

**TPI Polene Public Company Limited  
and its Subsidiaries**

Condensed interim financial statements  
for the three-month and six-month periods ended  
30 June 2023  
and  
Independent auditor's review report





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## **Independent Auditor's Report on Review of Interim Financial Information**

### **To the Board of Directors of TPI Polene Public Company Limited**

I have reviewed the accompanying consolidated and separate statements of financial position of TPI Polene Public Company Limited and its subsidiaries, and of TPI Polene Public Company Limited, respectively, as at 30 June 2023; the consolidated and separate statements of comprehensive income for the three-month and six-month periods ended 30 June 2023, changes in equity and cash flows for the the six-month period ended 30 June 2023; and condensed notes ("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".

#### *Emphasis of Matter*

I draw attention to the following matters:

I draw attention to notes 15(2) and 15(4) to 15(7) to the interim financial statements, which discloses the uncertainty related to the outcome of lawsuits filed against the Company in relation to its operation of mining. The Civil Court issued a judgement as follows:





- 1) On 2 August 2019, the Civil Court had an order on the Black Case No. SorWor.5/2559, engaging the mining activity unlawfully (engaging in the mining restricted area), that the Company has to return the limestone for cement industry back to the area where the mining activity was done and restore the area into its previous condition or pay the compensation of Baht 1,603 million with interest at 7.5 percent per annum from the date of being notified of the land survey result until the date that payment is made in full. The Company filed the appeal together with a delay of judgement execution on 3 December 2019. On 10 May 2022, the Court of Civil, by reading the Court of Appeal's judgement, announced a revision of the calculation of interest. Later, the Company has applied for permission to lodge an appeal to the Supreme Court challenging the judgement of the Court of Appeal together with a stay of execution pending the appeal to the Supreme Court on 12 October 2022. The Civil Court has issued an appointment notice for hearing an order of the Supreme Court whether to permit the Supreme Court appeal on 14 September 2023. If the Supreme Court orders permitting the Company to the lodge the Supreme Court appeal, the Civil Court will order the plaintiff to make a further reply to the Supreme Court appeal within a prescribed period.
- 2) On 13 December 2019, the Civil Court had an order on the Black Case No. SorWor.4/2559, the Black Case No. SorWor.6/2559 and the Black Case No. SorWor.1/2560, engaging the limestone and shale mining activity in the area outside its concession area and engaging the mining activity unlawfully, that the Company has to return the limestone and shale for cement industry back to the area where the mining activity was done and restore such area to the previous condition or pay the compensation of Baht 4,688 million with interest at 7.5 percent per annum from the discovery date of the unlawful of mining activity or the date of violation of mining until the date that payment is made in full. The Company filed the appeal. The Court of Appeal's judgement, announced a revision of the calculation of interest. The Company has applied for permission to lodge an appeal to the Supreme Court challenging the judgment of the Court of Appeal together with a stay of execution pending the appeal to the Supreme Court. On 15 and 22 November 2022, the Supreme Court allowed the Company to submit an appeal to the Supreme Court and accepted the said Company's appeal for consideration. The case is pending a judgement of the Supreme Court.
- 3) On 24 March 2020, the Civil Court issued a judgment on the Black Case No. SorWor.2/2561, the violation in relation to Company's operation of mining outside its concession area that the Company has to either make a restitution of shale and a specific performance of soil rehabilitation or pay damages totaling Baht 67 million with interest at 7.5 percent per annum from the date of violation of mining to the date that payment is made in full. The Company filed the appeal. The Court of Appeal's judgement, announced a revision of the calculation of interest. The Company has applied for permission to lodge an appeal to the Supreme Court challenging the judgment of the Court of Appeal together with a stay of execution pending the appeal to the Supreme Court. On 23 January 2023, the Supreme Court allowed the Company to submit an appeal to the Supreme Court and accepted the said Company's appeal for consideration. The case is pending a judgement of the Supreme Court.

The Company has an opinion that the outcome of lawsuit is not yet final and uncertain, the Company has not recorded the provision for liability of lawsuit. My conclusion is not modified in respect of these matters.

*Th. K*

(Thanyalux Keadkeaw)  
Certified Public Accountant  
Registration No. 8179

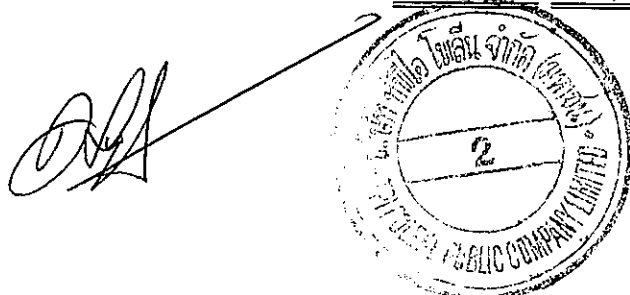
KPMG Phoomchai Audit Ltd.  
Bangkok  
11 August 2023



**TPI Polene Public Company Limited and its Subsidiaries**

**Statement of financial position**

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 June	31 December	30 June	31 December
		2023	2022	2023	2022
		(Unaudited)		(Unaudited)	
		(in thousand Baht)			
Current assets					
Cash and cash equivalents		9,447,571	10,671,192	6,546,670	8,043,775
Trade accounts receivable	2, 3	6,113,867	5,559,513	4,251,273	3,900,175
Other receivables		875,536	893,332	549,460	574,258
Short-term loans to related parties	2	-	-	53,160	366,269
Receivables and advances to related parties	2	39,437	129,950	267,657	468,108
Inventories		17,556,674	19,355,015	14,236,669	15,757,810
Other current financial assets	13	4,325,420	953,799	-	-
Other current assets		410,636	1,102,979	260,328	726,285
Non-current assets classified as held for sale	5	446,414	465,338	260,244	260,244
Total current assets		39,215,555	39,131,118	26,425,461	30,096,924
Non-current assets					
Other non-current financial assets	13	513,299	513,274	14,285	14,309
Investments in subsidiaries	4	-	-	29,885,822	28,736,575
Investments in associates	4	866,533	856,337	866,533	856,337
Investments in joint venture	4	251,313	249,894	-	-
Long-term investments in related party	2	45,653	45,653	45,653	45,653
Receivables and advances to related parties	2	-	-	421,080	421,075
Investment properties		531,602	532,187	74,044	74,044
Property, plant and equipment	5	103,125,335	100,473,740	56,242,654	55,448,812
Right-of-use assets		554,677	567,889	337,611	347,422
Intangible assets		720,311	713,564	713,064	710,635
Advances payment for plant, machinery and equipment		1,117,275	656,659	126,617	126,237
Deferred tax assets		471,493	521,401	238,253	285,077
Other non-current assets		254,115	237,712	172,517	173,181
Total non-current assets		108,451,606	105,368,310	89,138,133	87,239,357
Total assets		147,667,161	144,499,428	115,563,594	117,336,281



*Laborn S*

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

# TPI Polene Public Company Limited and its Subsidiaries

## Statement of financial position

	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 June	31 December	30 June	31 December
		2023	2022	2023	2022
<b>Liabilities and equity</b>		(Unaudited)		(Unaudited)	
		(in thousand Baht)			
<i>Current liabilities</i>					
Short-term loans from financial institutions	6, 13	6,919,138	4,355,338	6,919,138	4,355,338
Trade accounts payable	2	3,747,873	3,791,529	3,284,316	3,129,922
Other payables		2,699,691	3,582,420	1,583,179	2,266,396
Payables and advances from related parties	2	16,886	12,549	1,176,617	272,268
Current portion of lease liabilities	2	156,412	151,050	102,631	102,038
Current portion of debentures	7, 13	11,127,000	12,843,200	8,127,000	10,023,200
Interest payable		343,763	375,212	226,109	309,896
Current income tax payable		106,370	119,352	-	-
Other current liabilities		207,246	227,203	57,941	118,400
<b>Total current liabilities</b>		<b>25,324,379</b>	<b>25,457,853</b>	<b>21,476,931</b>	<b>20,577,458</b>
<i>Non-current liabilities</i>					
Lease liabilities	2	243,380	280,479	130,884	144,490
Debentures	7, 13	56,335,400	53,742,400	38,128,000	41,255,000
Deferred tax liabilities		32,402	37,370	-	-
Non-current provisions for employee benefits		2,011,674	2,041,884	1,687,470	1,709,848
Other non-current liabilities		124,992	125,205	238,344	238,344
<b>Total non-current liabilities</b>		<b>58,747,848</b>	<b>56,227,338</b>	<b>40,184,698</b>	<b>43,347,682</b>
<b>Total liabilities</b>		<b>84,072,227</b>	<b>81,685,191</b>	<b>61,661,629</b>	<b>63,925,140</b>

