



บริษัท ไทยเซ็นทรัลเคมี จำกัด (มหาชน)
THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED

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Subject Clarification of the 3rd quarter performance of the year 2022

To President

The Stock Exchange of Thailand

Enclosure Management Analysis and Discussion (MD&A)

Referred to rules and regulations of the SEC which provides that a listed company shall clarify reason in case of difference between company including its subsidiaries' performance of the current year and that of the corresponding period of the previous year exceeding 20% , the Company would like to clarify as follows.

Performance of the Company including its subsidiaries of the 3rd quarter of 2022 shows Profit Attributable to Owners of the parent at the amount of THB 498 million, increasing by THB 96 million or 24% when compared with Profit Attributable to Owners of the parent of the corresponding period of last year which showed THB 402 million.

The reason of such result is shown in the Management Analysis and Discussion as in the attachment.

Please be informed accordingly.

Sincerely yours,

(Mr. Takahiro Yamashita)

President & CEO

Corporate Secretary / Photchara Tel. 0-2639-8888 ext. 8909



Management Discussion and Analysis (MD&A)

Key Summary

- In the 3rd quarter of 2022, the Company achieved a Profit Attributable to Owner of the parent of THB 498 million. It increased by THB 96 million or 24%, compared with the 3rd quarter of 2021.
- The global economy was quite uncertain due to various factors such as inflation, the recurrence of COVID-19, and the Russia-Ukraine crisis. In addition, Thailand's economy also fluctuated due to the depreciation of Thai Baht. It was difficult to forecast fertilizer price trends in such a market situation.
- Under the current severe business environments, the Company emphasized achieving efficient control of productions and operations in order to maximize utility for all stakeholders.

Business Overview

The Company would like to report the operational results of the Consolidated Financial Statement for the 3rd quarter of the year 2022 during July 1 to September 30, 2022. The 3rd quarter of 2022 showed Profit Attributable to Owners of the parent at THB 498 million, and Earning per Share at 0.85 THB. It increased by THB 96 million or 24%, compared with the same period of the year 2021.

Thailand's economy in the 3rd quarter continued to recover mainly due to recovering tourism and service sector following the country's reopening and more relaxed international travel measures throughout the globe. However, domestic consumption recovery would face high pressures from the inflation. In addition, consumer confidence was uncertain over concerns about the rising cost of living.



Thailand's agricultural sector in the 3rd quarter contracted by 1.8% when compared to the same period of the previous year due to damaged agricultural crops from flooding in some areas of the Northeast, the North, and the Central Region. Even though the price of fertilizers remained high, the accumulated rainfall and favorable agricultural prices were the main factors encouraging farmers to cultivate during the main season. Although the global economy showed softening signs in the 3rd quarter, the fertilizer prices were at a high level when compared to the past decade. In addition, the depreciation of the Thai baht resulted in higher import costs.

Results of Operations

Unit : Thousand Baht	3rd Quarter Jul - Sep (3 months)		Change
	2021	2022	%
Revenues from Sales and Services	3,738,763	5,018,497	34
Cost of Goods Sold and Rendering of Services	(3,087,438)	(4,337,895)	41
Gross Profit	651,325	680,602	4
Interest and Other Income	13,216	83,230	530
Profit Before Expenses	664,541	763,832	15
Selling, Administration, and Other Expenses	(145,364)	(134,042)	(8)
Profit from Operating Activities	519,177	629,790	21
Finance Costs	(1,117)	(2,275)	104
Share of Profit (Loss) from Investment in an Associate	37	(32)	(186)
Profit Before Income Tax Expense	518,097	627,483	21
Income Tax Expense	(109,792)	(123,420)	12
Profit for the Period	408,305	504,063	23
Profit Attributable to Owners of the Parent	401,834	498,330	24
Total Comprehensive Income Attributable to Owners of the Parent	406,270	507,336	25

