for employee benefits as at June 30, 2023 and December 31, 2022, are as follows:

	Consolidated and Separate	
	Financial Statements	
	As at June 30, 2023	As at December 31, 2022
	(% p.a.)	(% p.a.)
Discount rate	2.70	2.70
Turnover rate	1.5 - 13	1.5 - 13
	Depend on range of employee age	Depend on range of employee age
Expected rate of salary increase	4 - 6	4 - 6
Future gold price growth	5	5
Mortality rate	Thai Mortality Table 2017	Thai Mortality Table 2017

15. OTHER INCOME

Other income for the three-month periods ended June 30, 2023 and 2022 consist of:

For the three-month periods ended June 30,

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2023	2022	2023	2022
Rental income	2,260	2,511	5,905	6,066
Gain on sale of property, plant and equipment	874	489	874	489
Gain on foreign exchange rate - net	34,594	36,583	17,548	40,881
Dividend income (see Note 18.2.2)	-	-	23,588	35,181
Others	3,518	6,820	5,153	7,361
	<u>41,246</u>	<u>46,403</u>	<u>53,068</u>	<u>89,978</u>

For the six-month periods ended June 30,

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2023	2022	2023	2022
Rental income	4,666	4,601	12,083	11,977
Gain on sale of property, plant and equipment	4,219	2,077	3,528	1,495
Gain on foreign exchange rate - net	504	-	5,761	33,804
Dividend income (see Note 18.2.2)	-	-	28,588	35,181
Others	4,868	9,260	8,964	10,387
	<u>14,257</u>	<u>15,938</u>	<u>58,924</u>	<u>92,844</u>

16. EXPENSES BY NATURE

Significant expenses by nature for the three-month and six-month periods ended June 30, 2023 and 2022 consist of:

For the three-month periods ended June 30,

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2023	2022	2023	2022
Changes in finished goods and work in process	770,682	(710,545)	725,366	(690,079)
Cost of finished goods purchased	35,477	36,965	-	-
Raw materials used	2,127,982	4,240,062	2,119,196	4,233,543
Employee benefit expenses	141,009	132,101	112,510	105,502
Depreciation and amortization	64,347	69,218	57,217	61,092
Reversal of loss on diminution in value of inventories	(2,154)	(34,622)	(2,154)	(34,622)
Expected credit loss	4,576	6,731	4,245	6,814

For the six-month periods ended June 30,

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2023	2022	Financial Statements	
			2023	2022
Changes in finished goods and work in process	755,489	(1,030,173)	667,362	(1,011,454)
Cost of finished goods purchased	75,445	87,479	-	-
Raw materials used	3,678,916	5,755,319	3,669,527	5,746,884
Employee benefit expenses	276,159	258,608	223,138	208,877
Depreciation and amortization	125,041	137,974	111,188	121,990
Loss on diminution in value of inventories	3,713	83,110	3,713	83,134
Expected credit loss	6,532	7,626	6,164	7,626

17. DIVIDENDS

On April 28, 2023, the Ordinary Shareholders' meeting of the Company passed a resolution to pay dividends to shareholders at Baht 1.40 per share, totaling Baht 818.60 million as an appropriation of profit for the year 2022. Such dividend was paid in May 2023.

On March 25, 2022, the Ordinary Shareholders' meeting of the Company passed a resolution to pay dividends to shareholders at Baht 1.70 per share, totaling Baht 994.09 million as an appropriation of profit for the year 2021. Such dividend was paid in April 2022.

The Annual General Shareholders' Meetings of subsidiaries passed a resolution to distribute annual dividends as an appropriation of profit for the year 2022 to ordinary shareholders of subsidiaries as follows:

Company name	General shareholders' meeting date	Dividend per share (Baht)	Unit : Thousand Baht		Total amount
			Dividend paid to Owners of parent	Non-controlling interests	
N.I.M. Company Limited	April 26, 2023	3.70	23,588	22,662	46,250
MC Agro-Chemicals Company Limited	March 30, 2023	10.00	5,000	-	5,000
			<u>28,588</u>	<u>22,662</u>	<u>51,250</u>

The Annual General Shareholders' Meetings of subsidiaries passed a resolution to distribute annual dividends for the year 2021 to ordinary shareholders of subsidiaries as follows:

Company name	General shareholders' meeting date	Dividend per share (Baht)	Unit : Thousand Baht		Total amount
			Dividend paid to Owners of parent	Non-controlling interests	
N.I.M. Company Limited	April 26, 2022	3.95	25,181	24,194	49,375
MC Agro-Chemicals Company Limited	April 20, 2022	20.00	10,000	-	10,000
			<u>35,181</u>	<u>24,194</u>	<u>59,375</u>

18. TRANSACTIONS BETWEEN RELATED PARTIES

Transactions between related parties are as follows:

18.1 Investments

18.1.1 Investment in an associate

As at June 30, 2023						
Company name	Type of business	Paid-up capital	Ownership %	Unit : Thousand Baht		
				Investment		Dividend received
				Cost Method	Equity Method	
Central Pacific (Thailand) Corporation Limited	Lease out warehouse	200,000	49.00	98,000	136,782	-

As at December 31, 2022						
Company name	Type of business	Paid-up capital	Ownership %	Unit : Thousand Baht		
				Investment		Dividend received
				Cost Method	Equity Method	
Central Pacific (Thailand) Corporation Limited	Lease out warehouse	200,000	49.00	98,000	136,852	-

Aggregate financial information of an associate is not individually material.

Share of loss from investment in an associate for the three-month and six-month periods ended June 30, consist of:

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	For the three-month periods ended		For the six-month periods ended	
	June 30,		June 30,	
	2023	2022	2023	2022
Share of loss from investment in an associate	(29)	(108)	(70)	(67)

18.1.2 Investments in subsidiaries

Company name	Type of business	Unit : Thousand Baht					
		Paid-up capital		Ownership %		Cost	
		As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
N.I.M. Company Limited	Lease out tank yard for containing liquid chemicals	125,000	125,000	51.00	51.00	63,750	63,750
MC Agro-Chemicals Company Limited	Manufacture, import and distribute Chemical products	50,000	50,000	99.99	99.99	49,999	49,999
TCCC Myanmar Limited	Manufacture, import and distribute various chemical fertilizer compound	439,106	439,106	99.99	99.99	439,106	439,106
Total Investments in subsidiaries						552,855	552,855
<u>Less</u> Allowance for impairment of investment in subsidiary						(169,000)	(169,000)
						383,855	383,855

18.2 Business transactions with related parties

18.2.1 Balances as at June 30, 2023 and December 31, 2022, consist of:

Account name/ Company's name	Relationship	Unit : Thousand Baht			
		Consolidated		Separate	
		Financial Statements	Financial Statements	Financial Statements	Financial Statements
		As at	As at	As at	As at
		June 30,	December 31,	June 30,	December 31,
		2023	2022	2023	2022
Trade receivables					
TCCC Myanmar Limited	Subsidiary	-	-	175,963	71,348
		-	-	175,963	71,348
Other receivables					
N.I.M. Company Limited	Subsidiary	-	-	937	950
MC Agro-Chemicals Company Limited	Subsidiary	-	-	23	67
TCCC Myanmar Limited	Subsidiary	-	-	3,002	1,874
		-	-	3,962	2,891
Trade payables					
Sojitz Corporation	Major shareholder	3,698	5,131	-	-

18.2.2 Transactions with related parties for the three-month and six-month periods ended June 30, 2023 and 2022 consist of:

For the three-month periods ended June 30,

Account name/ Company's name	Relationship	Unit : Thousand Baht			
		Consolidated		Separate	
		Financial Statements	Financial Statements	Financial Statements	Financial Statements
		2023	2022	2023	2022
Revenues from sales and services					
TCCC Myanmar Limited	Subsidiary	-	-	205,987	132,774
		-	-	205,987	132,774
Other income					
N.I.M. Company Limited	Subsidiary	-	-	4,113	3,897
MC Agro-Chemicals Company Limited	Subsidiary	-	-	10	10
TCCC Myanmar Limited	Subsidiary	-	-	1,655	953
		-	-	5,778	4,860
Dividend income					
N.I.M. Company Limited	Subsidiary	-	-	23,588	25,181
MC Agro-Chemicals Company Limited	Subsidiary	-	-	-	10,000
		-	-	23,588	35,181
Purchases					
Sojitz Corporation	Major shareholder	437	3,760	-	-
Managements and Directors' remuneration	Management and Directors	13,123	11,227	12,762	10,735