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



**TPI Polene Public Company Limited and its Subsidiaries**

**Statement of financial position**

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Liabilities and equity	(Unaudited)		(Unaudited)	
	<i>(in thousand Baht)</i>			
<b>Equity</b>				
Share capital:				
Authorised share capital	<u>23,560,235</u>	<u>23,560,235</u>	<u>23,560,235</u>	<u>23,560,235</u>
Issued and paid-up share capital	<u>18,935,235</u>	<u>18,935,235</u>	<u>18,935,235</u>	<u>18,935,235</u>
Share premium:				
Share premium on ordinary shares	60,600	60,600	60,600	60,600
Other surpluses	9,840,436	9,840,436	9,840,436	9,840,436
Share premium on treasury shares	220,536	220,536	220,536	220,536
Retained earnings				
Appropriated				
Legal reserve	1,559,673	1,559,673	1,559,673	1,559,673
Unappropriated	23,176,186	22,684,993	23,172,357	22,681,164
Other components of equity	<u>109,299</u>	<u>109,668</u>	<u>113,128</u>	<u>113,497</u>
<b>Equity attributable to owners of the parent</b>	<u>53,901,965</u>	<u>53,411,141</u>	<u>53,901,965</u>	<u>53,411,141</u>
Non-controlling interests	<u>9,692,969</u>	<u>9,403,096</u>	-	-
<b>Total equity</b>	<u>63,594,934</u>	<u>62,814,237</u>	<u>53,901,965</u>	<u>53,411,141</u>
 <b>Total liabilities and equity</b>	 <u>147,667,161</u>	 <u>144,499,428</u>	 <u>115,563,594</u>	 <u>117,336,281</u>

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

**TPI Polene Public Company Limited and its Subsidiaries**
**Statement of comprehensive income (Unaudited)**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<b>Three-month period ended</b>		<b>Three-month period ended</b>	
	<b>30 June</b>		<b>30 June</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<i>(in thousand Baht)</i>			
<b>Income</b>				
Revenue from sale of goods	11,406,945	12,475,994	8,497,583	9,685,789
Cost of sales of goods	<u>(8,826,543)</u>	<u>(8,904,478)</u>	<u>(7,304,774)</u>	<u>(7,309,694)</u>
<b>Gross profit</b>	<b>2,580,402</b>	<b>3,571,516</b>	<b>1,192,809</b>	<b>2,376,095</b>
Transportation income	327,477	359,653	376,857	352,120
Net foreign exchange gain	243,349	420,993	258,153	306,087
Investment income	111,369	15,507	82,562	15,995
Other income	<u>114,176</u>	<u>294,606</u>	<u>61,363</u>	<u>151,583</u>
<b>Profit before expenses</b>	<b>3,376,773</b>	<b>4,662,275</b>	<b>1,971,744</b>	<b>3,201,880</b>
Cost of distributions and transportations	(911,602)	(999,378)	(864,373)	(901,640)
Administrative expenses	<u>(476,995)</u>	<u>(450,832)</u>	<u>(297,993)</u>	<u>(284,981)</u>
<b>Total expenses</b>	<b>(1,388,597)</b>	<b>(1,450,210)</b>	<b>(1,162,366)</b>	<b>(1,186,621)</b>
<b>Profit from operating activities</b>	<b>1,988,176</b>	<b>3,212,065</b>	<b>809,378</b>	<b>2,015,259</b>
Finance costs	(481,788)	(473,429)	(477,831)	(465,722)
Share of profit of subsidiaries, joint venture and associates				
accounted for using equity method	<u>11,832</u>	<u>3,222</u>	<u>858,020</u>	<u>880,643</u>
<b>Profit before income tax expense</b>	<b>1,518,220</b>	<b>2,741,858</b>	<b>1,189,567</b>	<b>2,430,180</b>
Tax expense	<u>(68,922)</u>	<u>(61,362)</u>	<u>(18,548)</u>	<u>(4,362)</u>
<b>Profit for the period</b>	<b>1,449,298</b>	<b>2,680,496</b>	<b>1,171,019</b>	<b>2,425,818</b>

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

**TPI Polene Public Company Limited and its Subsidiaries**

**Statement of comprehensive income (Unaudited)**

	Consolidated financial statements		Separate financial statements	
	Three-month period ended		Three-month period ended	
	30 June		30 June	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<b>Other comprehensive income</b>				
<i>Items that will be reclassified subsequently to profit or loss</i>				
Gain on measurement of financial statements	3	1	-	-
Share of other comprehensive income (expense) of subsidiaries accounted for using equity method	-	-	3	1
Share of other comprehensive income (expense) of associates accounted for using equity method	82	704	82	704
Income tax relating to items that will be reclassified	-	-	-	-
<b>Total items that will be reclassified subsequently to profit or loss</b>	<b>85</b>	<b>705</b>	<b>85</b>	<b>705</b>
<i>Items that will not be reclassified to profit or loss</i>				
Gain (loss) on investments in equity instruments designated at fair value through other comprehensive income	(20)	(21)	(20)	(21)
Income tax relating to items that will not be reclassified	4	5	4	5
<b>Total items that will not be reclassified to profit or loss</b>	<b>(16)</b>	<b>(16)</b>	<b>(16)</b>	<b>(16)</b>
<b>Other comprehensive income (expense) for the period, net of tax</b>	<b>69</b>	<b>689</b>	<b>69</b>	<b>689</b>
<b>Total comprehensive income for the period</b>	<b>1,449,367</b>	<b>2,681,185</b>	<b>1,171,088</b>	<b>2,426,507</b>
<b>Profit attributable to:</b>				
Owners of the parent	1,171,019	2,425,818	1,171,019	2,425,818
Non-controlling interests	278,279	254,678	-	-
<b>Profit for the period</b>	<b>1,449,298</b>	<b>2,680,496</b>	<b>1,171,019</b>	<b>2,425,818</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	1,171,088	2,426,507	1,171,088	2,426,507
Non-controlling interests	278,279	254,678	-	-
<b>Total comprehensive income for the period</b>	<b>1,449,367</b>	<b>2,681,185</b>	<b>1,171,088</b>	<b>2,426,507</b>
<b>Basic earnings per share (in Baht)</b>	<b>0.062</b>	<b>0.128</b>	<b>0.062</b>	<b>0.128</b>

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

**TPI Polene Public Company Limited and its Subsidiaries**  
**Statement of comprehensive income (Unaudited)**

		Consolidated		Separate	
		financial statements		financial statements	
		Six-month period ended		Six-month period ended	
		30 June		30 June	
	Note	2023	2022	2023	2022
		(in thousand Baht)			
<b>Income</b>					
Revenue from sale of goods	9	22,689,847	24,910,609	17,260,208	19,764,132
Cost of sales of goods		<u>(17,707,454)</u>	<u>(17,936,912)</u>	<u>(15,191,506)</u>	<u>(15,097,576)</u>
Gross profit		4,982,393	6,973,697	2,068,702	4,666,556
Transportation income		638,756	796,833	735,693	685,256
Net foreign exchange gain		257,291	466,947	256,253	278,165
Investment income		131,209	27,402	95,244	29,542
Other income		<u>263,857</u>	<u>468,245</u>	<u>137,028</u>	<u>401,907</u>
Profit before expenses		<u>6,273,506</u>	<u>8,733,124</u>	<u>3,292,920</u>	<u>6,061,426</u>
Cost of distributions and transportations		(1,797,722)	(2,072,368)	(1,711,839)	(1,822,384)
Administrative expenses		<u>(974,145)</u>	<u>(892,191)</u>	<u>(598,957)</u>	<u>(574,825)</u>
Total expenses		<u>(2,771,867)</u>	<u>(2,964,559)</u>	<u>(2,310,796)</u>	<u>(2,397,209)</u>
Profit from operating activities		3,501,639	5,768,565	982,124	3,664,217
Finance costs		(951,409)	(956,971)	(936,513)	(941,452)
Share of profit of subsidiaries, joint venture and associates					
accounted for using equity method	4	<u>11,954</u>	<u>9,603</u>	<u>1,817,881</u>	<u>1,511,495</u>
Profit before income tax expense		2,562,184	4,821,197	1,863,492	4,234,260
Tax expense	10	<u>(155,816)</u>	<u>(86,229)</u>	<u>(46,833)</u>	<u>(8,315)</u>
Profit for the period		2,406,368	4,734,968	1,816,659	4,225,945