The Company's Revenue from Sales and Services in the 3rd quarter showed an increase of THB 1,280 million or 34% from THB 3,739 million in 2021 to THB 5,019 million in 2022, due to the higher selling price of fertilizer per unit. On the other hand, the company's Cost of Goods Sold and Rendering of Services showed an increase of THB 1,251 million, or 41% from THB 3,087 million in 2021 to THB 4,338 million in 2022, due to higher raw material costs and the depreciation of the Thai Baht. The Company's Gross Profit increased by THB 29 million or 4%, from THB 651 million in 2021 to THB 680 million in 2022. As for the Company's Selling and Administration Expenses decreased by THB 11 million or -8%, due to the Company's trying to achieve efficient operations according to the economic situation.

As a result, Profit Attributable to Owners of the parent in the 3rd quarter of 2022 was THB 498 million, increasing by THB 96 million or 24%, when compared with Profit Attributable to Owner of the parent THB 402 million in the same quarter of 2021.



Unit : Thousand Baht	9 month period (Jan - Sep)		Change
	2021	2022	%
Revenues from Sales and Services	10,026,611	11,066,044	10
Total Comprehensive Income Attributable to Owners of the Parent	1,449,943	855,645	(41)
Earning per Share	2.46	1.44	(42)

Regarding the company's performance in a cumulative 9-month period, Revenue increased by 10% compared with the same period of the year 2021 due to raw material price hike. The company's Total Comprehensive Income Attributable to Owners of the Parent decreased by 41% compared with the previous year.

Analysis of Liquidity and Capital Resources

Main Components of Statement of Financial Position (Consolidated)

Description	September 30, 2021		September 30, 2022	
	Thousand Baht	Percentage to Total Asset	Thousand Baht	Percentage to Total Asset
Current Assets	10,201,378	81	10,984,819	82
Non-current Assets	2,394,676	19	2,381,763	18
Total Assets	12,596,054	100	13,366,582	100
Current Liabilities	1,107,477	9	1,863,982	14
Non-current Liabilities	324,326	2	332,788	2
Total Liabilities	1,431,803	11	2,196,770	16
Total Shareholders' Equity	11,164,251	89	11,169,812	84
Total Liabilities and Shareholders' Equity	12,596,054	100	13,366,582	100

As of the end of the 3rd quarter of 2022, total assets of the company showed THB 13,366 million, an increase of THB 770 million or 6%, compared with the same period of 2021. More details of assets are as follows:

Description	September 30, 2021 Thousand Baht	September 30, 2022 Thousand Baht	Change %
Cash, cash equivalents and time deposit*	8,033,062	5,429,884	(32)
Trade and other current receivables	437,447	758,632	73
Inventory	1,702,270	4,734,775	178
Assets	12,596,054	13,366,582	6

*Time deposit is defined as an account with maturity date over 3 months to less than 1 year and classified under other current financial assets in the statement of financial position.



Cash, cash equivalents, and time deposits in the 3rd quarter of 2022 decreased from THB 8,033 million to THB 5,430 million or -32% because the Company reduced the proportion of time deposits for purchasing expensive raw materials. Meanwhile, trade and other receivables increased from THB 437 million to THB 759 million or 73%, whereas Inventories increased by 178% due to the cost of raw materials increasing and the depreciation of Thai baht.

The company's total liabilities were THB 2,197 million, representing an increase of THB 765 million or 53%, whereas Shareholders' Equity of the company was THB 11,170 million, representing an increase of THB 6 million.

Economic & Business Forecast 2022

The global economy was quite uncertain due to various negative factors such as inflation, the recurrence of COVID-19, and the Russia-Ukraine crisis. In addition, Thailand's economy also fluctuated due to the depreciation of Thai Baht against US dollar, flooding in agricultural areas, inflation, and so on. This unclear situation is expected to continue during the 4th quarter of 2022 and the beginning of 2023.

Chemical fertilizer prices are still higher due to expensive raw materials. Several negative factors will cause the price continue to remain at a high level. Therefore, management will carefully assess the situation and take appropriate measures.

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