For the six-month periods ended June 30,

Account name/ Company's name	Relationship	Unit : Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		2023	2022	2023	2022
Revenues from sales and services					
TCCC Myanmar Limited	Subsidiary	-	-	283,035	274,838
		<u>-</u>	<u>-</u>	<u>283,035</u>	<u>274,838</u>
Other income					
N.I.M. Company Limited	Subsidiary	-	-	8,347	8,052
MC Agro-Chemicals Company Limited	Subsidiary	-	-	20	27
TCCC Myanmar Limited	Subsidiary	-	-	4,033	1,874
		<u>-</u>	<u>-</u>	<u>12,400</u>	<u>9,953</u>
Dividend income					
N.I.M. Company Limited	Subsidiary	-	-	23,588	25,181
MC Agro-Chemicals Company Limited	Subsidiary	-	-	5,000	10,000
		<u>-</u>	<u>-</u>	<u>28,588</u>	<u>35,181</u>
Purchases					
Sojitz Corporation	Major shareholder	4,010	3,760	-	-
Managements and Directors' remuneration	Management and Directors	<u>24,488</u>	<u>22,962</u>	<u>24,091</u>	<u>22,428</u>

Purchases and sales with subsidiaries and Sojitz Corporation, terms and prices are those agreed upon by the buyer and the seller based on market prices.

19. COMMITMENTS AND LETTERS OF GUARANTEE

19.1 The Company has capital expenditure commitment as at June 30, 2023 and December 31, 2022, of Baht 61.14 million and Baht 75.43 million, respectively.

19.2 As at June 30, 2023 and December 31, 2022, the Group has commitments according to short-term leases and leases of low-value assets in the consolidated financial statements of Baht 8.05 million and Baht 15.15 million, respectively.

As at June 30, 2023 and December 31, 2022, the Company has commitments according to short-term leases and leases of low-value assets in the separate financial statements of Baht 5.33 million and Baht 8.03 million, respectively.

19.3 As at June 30, 2023 and December 31, 2022, the Group is granted credit facilities from local financial institutions which consisted of bank overdrafts and short-term borrowings, letters of credit, forward contracts and letters of guarantee. The Company and a subsidiary used land, land improvements and buildings as collateral (see Note 8).

As at June 30, 2023 and December 31, 2022, the unused credit facilities consist of:

	Currency	Consolidated		Unit : Million Separate	
		Financial Statements		Financial Statements	
		As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
Credit facilities*	Baht	11,285.14	11,608.06	11,113.44	11,400.09
	USD	35.21	35.20	30.00	30.00
Forward exchange contracts	Baht	3,284.07	4,330.64	3,267.94	4,312.60
	USD	155.25	162.87	147.86	155.78
Letters of guarantee	Baht	90.79	90.79	90.79	90.79

* The Company has been allowed by certain banks to have forward exchange contracts equal to the line of letters of credit and trust receipts granted by such banks.

- 19.4 As at June 30, 2023 and December 31, 2022, the Company and a subsidiary have letters of guarantee issued by banks which are unsecured as follows:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
Letters of guarantee for electricity	9,381	9,381	9,206	9,206

- 19.5 As at June 30, 2023 and December 31, 2022, the Company has commitment for being as a guarantor of short-term borrowings and other facilities for a subsidiary of USD 12 million (or equivalent to Baht 428.99 million) and USD 12 million (or equivalent to Baht 416.80 million), respectively (see Note 11).
- 19.6 As at June 30, 2023 and December 31, 2022, the Company has no commitment with a bank regarding the outstanding letters of credit.

As at June 30, 2023 and December 31, 2022, a subsidiary has commitment with a local bank regarding the outstanding letters of credit of USD 0.06 million (or equivalent to Baht 2.06 million) and USD 0.06 million (or equivalent to Baht 2.00 million), respectively.

20. SEASONALITY OF OPERATION

The Company's main business is to manufacture, import, export and distribute various chemical fertilizer compound. The main revenues of the Company are received seasonally within a financial year especially in the second and third quarters of each year. Such main revenues are recognized when incur in each quarter. For supplementary financial information, total revenues, cost of sales and total comprehensive income for the twelve-month periods ended June 30, 2023 and 2022 were shown as below:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2023	2022	2023	2022
Revenues from sales	12,124,032	11,712,540	11,556,741	11,299,055
Revenues from rendering of services	134,430	134,384	-	-
Costs of sales of goods	10,743,430	10,186,439	10,355,852	9,929,713
Costs of rendering of services	40,883	37,283	-	-
Profit attributable to owners of the parent	735,146	884,754	741,008	919,561