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

**TPI Polene Public Company Limited and its Subsidiaries**

**Statement of comprehensive income (Unaudited)**

		Consolidated financial statements Six-month period ended 30 June		Separate financial statements Six-month period ended 30 June	
	Note	2023	2022	2023	2022
		(in thousand Baht)			
<b>Other comprehensive income</b>					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating financial statements	4	-	(177)	-	-
Gain on measurement of financial statements		5	1	-	-
Share of other comprehensive income (expense) of subsidiaries accounted for using equity method	4	-	-	5	(176)
Share of other comprehensive income (expense) of associates accounted for using equity method	4	(339)	(4,381)	(339)	(4,381)
Income tax relating to items that will be reclassified		-	-	-	-
<b>Total items that will be reclassified subsequently to profit or loss</b>		<u>(334)</u>	<u>(4,557)</u>	<u>(334)</u>	<u>(4,557)</u>
<i>Items that will not be reclassified to profit or loss</i>					
Gain (loss) on investments in equity instruments designated at fair value through other comprehensive income	13	(44)	(38)	(44)	(38)
Income tax relating to items that will not be reclassified		<u>9</u>	<u>8</u>	<u>9</u>	<u>8</u>
<b>Total items that will not be reclassified to profit or loss</b>		<u>(35)</u>	<u>(30)</u>	<u>(35)</u>	<u>(30)</u>
<b>Other comprehensive income (expense) for the period, net of tax</b>		<u>(369)</u>	<u>(4,587)</u>	<u>(369)</u>	<u>(4,587)</u>
<b>Total comprehensive income for the period</b>		<u><u>2,405,999</u></u>	<u><u>4,730,381</u></u>	<u><u>1,816,290</u></u>	<u><u>4,221,358</u></u>
<b>Profit attributable to:</b>					
Owners of the parent		1,816,659	4,225,945	1,816,659	4,225,945
Non-controlling interests		<u>589,709</u>	<u>509,023</u>	<u>-</u>	<u>-</u>
<b>Profit for the period</b>		<u><u>2,406,368</u></u>	<u><u>4,734,968</u></u>	<u><u>1,816,659</u></u>	<u><u>4,225,945</u></u>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		1,816,290	4,221,358	1,816,290	4,221,358
Non-controlling interests		<u>589,709</u>	<u>509,023</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>		<u><u>2,405,999</u></u>	<u><u>4,730,381</u></u>	<u><u>1,816,290</u></u>	<u><u>4,221,358</u></u>
<b>Basic earnings per share (in Baht)</b>	12	<u><u>0.096</u></u>	<u><u>0.223</u></u>	<u><u>0.096</u></u>	<u><u>0.223</u></u>

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

TPI Polene Public Company Limited and its Subsidiaries  
Statement of changes in equity (Unaudited)

Consolidated financial statements

		Other surpluses			Retained earnings			Other components of equity								
	Note	Issued and paid-up share capital	Share premium on ordinary share	Shareholding changes in Group	Share premium on treasury share	Legal reserve	Treasury shares reserve	Unappropriated	Treasury shares <i>(in thousand Baht)</i>	Translation reserve	Fair value reserve	Share of other comprehensive income of associates using equity method	Total other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Six-month period ended 30 June 2022																
		19,116,500	60,600	9,840,436	220,536	1,209,292	-	17,796,425	-	177	(81)	117,374	117,470	48,371,259	9,190,584	57,561,843
Balance at 1 January 2022																
Transactions with owners, recorded directly in equity																
Contributions by and distributions to owners of the parent																
	8	-	-	-	-	-	365,554	(365,554)	(365,554)	-	-	-	-	(365,554)	-	(365,554)
	11	-	-	-	-	-	-	(1,136,114)	-	-	-	-	-	(1,136,114)	(324,822)	(1,460,936)
		-	-	-	-	-	365,554	(1,501,668)	(365,554)	-	-	-	-	(1,501,668)	(324,822)	(1,826,490)
Total transaction with owners, recorded directly in equity																
Comprehensive income for the period																
		-	-	-	-	-	-	4,225,945	-	-	-	-	-	4,225,945	509,023	4,734,968
		-	-	-	-	-	-	-	-	(177)	(29)	(4,381)	(4,587)	(4,587)	-	(4,587)
Total comprehensive income (expense) for the period																
		-	-	-	-	-	-	4,225,945	-	(177)	(29)	(4,381)	(4,587)	4,221,358	509,023	4,730,381
Balance at 30 June 2022																
		19,126,500	60,600	9,840,436	220,536	1,209,292	365,554	26,570,702	(365,554)	-	(110)	112,993	112,883	51,090,949	9,374,785	60,465,734

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

**TP1 Polene Public Company Limited and its Subsidiaries**  
**Statement of changes in equity (Unaudited)**

**Consolidated financial statements**

	Other surpluses		Retained earnings			Other components of equity						
	Issued and paid-up share capital	Share premium on ordinary share	Shareholding changes in Group	Share premium on treasury share	Legal reserve	Unappropriated	Fair value reserve	Share of other comprehensive income of associates using equity method	Total other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total equity

**TPI Polene Public Company Limited and its Subsidiaries**  
Statement of changes in equity (Unaudited)

	Note	Other surplus				Separate financial statements				Other components of equity				Total equity
		Issued and paid-up share capital	Share premium on ordinary share	Shareholding change in Group	Share premium on treasury share	Legal reserve	Treasury shares reserve (in thousand Baht)	Unappropriated	Treasury shares	Fair value reserve	Share of other comprehensive income of subsidiaries and associates using equity method	Total other components of equity		
Six-month period ended 30 June 2022														
Balance at 1 January 2022														
		19,126,500	60,600	9,840,436	220,536	1,209,292	-	17,796,425	-	(246)	117,716	117,470	48,371,259	
Transaction with owners, recorded directly in equity														
Contributions by and distributions to owners														
	8	-	-	-	-	-	365,554	(365,554)	(365,554)	-	-	-	(365,554)	
	11	-	-	-	-	-	-	(1,136,114)	-	-	-	-	(1,136,114)	
Total transactions with owners, recorded directly in equity														
		-	-	-	-	-	365,554	(1,501,668)	(365,554)	-	-	-	(1,501,668)	
Comprehensive income for the period														
		-	-	-	-	-	-	4,225,945	-	-	-	-	4,225,945	
		-	-	-	-	-	-	-	-	(30)	(4,587)	(4,587)	(4,587)	
Total comprehensive income (expense) for the period														
		-	-	-	-	-	-	4,225,945	-	(30)	(4,587)	(4,587)	4,221,358	
Balance at 30 June 2022														
		19,126,500	60,600	9,840,436	220,536	1,209,292	365,554	20,520,702	(365,554)	(276)	113,159	112,883	51,090,949	

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



**TPI Polene Public Company Limited and its Subsidiaries**  
**Statement of changes in equity (Unaudited)**

	Note	Separate financial statements							Total equity		
		Other surplus		Retained earnings			Other components of equity				
		Issued and paid-up share capital	Share premium on ordinary share	Shareholding change in Group	Share premium on treasury share	Legal reserve	Unappropriated <i>(in thousand Baht)</i>	Fair value reserve		Share of other comprehensive income of subsidiaries and associates using equity method	Total other components of equity
Six-month period ended 30 June 2023											
Balance at 1 January 2023		18,935,235	60,600	9,840,436	220,536	1,559,673	22,681,164	(286)	113,783	113,497	53,411,141
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners of the parent											
Dividends	11	-	-	-	-	-	(1,325,466)	-	-	-	(1,325,466)
Total transaction with owners, recorded directly in equity		-	-	-	-	-	(1,325,466)	-	-	-	(1,325,466)
Comprehensive income for the period											
Profit		-	-	-	-	-	1,816,659	-	-	-	1,816,659
Other comprehensive income (expense)		-	-	-	-	-	-	(35)	(334)	(369)	(369)
Total comprehensive income (expense) for the period		-	-	-	-	-	1,816,659	(35)	(334)	(369)	1,816,290
Balance at 30 June 2023		18,935,235	60,600	9,840,436	220,536	1,559,673	23,172,357	(321)	113,449	113,128	53,901,965

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

**TPI Polene Public Company Limited and its Subsidiaries**  
**Statement of cash flows (Unaudited)**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<b>Six-month period ended</b>		<b>Six-month period ended</b>	
	<b>30 June</b>		<b>30 June</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<i>(in thousand Baht)</i>			
<b><i>Cash flows from operating activities</i></b>				
Profit for the period	2,406,368	4,734,968	1,816,659	4,225,945
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Depreciation and amortisation	1,593,331	1,651,687	954,883	1,011,873
Interest income	(85,549)	(7,100)	(77,077)	(11,829)
Finance costs	951,409	956,971	936,513	941,452
Dividend income	(2)	(9)	(2)	(9)
Unrealised gain on foreign exchange	(146,559)	(178,662)	(156,279)	(136,011)
(Reversal of) expected credit losses	-	(5,970)	-	868
Reversal of losses on decline in value of inventories	(19,907)	(29,824)	(19,907)	(15,270)
Provisions for employee benefits	3,086	-	-	-
(Gain) loss on sale and write-off machinery and equipment	3,367	3,312	2,442	(53,374)
Gain on fair value adjusted	(4,950)	(2,719)	-	(194)
Share of profit of subsidiaries,				
joint venture and associates accounted for using equity method	(11,954)	(9,603)	(1,817,881)	(1,511,495)
Tax expense	155,816	86,229	46,833	8,315
	<u>4,844,456</u>	<u>7,199,280</u>	<u>1,686,184</u>	<u>4,460,271</u>
<b><i>Changes in operating assets and liabilities</i></b>				
Trade accounts receivable	(510,107)	(570,003)	(307,945)	2,163,195
Other receivables	(2,557)	(21,493)	19,108	(32,826)
Receivable and advances to related parties	90,513	61,647	200,451	204,763
Inventories	1,818,248	(505,611)	1,541,048	(148,057)
Other current assets	197,832	(40,073)	(33,076)	(126,781)
Other non-current assets	(27,790)	34,799	664	24,040
Trade accounts payable	(47,514)	1,118,125	150,546	1,101,042
Other payables	(790,911)	(418,762)	(579,694)	(297,181)
Payable and advances from related parties	4,337	3,990	904,349	707,962
Other current liabilities	(19,957)	(84,049)	(60,459)	(49,415)
Provision for employee benefits	(33,296)	(24,708)	(22,378)	(24,708)
Other non-current liabilities	(307)	5,018	-	1,279
Cash generated from operating	<u>5,522,947</u>	<u>6,758,160</u>	<u>3,498,798</u>	<u>7,983,584</u>
Taxes received (paid)	<u>370,662</u>	<u>(99,649)</u>	<u>499,033</u>	<u>(15,357)</u>
<b>Net cash from operating activities</b>	<u><b>5,893,609</b></u>	<u><b>6,658,511</b></u>	<u><b>3,997,831</b></u>	<u><b>7,968,227</b></u>

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

**TPI Polene Public Company Limited and its Subsidiaries**  
**Statement of cash flows (Unaudited)**

	Consolidated		Separate	
	financial statements		financial statements	
	Six-month period ended		Six-month period ended	
	30 June		30 June	
	2023	2022	2023	2022
	(in thousand Baht)			
<b>Cash flows from investing activities</b>				
Interest received	88,713	2,809	83,860	13,248
Dividend received	2	9	1,008,001	818,571
(Increase) decrease in equity and debt instruments	(3,349,546)	3,657,989	-	1,802,208
Acquisition of property, plant and equipment	(3,530,191)	(2,049,757)	(1,677,710)	(1,111,024)
Acquisition of intangible assets	(31,538)	(49,126)	-	(48,310)
Proceeds from sale of intangible asset	4,728	-	4,728	-
Proceeds from sale of machinery and equipment	1,963	4,020	1,931	632,783
Advance payment for plant, machinery and equipment	(713,976)	(501,208)	(66,509)	(106,997)
Acquisition of subsidiary, net of cash acquired	-	-	(349,900)	-
Cash outflow on loans to related parties	-	-	(68,883)	-
Proceeds from repayment of loans to related parties	-	-	380,879	44,153
Cash outflow for decommissioning	-	(1,160)	-	-
<b>Net cash from (used in) investing activities</b>	<b>(7,529,845)</b>	<b>1,063,576</b>	<b>(683,603)</b>	<b>2,044,632</b>
<b>Cash flows from financing activities</b>				
Interest paid	(1,405,681)	(1,230,407)	(1,074,308)	(971,307)
Dividends paid to owners of the Company	(1,325,466)	(1,136,114)	(1,325,466)	(1,136,114)
Dividends paid to non-controlling interests	(299,836)	(324,822)	-	-
Payment of lease liabilities	(116,964)	(89,011)	(71,220)	(55,545)
Increase in short-term loans from financial institutions	2,563,800	906,218	2,563,800	906,218
Proceeds from short-term loan from related party	-	-	1,300,000	700,000
Repayment of short-term loans from related parties	-	-	(1,300,000)	(700,000)
Repayment of long-term loans from financial institutions	-	(428,571)	-	(428,571)
Proceeds from issue of debentures	10,720,000	3,745,000	5,000,000	3,745,000
Repayment of debentures	(9,843,200)	(4,822,000)	(10,023,200)	(4,822,000)
Payment of treasury shares	-	(365,554)	-	(365,554)
<b>Net cash from (used in) financing activities</b>	<b>292,653</b>	<b>(3,745,261)</b>	<b>(4,930,394)</b>	<b>(3,127,873)</b>
<b>Net increase (decrease) in cash and cash equivalents,</b>				
before effect of exchange rates	(1,343,583)	3,976,826	(1,616,166)	6,884,986
Effect of exchange rate changes	119,962	144,208	119,061	108,432
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(1,223,621)</b>	<b>4,121,034</b>	<b>(1,497,105)</b>	<b>6,993,418</b>
Cash and cash equivalents at 1 January	10,671,192	5,668,608	8,043,775	1,157,874
<b>Cash and cash equivalents at 30 June</b>	<b>9,447,571</b>	<b>9,789,642</b>	<b>6,546,670</b>	<b>8,151,292</b>
<b>Non-cash transactions</b>				
Advances of plant, machinery and equipment	1,117,275	566,636	126,617	94,077
Other payables - plant and equipment	644,037	679,502	54,393	183,120
Other non-current liabilities - intangible assets	69,813	69,813	69,813	69,813

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

**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

<b>Note</b>	<b>Contents</b>
1	Basis of preparation of the interim financial statements
2	Related parties
3	Trade accounts receivable
4	Investments in subsidiaries, associates and joint venture
5	Property, plant and equipment
6	Short-term loans from financial institutions
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9	Segment information and disaggregation of revenue
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**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were authorised for issue by the audit committee, as appointed by the Board of Directors of the Company, on 11 August 2023.

**1 Basis of preparation of the interim financial statements**

The condensed interim financial statements are presented in the same format as the annual financial statements together with notes to the interim financial statements on a condensed basis (“interim financial statements”) in accordance with Thai Accounting Standard (TAS) No. 34 *Interim Financial Reporting*, guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The interim financial statements focus on new activities, events and circumstances to avoid repetition of information previously reported in annual financial statements. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2022.

In preparing these interim financial statements, judgements and estimates are made by management in applying the Group’s accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that described in the financial statements for the year ended 31 December 2022.

**2 Related parties**

Relationships with subsidiaries, associates and joint venture that have material changes are described in note 4. Other Related parties which have material changes in relationships and with which the Group had significant transactions during the period were as follows:

<i>Significant transactions with related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
<i>Six-month period ended 30 June</i>	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<b>Subsidiaries</b>				
Sale of goods	-	-	2,934,748	7,764,797
Transportation income	-	-	108,535	91,245
Purchase of raw materials and spare parts	-	-	264,677	271,971
Purchase of electricity	-	-	1,444,508	800,589
Purchase of steam	-	-	18,543	16,935
Purchase of goods for sales promotion	-	-	51,299	50,508
Dividend income	-	-	1,007,999	818,562
Interest income	-	-	2,851	7,570
Interest expense	-	-	3,884	3,658
Other income	-	-	73,850	267,495
Administrative expenses	-	-	14,278	16,349
<b>Associates</b>				
Sale of goods	198	4,357	6	4,167
Purchase of raw materials	264,051	265,460	249,288	247,188
Interest expense	2,241	877	70	88
Other income	3	-	3	-
Insurance premium	9,829	10,039	7,255	8,095

# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and six-month periods ended 30 June 2023 (Unaudited)

<i>Significant transactions with related parties</i> <i>Six-month period ended 30 June</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<b>Joint Venture</b>				
Other income	24	-	24	-
<b>Other related parties</b>				
Sale of goods	2,724	1,170	50	120
Transportation income	71	70	-	4
Interest expense	1,693	2,361	892	1,190
Insurance premium	150,445	128,957	65,845	60,901
Administrative expenses	30,787	30,874	28,472	29,080
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefits	201,380	164,649	151,225	119,705
Post-employment benefits	4,244	1,994	-	-
<b>Total key management personnel compensation</b>	<b>205,624</b>	<b>166,643</b>	<b>151,225</b>	<b>119,705</b>

<i>Balances with related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	<i>(in thousand Baht)</i>			
<b>Trade accounts receivable</b>				
<b>Subsidiaries</b>				
TPI Concrete Co., Ltd.	-	-	435,156	219,228
TPI Polene Power Public Co., Ltd.	-	-	243,445	385,558
TPI All Seasons Co., Ltd.	-	-	298,413	319,237
Polene Silicon Co., Ltd.	-	-	12,663	157,605
TPI Polene Bio Organics Co., Ltd.	-	-	255	10,426
TPI Commercial Co., Ltd.	-	-	4,337	4,364
Thai Nitrate Co., Ltd.	-	-	19	95
<b>Associates</b>				
United Grain Industry Co., Ltd.	184	217	31	36
<b>Other related parties</b>				
Bangkok Union Insurance Public Co., Ltd.	13	37	4	4
Pornchai Enterprise Co., Ltd.	80	164	10	11
Lampang Food Products Co., Ltd.	16	9	16	9
Rayong Forest Co., Ltd.	791	410	-	-
Leophairatana Enterprise Co., Ltd.	1	-	-	-
Hong Yiah Seng Co., Ltd.	1,788	76	251	-
	<b>2,873</b>	<b>913</b>	<b>994,600</b>	<b>1,096,573</b>
<i>Less allowance for expected credit loss</i>	-	-	-	-
<b>Net</b>	<b>2,873</b>	<b>913</b>	<b>994,600</b>	<b>1,096,573</b>