21. BUSINESS SEGMENT INFORMATION

The Company's main business is to manufacture, import, export and distribute various chemical fertilizer compound. The subsidiaries' main businesses are to manufacture, import and distribute various chemical fertilizer compound, solvents, chemical products, rental services and others. The business segment information of the Company and its subsidiaries classified by industries is as follows:

For the three-month period ended June 30, 2023

	Recognized at the point of time	Recognized over time	Revenues and other income	Unit : Thousand Baht Total comprehensive income	Assets employed
Fertilizer section					
- Revenues from sales	3,665,688	-	3,665,688		
- Other income	64,124	26,830	90,954		
	3,729,812	26,830	3,756,642	331,788	12,746,985
Rental services section					
- Revenues from services	-	31,142	31,142		
- Other income	127	277	404		
	127	31,419	31,546	13,432	221,433
Other sections					
- Revenues from sales	73,939	3,439	77,378		
- Other income	456	139	595		
	74,395	3,578	77,973	1,256	289,694
<u>Less</u> Intersegment revenues			(235,382)		
Total revenues			3,630,779		
Profit before income tax				346,476	
<u>Less</u> Income tax expense				(65,307)	
Profit for the period				281,169	
					13,258,112
<u>Less</u> Intersegment assets					(539,066)
Total assets					12,719,046
<u>Less</u> Non-controlling interests in total comprehensive income				(5,271)	
Exchange differences on translation of financial statements of foreign subsidiary				2,359	
Total comprehensive income attributable to owners of the parent				278,257	
Consolidated assets as at June 30, 2023					12,719,046

For the six-month period ended June 30, 2023

	Unit : Thousand Baht				
	Recognized at the point of time	Recognized over time	Revenues and other income	Total comprehensive income (loss)	Assets employed
Fertilizer section					
- Revenues from sales	5,522,244	-	5,522,244		
- Other income	41,202	43,944	85,146		
	5,563,446	43,944	5,607,390	292,628	12,746,985
Rental services section					
- Revenues from services	-	63,188	63,188		
- Other income	303	503	806		
	303	63,691	63,994	28,782	221,433
Other sections					
- Revenues from sales	113,231	4,561	117,792		
- Other income	1,657	139	1,796		
	114,888	4,700	119,588	(4,474)	289,694
<u>Less</u> Intersegment revenues			(324,093)		
Total revenues			5,466,879		
Profit before income tax				316,936	
<u>Less</u> Income tax expense				(62,277)	
Profit for the period				254,659	
					13,258,112
<u>Less</u> Intersegment assets					(539,066)
Total assets					12,719,046
<u>Less</u> Non-controlling interests in total comprehensive income				(11,324)	
Exchange differences on translation of financial statements of foreign subsidiary				(36,157)	
Total comprehensive income attributable to owners of the parent				207,178	
Consolidated assets as at June 30, 2023					12,719,046

For the three-month period ended June 30, 2022

	Unit : Thousand Baht				
	Recognized at the point of time	Recognized over time	Revenues and other income	Total comprehensive income	Assets employed
Fertilizer section					
- Revenues from sales	4,478,389	-	4,478,389		
- Other income	79,492	16,128	95,620		
	4,557,881	16,128	4,574,009	514,065	14,588,676
Rental services section					
- Revenues from services	-	31,960	31,960		
- Other income	252	171	423		
	252	32,131	32,383	14,757	229,132
Other sections					
- Revenues from sales	64,672	1,174	65,846		
- Other income	633	55	688		
	65,305	1,229	66,534	2,972	288,820
<u>Less</u> Intersegment revenues			(172,921)		
Total revenues			4,500,005		
Profit before income tax expense				531,794	
<u>Less</u> Income tax expense				(103,348)	
Profit for the period				428,446	
					15,106,628
<u>Less</u> Intersegment assets					(583,893)
Total assets					14,522,735
<u>Less</u> Non-controlling interests in total comprehensive income				(5,774)	
Exchange differences on translation of financial statements of foreign subsidiary				5,601	
Total comprehensive income attributable to owners of the parent				428,273	
Consolidated assets as at June 30, 2022					14,522,735