**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

	Interest rate		Separate financial statements			
	1	30	1			30
	January 2023 (% per annum)	June 2023	January 2023	Increase	Decrease	June 2023
<i>(in thousand Baht)</i>						
<b>Short-term loans to related parties</b>						
<b>Subsidiaries</b>						
TPI Polene Bio Organics Co., Ltd.	MLR - 1.5	-	251,096	-	(251,096)	-
TPI Commercial Co., Ltd.	MLR - 1.5	2.125	93,993	33,093	(93,993)	33,093
Master Achieve (Thailand) Co., Ltd.	MLR - 1.5	2.125	19,790	19,790	(19,790)	19,790
TPI Bio Pharmaceuticals Co., Ltd.	MLR - 1.5	-	-	16,000	(16,000)	-
			364,879	68,883	(380,879)	52,883
Accrued interest receivable			1,390	2,854	(3,967)	277
<b>Total</b>			<b>366,269</b>	<b>71,737</b>	<b>(384,846)</b>	<b>53,160</b>
Less allowance for expected credit loss			-			-
<b>Net</b>			<b>366,269</b>			<b>53,160</b>

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
<i>(in thousand Baht)</i>				
<b>Receivables and advances to related parties - current</b>				
<b>Subsidiaries</b>				
TPI Concrete Co., Ltd.	-	-	1,036	973
TPI Polene Power Public Co., Ltd.	-	-	99,882	197,435
TPI All Seasons Co., Ltd.	-	-	36,595	13,473
Polene Silicon Co., Ltd.	-	-	6,571	72,062
TPI Polene Bio Organics Co., Ltd.	-	-	23,858	110,757
TPI Commercial Co., Ltd.	-	-	257	256
TPI Service Co., Ltd.	-	-	141	76
Thai Nitrate Co., Ltd.	-	-	185	186
TPI Polene Power (International) Co., Ltd.	-	-	-	65
Thai Propoxide Co., Ltd.	-	-	-	64
TPI Healthcare Co., Ltd.	-	-	20,126	28,093
TPI Bio Pharmaceuticals Co., Ltd.	-	-	410	121
Master Achieve (Thailand) Co., Ltd.	-	-	56,781	1,876
TPI Distribution Center Co., Ltd.	-	-	-	1
TPI Solar Power Co., Ltd.	-	-	-	1
TPI Wind Power Co., Ltd.	-	-	-	1

# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and six-month periods ended 30 June 2023 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	(in thousand Baht)			
<i>Receivables and advances to related parties - current (continued)</i>				
<b>Associates</b>				
BUI Life Insurance Public Co., Ltd.	7,291	5,317	5,867	4,581
United Grain Industry Co., Ltd.	11	8	11	8
<b>Joint Venture</b>				
E&T Renewable Energy Co., Ltd.	26	164	26	16
<b>Other related parties</b>				
Bangkok Union Insurance Public Co., Ltd.	31,627	123,875	15,910	37,933
Pornchai Enterprise Co., Ltd.	481	521	-	65
Rayong Forest Co., Ltd.	-	65	-	65
TPI Holding Co., Ltd.	1	-	1	-
<b>Total</b>	<b>39,437</b>	<b>129,950</b>	<b>267,657</b>	<b>468,108</b>
Less allowance for expected credit loss	-	-	-	-
<b>Net</b>	<b>39,437</b>	<b>129,950</b>	<b>267,657</b>	<b>468,108</b>

	Consolidated financial statements		Separate financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	(in thousand Baht)			
<i>Long-term investments in related parties</i>				
<b>Related parties</b>				
Pornchai Enterprise Co., Ltd.	45,653	45,653	45,653	45,653

	Consolidated financial statements		Separate financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	(in thousand Baht)			
<i>Receivables and advances to related parties - non-current</i>				
<b>Subsidiary</b>				
Thai Propoxide Co., Ltd.	-	-	421,984	421,984
Less losses recognised using the equity method in excess of the investment	-	-	(904)	(909)
<b>Net</b>	<b>-</b>	<b>-</b>	<b>421,080</b>	<b>421,075</b>



# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and six-month periods ended 30 June 2023 (Unaudited)

In 1997, the Company entered into an agreement to sell land to Thai Propoxide Co., Ltd. (a subsidiary) at the price of Baht 477 million, in consideration for a loan payable by August 2000, with interest of 16%. No payments of principal or interest were subsequently made by the subsidiary and consequently the Company deferred recording the gain on the sale land of Baht 40 million and interest income of Baht 155 million in income, and ceased accrued interest. The deferred gain and interest income are disclosed as non-current liabilities in the statement of financial position of the separate financial statements.

The subsidiary used the land as collateral for a bank loan, the proceeds of which were subsequently loaned to the Company. In 2000 the subsidiary's bank loan was assigned to the Company. Subsequently, in 2011, the land has been released by the bank as collateral and the subsidiary has sold a part of land to the Company and repaid a part of the land loan to the Company of Baht 68 million.

At 30 June 2023, the outstanding amount of accounts receivable from the subsidiary from the sale of land total Baht 422 million and the deferred gain on the sale of Baht 35 million and deferred interest income of Baht 134 million in the statement of financial position of the separate financial statements.

	Consolidated financial statements		Separate financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	<i>(in thousand Baht)</i>			
<b>Trade accounts payable</b>				
<b>Subsidiaries</b>				
TPI Polene Power Public Co., Ltd.	-	-	175,387	36,343
TPI All Seasons Co., Ltd.	-	-	28,523	20,069
TPI Polene Bio Organics Co., Ltd.	-	-	2	-
Thai Nitrate Co., Ltd.	-	-	8,389	8,694
TPI Healthcare Co., Ltd.	-	-	6,785	18,051
<b>Associate</b>				
United Grain Industry Co., Ltd.	2,241	2,424	-	-
Thai Plastic Film Co., Ltd.	128,896	137,187	128,761	136,967
Thai Plastic Products Co., Ltd.	211,735	226,358	206,145	221,512
<b>Total</b>	<b>342,872</b>	<b>365,969</b>	<b>553,992</b>	<b>441,636</b>

	Interest rate Six-month period ended 30 June 2023 <i>(% per annum)</i>	1 January 2023	Separate financial statements		30 June 2023
			Increase	Decrease	
			<i>(in thousand Baht)</i>		
<b>Short-term loans from related parties</b>					
<b>Subsidiaries</b>					
TPI Polene Power Public Co., Ltd.	1.60, 2.45	-	1,100,000	(1,100,000)	-
Thai Nitrate Co., Ltd.	1.60	-	200,000	(200,000)	-
			1,300,000	(1,300,000)	
Accrued interest		-	3,296	(3,296)	-
<b>Total</b>		-	<b>1,303,296</b>	<b>(1,303,296)</b>	-

# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and six-month periods ended 30 June 2023 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	(in thousand Baht)			
<b>Payables and advances from related parties</b>				
<b>Subsidiaries</b>				
TPI Concrete Co., Ltd.	-	-	2,713	1,630
TPI Polene Power Public Co., Ltd.	-	-	1,142,871	244,179
TPI All Seasons Co., Ltd.	-	-	2,140	2,140
TPI Polene Bio Organics Co., Ltd.	-	-	6,738	6,170
TPI Healthcare Co., Ltd.	-	-	4,107	4,099
TPI Bio Pharmaceuticals Co., Ltd.	-	-	1,071	1,187
Master Achieve (Thailand) Co., Ltd.	-	-	6,004	1,987
<b>Associates</b>				
BUI Life Insurance Public Co., Ltd.	3,441	97	3,411	97
United Grain Industry Co., Ltd.	9	10	-	-
Thai Plastic Film Co., Ltd.	2,400	1,944	2,263	1,821
<b>Other related parties</b>				
Pornchai Enterprise Co., Ltd.	1,460	9,757	1,394	8,245
Bangkok Union Insurance Public Co., Ltd.	9,131	105	3,536	77
Hong Yiah Seng Co., Ltd.	228	629	152	629
Rayong Forest Co., Ltd.	7	7	7	7
Saraburi Ginning Mill Co., Ltd.	210	-	210	-
<b>Total</b>	<b>16,886</b>	<b>12,549</b>	<b>1,176,617</b>	<b>272,268</b>

	Consolidated financial statements		Separate financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	(in thousand Baht)			
<b>Current portion of lease liabilities</b>				
<b>Subsidiaries</b>				
TPI Concrete Co., Ltd.	-	-	5,186	5,086
TPI Polene Bio Organics Co., Ltd.	-	-	3,227	3,165
Mondo Thai Co., Ltd.	-	-	235	230
Thai Nitrate Co., Ltd.	-	-	-	771
<b>Associates</b>				
United Grain Industry Co., Ltd.	14,161	11,903	3,791	3,741
<b>Other related parties</b>				
Pornchai Enterprise Co., Ltd.	37,303	36,591	30,747	30,747
Hong Yiah Seng Co., Ltd.	2,590	3,069	1,594	2,095
Rayong Forest Co., Ltd.	24	24	24	24
Saraburi Ginning Mill Co., Ltd.	1,243	1,678	-	459
Leophairatana Enterprise Co., Ltd.	3,961	4,180	-	-
Hong Yiah Seng Real Estates and Investment Co., Ltd.	1,243	1,219	-	-
<b>Total</b>	<b>60,525</b>	<b>58,664</b>	<b>44,804</b>	<b>46,318</b>

# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and six-month periods ended 30 June 2023 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	<i>(in thousand Baht)</i>			
<b>Lease liabilities</b>				
<b>Subsidiaries</b>				
TPI Concrete Co., Ltd.	-	-	2,670	5,288
TPI Polene Bio Organics Co., Ltd.	-	-	1,661	3,290
Mondo Thai Co., Ltd.	-	-	14,929	14,648
<b>Associates</b>				
United Grain Industry Co., Ltd.	80,505	107,147	-	3,052
<b>Other related parties</b>				
Pornchai Enterprise Co., Ltd.	26,082	36,262	20,785	28,522
Hong Yiah Seng Co., Ltd.	1,310	2,351	-	537
Rayong Forest Co., Ltd.	919	961	919	961
Saraburi Ginning Mill Co., Ltd.	1,293	1,920	-	-
Leophairatana Enterprise Co., Ltd.	4,064	6,013	-	-
Hong Yiah Seng Real Estates and Investment Co., Ltd.	1,293	1,920	-	-
<b>Total</b>	<b>115,466</b>	<b>156,574</b>	<b>40,964</b>	<b>56,298</b>

### Significant agreements with related parties

#### (a) Office building lease agreements

The Company and its subsidiary have long-term office building lease agreements with a related company. Previously, the initial lease term for each lease agreement was for 3 years, with the lease being renewable. In July 1999, the Company and a subsidiary entered into a 90 years office building lease agreement with a related company to replace the expired original office building lease agreements in which the Company and a subsidiary made one payment for the whole lease period *(the total rental for the 90 years term of the lease is Baht 40,000 per square meter, equivalent to a monthly rental, before discounting cash flows, of Baht 37 per square meter)*. The annual rental is deducted from the prepaid rentals. Subsequently, on 24 July 2001, the Company and its subsidiary agreed to sign the amendments in addition to the existing office building lease agreements with a related company. The initial period of the lease is for 30 years, commencing from the original date on which the rentals of each respective agreement were prepaid. The related party warranted that the lease would be renewable for another 2 subsequent periods of 30 years under the same conditions, including rental fee as set out in the original agreements.

On 25 August 2006, the Company and its subsidiary registered the lease with the Land Department.

Should either party terminate the lease agreement, the unused prepaid rentals are refundable to the Companies. Both parties agreed in principle to execute a mortgage on the office building as security for the unused prepaid rentals. As at 30 June 2023, there was no mortgage agreement as security for the unused prepaid rentals, so the recoverability of prepaid rentals depends on the ability of the related company to repay.

**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

***(b) Electricity supply agreement***

The Company entered into an electricity supply contract with a subsidiary company, to provide the waste heat to the subsidiary that will be used in the manufacturing process for electricity. The subsidiary company shall supply the electricity to the Company based on certain percentage as specified in the agreement. The agreement shall remain in full force and effect so long as, unless it is terminated by mutual agreement in writing of both parties.

***(c) Significant agreements with related parties***

The Company and its subsidiaries entered into office building service agreements with related parties for 3 years. The details as follows:

	<b>Consolidated financial statements</b>	<b>Separate financial statements</b>
<b><i>At 30 June 2023</i></b>		
	<i>(in thousand Baht)</i>	
<b><i>Non-cancellable service contract commitments</i></b>		
Within one year	44,570	35,803
After one year but within five years	27,213	24,034
<b>Total</b>	<b>71,783</b>	<b>59,837</b>

The subsidiary had made several land rental agreements with its related parties which specified that lessee has to decommission the assets from rental area at the end of contract, causing lessee to set up the decommissioning costs as at 30 June 2023 in amount of Baht 6.2 million (31 December 2022: Baht 5.7 million).

The subsidiary had made several land rental agreements with its related parties which specified that lessee has to decommission the assets from rental area at the end of contract, causing lessee to set up the decommissioning costs as at 31 December 2021 in amount of Baht 269.6 million. Subsequently, on 30 September 2022, both parties agreed to cancel the terms of the delivery of the leased assets and decommission of the agreements.

**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

**3 Trade account receivable**

		Consolidated		Separate	
		financial statements		financial statements	
		30	31	30	31
		June	December	June	December
	Note	2023	2022	2023	2022
		(in thousand Baht)			
Related parties	2	2,873	913	994,600	1,096,573
Other parties		6,144,943	5,592,549	3,290,048	2,836,977
Total		6,147,816	5,593,462	4,284,648	3,933,550
Less allowance for expected credit loss		(33,949)	(33,949)	(33,375)	(33,375)
Net		6,113,867	5,559,513	4,251,273	3,900,175

Aging analyses for trade accounts receivable were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
<i>(in thousand Baht)</i>				
<b>Related parties</b>				
Within credit terms	1,129	723	787,086	766,006
Overdue:				
1 - 30 days	1,075	39	40,934	45,648
31 - 60 days	609	4	31,264	64,260
61 - 90 days	55	18	36,271	60,961
More than 90 days	5	129	99,045	159,698
<b>Total</b>	<b>2,873</b>	<b>913</b>	<b>994,600</b>	<b>1,096,573</b>
Less allowance for expected credit loss	-	-	-	-
<b>Net</b>	<b>2,873</b>	<b>913</b>	<b>994,600</b>	<b>1,096,573</b>
<b>Other parties</b>				
Within credit terms	5,593,092	4,927,888	3,124,847	2,587,836
Overdue:				
1 - 30 days	267,735	290,725	87,808	137,986
31 - 60 days	102,335	110,362	25,405	26,428
61 - 90 days	59,278	70,214	579	12,866
More than 90 days	122,503	193,360	51,409	71,861
<b>Total</b>	<b>6,144,943</b>	<b>5,592,549</b>	<b>3,290,048</b>	<b>2,836,977</b>
Less allowance for expected credit loss	(33,949)	(33,949)	(33,375)	(33,375)
<b>Net</b>	<b>6,110,994</b>	<b>5,558,600</b>	<b>3,256,673</b>	<b>2,803,602</b>
<b>Net total</b>	<b>6,113,867</b>	<b>5,559,513</b>	<b>4,251,273</b>	<b>3,900,175</b>

**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

<i>Expected credit losses</i>	<b>Consolidated</b>		<b>Separate</b>	
<i>For the six-month period ended</i>	<b>financial statements</b>		<b>financial statements</b>	
<i>30 June</i>	2023	2022	2023	2022
		<i>(in thousand Baht)</i>		
- (Reversal) addition - net	-	(5,970)	-	868

The Group requires various customers to provide cash, bank and personal guarantees as collateral.

The normal credit term granted by the Group ranges from 30 days to 120 days.

#### **4 Investments in subsidiaries, associates and joint venture**

##### **Investments in subsidiaries**

<i>Six-month period ended 30 June</i>	<i>Note</i>	<b>Separate</b>	
		<b>financial statements</b>	
		2023	2022
		<i>(in thousand Baht)</i>	
<b><i>Subsidiaries</i></b>			
<b>At 1 January</b>		<b>28,736,575</b>	<b>26,088,167</b>
Increase capital of TPI Commercial Co., Ltd.		59,900	-
Increase capital of TPI Polene Bio Organics Co., Ltd.		200,000	-
Increase capital of TPI Bio Pharmaceuticals Co., Ltd.		90,000	-
Share of profit of subsidiaries		1,807,346	1,501,892
Dividend income	2	(1,007,999)	(818,562)
Share of net profit (losses) recognised using the equity			
method in excess of the investment	2	(5)	77
Share of other comprehensive income (expense) of			
subsidiaries		5	(176)
<b>At 30 June</b>		<b>29,885,822</b>	<b>26,771,398</b>

None of the Company's subsidiaries are publicly listed and consequently do not have published price quotations, except for TPI Polene Power Public Co., Ltd. which is listed on the Stock Exchange of Thailand. Based on the closing price of Baht 3.32 at 30 June 2023 (31 December 2022: Baht 3.40), the fair value of the Company's investment in TPI Polene Power Public Co., Ltd. was Baht 19,588 million (31 December 2022: Baht 20,060 million).

On 9 February 2023, the Company paid for the newly issued ordinary shares of TPI Commercial Company Limited, a subsidiary, amounting to 5.99 million shares with the par value of Baht 10 per share, amounting to Baht 59.90 million.

On 13 February 2023, the Company paid for the newly issued ordinary shares of TPI Polene Bio Organics Company Limited, a subsidiary, amounting to 2 million shares with the par value of Baht 100 per share, amounting to Baht 200 million.

On 10 March 2023, the Company paid for the newly issued ordinary shares of TPI Bio Pharmaceuticals Company Limited, a subsidiary, amounting to 9 million shares with the par value of Baht 10 per share, amounting to Baht 90 million.

**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

Investments in subsidiaries as at 30 June 2023 and 31 December 2022, dividend income from those investments for the six-month period ended 30 June 2023 and 2022, were as follows:

Separate financial statements													
Type of business	Ownership interest	Paid-up capital			Cost			At equity method			Dividend		
											Income for the		
		30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	31 December 2022	six-month period ended 30 June 2023	six-month period ended 30 June 2022
<i>Direct subsidiaries</i>													
TPI Concrete Co., Ltd.	Manufacturing and distributing ready mixed concrete	99.99	99.99	3,700,000	3,700,000	3,699,999	3,699,999	3,699,999	3,021,795	3,029,428	-	-	-
TPI Polene Power Public Co., Ltd.	Distributing gasoline, diesel and natural gas / Manufacturing and distributing electricity and refuse derived fuel (RDF) and organics waste	70.24	70.24	8,400,000	8,400,000	5,899,999	5,899,999	22,383,299	21,686,754	708,000	767,000	-	-
TPI All Seasons Co., Ltd.	Manufacturing and distributing melt sheets	99.99	99.99	450,000	450,000	450,000	450,000	421,687	400,143	-	-	-	-
TPI Polene Bio Organics Co., Ltd.	Manufacturing and distributing organic fertilizer	99.99	99.99	3,500,000	3,300,000	2,854,400	2,654,400	1,743,498	1,555,664	-	-	-	-
Thai Propoxide Co., Ltd.	Manufacturing electricity (dormant)	99.99	99.99	250	250	250	250	-	-	-	-	-	-
Thai Nitrate Co., Ltd.	Manufacturing and distributing nitric acids and ammonium nitrate	99.99	99.99	468,750	468,750	784,409	784,409	2,003,465	1,903,853	299,999	51,562	-	-
TPI Healthcare Co., Ltd.	Manufacturing and distributing products for humans	99.99	99.99	5,050	5,050	4,950	4,950	10,559	8,626	-	-	-	-

**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

Separate financial statements													Dividend
Type of business	Ownership interest	Paid-up capital				Cost			At equity method			Income for the	
		30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	31 December 2022	six-month period ended			
		(%)								30 June 2022			
<i>Direct subsidiaries (continue)</i>													
TPI Commercial Co., Ltd.	Retailing business	99.99	99.94	60,000	100	59,900	-	67,967	6,000	-	-	-	-
TPI Service Co., Ltd.	Construction service	95.10	95.10	4,600	4,600	4,457	4,457	13,694	12,151	-	-	-	-
Master Achieve (Thailand) Co., Ltd.	Manufacturing and distributing factory equipment	99.99	99.99	100,000	100,000	99,931	99,931	92,348	95,573	-	-	-	-
TPI Bio Pharmaceuticals Co., Ltd.	Manufacturing and distributing products for animals	99.99	99.99	95,500	5,500	95,647	5,647	99,122	9,198	-	-	-	-
<i>Indirect subsidiaries</i>													
Mondo Thai Co., Ltd.	Property developing	83.27	83.27	36,000	36,000	10,350	10,350	9,690	9,623	-	-	-	-
Polene Silicon Co., Ltd.	Export and import business	99.98	99.93	10,000	10,000	-	-	18,698	19,562	-	-	-	-
TPI Biomass Power Co., Ltd.	Generate electricity from waste and biomass (dormant)	70.23	70.23	187,500	187,500	-	-	-	-	-	-	-	-
TPI Polene Power (International) Co., Ltd.	Investing in alternative energy business (dormant)	70.23	70.23	100,000	100,000	-	-	-	-	-	-	-	-
TPI Deep Sea Port Co., Ltd.	Port business operation (dormant)	70.23	70.23	25,000	25,000	-	-	-	-	-	-	-	-
TPI Distribution Center Co., Ltd.	Operate business about collecting, storing, and distributing products to consumer (dormant)	70.23	70.23	1,000	1,000	-	-	-	-	-	-	-	-



**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

Type of business	Separate financial statements										Dividend	
	Ownership interest		Paid-up capital		Cost		At equity method		Income for the six-month period ended		30 June 2023	30 June 2022
	30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	30 June 2022		
	(in thousand Baht)											
<i>Indirect subsidiaries (continue)</i>												
TPI Smart City Co., Ltd.	Operate all types of communities and industrial estate (dormant)	70.22	70.22	1,000	1,000	-	-	-	-	-	-	-
TPI Solar Power Co., Ltd.	Generate electricity from solar energy (dormant)	70.23	70.22	100,000	1,000	-	-	-	-	-	-	-
TPI Wind Power Co., Ltd.	Generate electricity from wind energy (dormant)	70.22	70.22	1,000	1,000	-	-	-	-	-	-	-
Total						13,964,292	13,614,392	29,885,822	28,736,575	1,007,999	818,562	

**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

**Investments in associates and joint venture**

<i>Six-month period ended 30 June</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<b>Associates</b>				
<b>At 1 January</b>	<b>856,337</b>	<b>842,539</b>	<b>856,337</b>	<b>842,539</b>
Share of profit (loss) of associates accounted for using equity method	10,535	9,603	10,535	9,603
Share of other comprehensive income (expense) of associates accounted for using equity method	(339)	(4,381)	(339)	(4,381)
<b>At 30 June</b>	<b>866,533</b>	<b>847,761</b>	<b>866,533</b>	<b>847,761</b>
<b>Joint venture</b>				
<b>At 1 January</b>	<b>249,894</b>	-	-	-
Share of loss of joint venture accounted for using equity method	1,419	-	-	-
<b>At 30 June</b>	<b>251,313</b>	-	-	-

The Group has not recognised loss relating to an investment in an indirect associate accounted for using the equity method where its share of loss exceeds the carrying amount of its investment. As at 30 June 2023, the Group's cumulative share of unrecognised loss was Baht 985 million (30 June 2022: Baht 985 million). The Group has no obligation in respect of this loss.

**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

Investments in associates as at 30 June 2023 and 31 December 2022 were as follows:

	Type of business	Ownership interest		Paid-up capital		Consolidated financial statements				At equity method	
		30 June 2023		30 June 2023		Cost				30 June 2023	
		31 December 2022		31 December 2022		31 December 2022				31 December 2022	
		(%)				(in thousand Baht)					
<i>Associates</i>											
BUI Life Insurance Public Co., Ltd.	Life insurance	25.00	25.00	500,000	500,000	125,000	125,000	114,795	119,991		
United Grain Industry Co., Ltd.	Manufacture and sale of packaging	19.00	19.00	550,000	550,000	104,500	104,500	751,738	736,346		
<i>Indirect associates</i>											
Thai Special Steel Industry Public Co., Ltd.	Manufacture and sale of steel (in the process of registering the dissolution)	29.53	29.53	4,220,000	4,220,000	1,246,200	1,246,200	-	-		
Thai Plastic Film Co., Ltd.	Manufacture and sale of packaging	19.00	19.00	40,000	40,000	-	-	-	-		
Thai Plastic Products Co., Ltd.	Manufacture and sale of packaging	19.00	19.00	60,000	60,000	-	-	-	-		
<b>Total</b>						<b>1,475,700</b>	<b>1,475,700</b>	<b>866,533</b>	<b>856,337</b>		
<i>Indirect joint venture</i>											
E&T Renewable Energy Co., Ltd.	Generate electricity from renewable energy	35.11	35.11	250,000	250,000	250,000	250,000	251,313	249,894		
<b>Total</b>						<b>250,000</b>	<b>250,000</b>	<b>251,313</b>	<b>249,894</b>		

**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

Type of business	Separate financial statements					
	Ownership interest		Paid-up capital		Cost	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	31 December 2022
		(%)			(in thousand Baht)	
<i>Associates</i>						
BUI Life Insurance Public Co., Ltd. Life insurance	25.00	25.00	500,000	500,000	125,000	125,000
United Grain Industry Co., Ltd. Manufacture and sale of packaging	19.00	19.00	550,000	550,000	104,500	104,500
<b>Total</b>					<b>229,500</b>	<b>229,500</b>
					<b>866,533</b>	<b>856,337</b>

No dividend distribution from investments in associates held by the Group and the Company during the six-month period ended 30 June 2023 and 2022.

None of the Group's and the Company's associates are publicly listed and consequently do not have published price quotations.

All associates were incorporated in Thailand.

**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

**5 Property, plant and equipment**

<i>For the six-month period ended 30 June 2023</i>	<b>Consolidated financial statements</b> <i>(in thousand Baht)</i>	<b>Separate financial statements</b>
Acquisitions - at cost	4,119,782	1,665,430
Disposals - net book value	(5,330)	(4,374)

**Security**

At 30 June 2023, the Company's land, buildings, machinery and equipment with a net book value of Baht 5,641 million (*31 December 2022: Baht 5,740 million*) are mortgaged or pledged as collateral for the loan.

**Non-current assets classified as held for sale**

The Company has partially disposed of machinery and equipment for production, with a total book value of Baht 260 million. The partial disposal of machinery and equipment for production will be completed within the third quarter of 2023. Therefore, the Company has classified machinery and equipment for production as non-current assets classified as held for sale in the financial statement.

A subsidiary has partially disposed of machinery and equipment for production, with a total book value of Baht 186 million (*31 December 2022: Baht 205 million*). The partial disposal of machinery and equipment for production will be completed within the year 2023. Therefore, the subsidiary has classified machinery and equipment for production as non-current assets classified as held for sale in the financial statement.