For the six-month period ended June 30, 2022

	Unit : Thousand Baht				
	Recognized at the point of time	Recognized over time	Revenues and other income	Total comprehensive income	Assets employed
Fertilizer section					
- Revenues from sales	6,129,866	-	6,129,866		
- Other income	47,652	27,388	75,040		
	6,177,518	27,388	6,204,906	408,285	14,588,676
Rental services section					
- Revenues from services	-	63,058	63,058		
- Other income	652	343	995		
	652	63,401	64,053	29,464	229,132
Other sections					
- Revenues from sales	126,472	2,989	129,461		
- Other income	790	55	845		
	127,262	3,044	130,306	4,593	288,820
<u>Less</u> Intersegment revenues			(320,038)		
Total revenues			6,079,227		
Profit before income tax expense				442,342	
<u>Less</u> Income tax expense				(88,830)	
Profit for the period				353,512	
					15,106,628
<u>Less</u> Intersegment assets					(583,893)
Total assets					14,522,735
<u>Less</u> Non-controlling interests in total comprehensive income				(11,558)	
Exchange differences on translation of financial statements of foreign subsidiary				6,355	
Total comprehensive income attributable to owners of the parent				348,309	
Consolidated assets as at June 30, 2022					14,522,735

22. DISCLOSURE OF FINANCIAL INSTRUMENTS

22.1 Forward exchange contracts

As at June 30, 2023 and December 31, 2022, the Group entered into various forward exchange contracts with local financial institutions to hedge certain portions of their assets and liabilities denominated in foreign currencies. The details of such contracts and fair values of the financial instruments are as follows:

Forward exchange purchase contracts				The remaining period (days)	Net fair value gain (loss) (Thousand Baht)	Fair value hierarchy
	Currency	Amount (Thousand)	Average Rate (Baht)			
As at June 30, 2023						
The Company	USD	24,387	34.5124	80 - 365	28,435	Level 2
Subsidiaries	USD	231	34.1243	14 - 102	287	
As at December 31, 2022						
The Company	USD	1,122	36.2163	31 - 214	(1,718)	Level 2
Subsidiaries	USD	463	34.8662	37 - 180	(337)	

Forward exchange sell contracts				The remaining period (days)	Net fair value gain (loss) (Thousand Baht)	Fair value hierarchy
	Currency	Amount (Thousand)	Average Rate (Baht)			
As at June 30, 2023						
The Company	USD	2,102	33.7772	27 - 188	(4,539)	Level 2
As at December 31, 2022						
The Company	USD	2,230	33.1392	20 - 173	(3,723)	Level 2

22.2 Assets and liabilities in foreign currencies

As at June 30, 2023 and December 31, 2022, the Group has assets and liabilities in foreign currencies which part of them are entered into various forward exchange contracts to hedge certain portions of their assets and liabilities denominated in foreign currencies as follows:

			Unit : Thousand	
			Foreign assets	
			Currency	Amount
As at June 30, 2023				
The Company			USD	2,192
Subsidiaries			USD	31
			MMK	8,715,499
As at December 31, 2022				
The Company			USD	2,495
Subsidiaries			USD	229
			MMK	2,265,480

	Unit : Thousand	
	Currency	Amount
As at June 30, 2023		
The Company	USD	24,470
Subsidiaries	USD	373
	MMK	930,316
As at December 31, 2022		
The Company	USD	1,532
Subsidiaries	USD	226
	MMK	357,948

23. RECLASSIFICATION

Reclassification has been made in the statement of comprehensive income for the three-month and six-month periods ended June 30, 2022, to conform to the classification used in current period's statement of comprehensive income. Such reclassification has no effect to previously reported net profit, and shareholders' equity. The reclassification is as follows:

Account	Previous presentation	Current presentation	Unit : Thousand Baht	
			Consolidated and Separate Financial Statements	
			For the three-month period ended June 30, 2022	For the six-month period ended June 30, 2022
Directors' remuneration	Administrative expenses	Managements and Directors' remuneration	822	2,383

24. EVENT AFTER THE REPORTING PERIOD

On August 2, 2023, which is the closing date of the tender offer to purchase all of the Company's shares. The tender offerors, Sojitz Corporation ("Sojitz") and ISTS (Thailand) Co., Ltd. ("ISTS") received additional shares of 14.47%, of which previously held by both companies 83.46% to 97.93%. and the completion for delisting of the Company's securities from being a listed company on the Stock Exchange of Thailand is expected to be in August 2023.

25. APPROVAL OF THE INTERIM FINANCIAL INFORMATION

The interim financial information was approved for issuance by the Company's director on August 15, 2023.