**6 Short-term loans from financial institutions**

Movements during the six-month period ended 30 June 2023 of short-term loans from financial institutions were as follows:

	<b>Consolidated and Separate financial statements</b> Promissary Note <i>(in thousand Baht)</i>
At 1 January	4,355,338
Increase - net	2,563,800
<b>At 30 June</b>	<b>6,919,138</b>

**7 Debentures**

As at 30 June 2023, the Group and the Company had the unsecured, unsubordinated debentures in registered form with debentures holders' representative, payable quarterly totalling Baht 67,462 million and Baht 46,255 million, respectively (*31 December 2022: Baht 66,586 million and Baht 51,278 million, respectively*) as follows:

# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and six-month periods ended 30 June 2023 (Unaudited)

### Consolidated financial statements 30 June 2023

Issued Date	The period to maturity within one year	Long-term (in thousand Baht)	Total	Interest Rate (% p.a.)	Term
11 July 2019	-	2,888,000	2,888,000	4.90	5 years 6 months
2 July 2020	4,127,000	-	4,127,000	4.25	3 years 9 months
19 August 2020	-	3,789,600	3,789,600	3.90	3 years 11 months
5 November 2020	-	3,515,300	3,515,300	4.25	4 years
5 November 2020	-	3,410,700	3,410,700	4.50	5 years
4 March 2021	-	4,000,000	4,000,000	4.15	4 years 3 months
30 April 2021	4,000,000	-	4,000,000	3.50	2 years 9 months
10 June 2021	3,000,000	-	3,000,000	3.00	2 years 6 months
8 October 2021	-	3,581,200	3,581,200	3.55	4 years 6 months
8 October 2021	-	4,000,000	4,000,000	3.70	4 years 11 months
12 November 2021	-	4,523,600	4,523,600	3.55	4 years 3 months
30 June 2022	-	3,745,000	3,745,000	4.10	5 years
11 August 2022	-	4,593,000	4,593,000	4.10	5 years
15 November 2022	-	2,532,800	2,532,800	4.25	4 years
15 November 2022	-	2,042,200	2,042,200	4.32	4 years 3 months
15 November 2022	-	2,994,000	2,994,000	4.50	5 years
18 January 2023	-	2,860,000	2,860,000	4.15	3 years 6 months
18 January 2023	-	2,860,000	2,860,000	4.60	5 years
30 March 2023	-	5,000,000	5,000,000	3.90	5 years
<b>Total</b>	<b>11,127,000</b>	<b>56,335,400</b>	<b>67,462,400</b>		

### Separate financial statements 30 June 2023

Issued Date	The period to maturity within one year	Long-term (in thousand Baht)	Total	Interest Rate (% p.a.)	Term
11 July 2019	-	2,888,000	2,888,000	4.90	5 years 6 months
2 July 2020	4,127,000	-	4,127,000	4.25	3 years 9 months
5 November 2020	-	3,515,300	3,515,300	4.25	4 years
5 November 2020	-	3,410,700	3,410,700	4.50	5 years
4 March 2021	-	4,000,000	4,000,000	4.15	4 years 3 months
30 April 2021	4,000,000	-	4,000,000	3.50	2 years 9 months
8 October 2021	-	4,000,000	4,000,000	3.55	4 years 6 months
8 October 2021	-	4,000,000	4,000,000	3.70	4 years 11 months
30 June 2022	-	3,745,000	3,745,000	4.10	5 years
15 November 2022	-	2,532,800	2,532,800	4.25	4 years
15 November 2022	-	2,042,200	2,042,200	4.32	4 years 3 months
15 November 2022	-	2,994,000	2,994,000	4.50	5 years
30 March 2023	-	5,000,000	5,000,000	3.90	5 years
<b>Total</b>	<b>8,127,000</b>	<b>38,128,000</b>	<b>46,255,000</b>		

# **TPI Polene Public Company Limited and its Subsidiaries**

## **Notes to the condensed interim financial statements**

**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

### **8 Treasury shares**

At the Board of Directors meeting held on 23 December 2021, it approved the Company's share repurchase for financial management purposes scheme, the maximum amount for the share repurchase is not greater than Baht 450 million, number of shares repurchased 191.27 million shares, at par value Baht 1 per share, or representing 1% of the total paid-up capital. The repurchase period has started from 10 January 2022 to 10 April 2022.

On 21 January 2022, the Company has completely repurchased the shares under the program of 191.27 million shares at a total cost of Baht 365.55 million.

As at 27 July 2022, the Company registered to decrease capital totalling 191.27 million shares, at par value Baht 1 per share, totalling Baht 191.27 million and registered with the Department of Business Development, the Ministry of Commerce and write-off all treasury shares and treasury shares reserve from equity.

**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

**9 Segment information and disaggregation of revenue**

**(a) Reportable segment results**

Consolidated financial statements								Reportable segment profit (loss) before interest, tax, depreciation, and amortisation
Six-month period ended 30 June		Revenue from external customers		Inter-segment revenue		Total reportable segment revenue		
		2023	2022	2023	2022	2023	2022	
(in thousand Baht)								
Construction Materials	12,929,496	11,931,739	2,798,144	3,520,931	15,727,640	15,452,670	1,090,727	1,923,359
Petrochemical & Chemicals	5,492,268	8,569,626	247,807	4,376,412	5,740,075	12,946,038	1,507,439	3,317,019
Energy & Utilities	4,210,028	4,337,232	1,660,434	1,007,238	5,870,462	5,344,470	2,533,869	2,256,447
Agriculture	58,055	72,012	64,190	74,069	122,245	146,081	9,647	24,422
Total	22,689,847	24,910,609	4,770,575	8,978,650	27,460,422	33,889,259	5,141,682	7,521,247
Other gains (losses)							343	2,203
							5,142,025	7,523,450
Finance costs							(951,409)	(956,971)
Depreciation and amortisation							(1,593,331)	(1,651,687)
Share of profit of associates and joint venture accounted for using equity method							11,954	9,603
Elimination of inter-segment (profit) loss							(47,055)	(103,198)
Profit before income tax expense for the period							2,562,184	4,821,197

Timing of reportable segment revenue recognition of the Group is at a point in time.



# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and six-month periods ended 30 June 2023 (Unaudited)

<i>Six-month period ended 30 June</i>	<b>Consolidated financial statements</b>	
	<b>Reportable segment</b>	
	<b>profit (loss) before tax</b>	
	2023	2022
	<i>(in thousand Baht)</i>	
Construction Materials	(266,674)	116,020
Petrochemical & Chemicals	1,412,290	3,196,002
Energy & Utilities	1,989,204	1,721,526
Agriculture	(8,656)	1,200
<b>Total</b>	<b>3,126,164</b>	<b>5,034,748</b>
Other gains (losses)	(4,514)	892
Finance costs for investment	(542,780)	(146,285)
Elimination of inter-segment (profit) loss	(16,686)	(68,158)
<b>Profit (loss) before income tax expense for the period</b>	<b>2,562,184</b>	<b>4,821,197</b>

### (b) *Reportable segment financial position*

	<b>Consolidated financial statements</b>	
	<b>Segment assets</b>	
	30 June 2023	31 December 2022
	<i>(in thousand Baht)</i>	
Construction Materials	81,832,986	84,542,431
Petrochemical & Chemicals	10,582,374	10,452,895
Energy & Utilities	50,101,095	46,571,295
Agriculture	2,055,463	2,108,930
Others	459,546	587,747
	<b>145,031,464</b>	<b>144,263,298</b>
Unallocated assets	6,959,857	4,286,799
<b>Total</b>	<b>151,991,321</b>	<b>148,550,097</b>
Elimination of inter-segment assets	(4,324,160)	(4,050,669)
<b>Total assets</b>	<b>147,667,161</b>	<b>144,499,428</b>

### (c) *Disaggregation of revenue*

<i>Six-month period ended 30 June</i>	<b>Separate financial statements</b>	
	<b>Revenue from sale of goods</b>	
	2023	2022
	<i>(in thousand Baht)</i>	
Construction Materials	13,099,204	12,230,950
Petrochemical & Chemicals	4,161,004	7,533,182
<b>Total</b>	<b>17,260,208</b>	<b>19,764,132</b>

Timing of revenue recognition of the Company is at a point in time.

**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

**(d) Disaggregation of finance cost**

<i>Six-month period ended 30 June</i>	<b>Separate financial statements</b>	
	<b>Finance cost</b>	
	2023	2022
	<i>(in thousand Baht)</i>	
Construction Materials	360,940	739,640
Petrochemical & Chemicals	32,793	55,527
Investing	542,780	146,285
<b>Total</b>	<b>936,513</b>	<b>941,452</b>

**10 Income tax expense**

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year multiplied by the pre-tax income of the interim reporting period. The Group and the Company's consolidated effective tax rate in respect of continuing operations for the six-month ended 30 June 2023 was 6.08% and 2.51% respectively (30 June 2022 was 1.79% and 0.20% respectively). This change in effective tax rate was caused mainly by the additional deductible expense for tax purposes and expenses not deductible for tax purposes.

**11 Dividends**

	Approval date	Payment schedule	Dividend rate per share <i>(in Baht)</i>	Amount <i>(in million Baht)</i>
<b>2023</b>				
2022 Annual dividend	25 April 2023	18 May 2023	0.07	1,325
<b>2022</b>				
2021 Annual dividend	20 April 2022	17 May 2022	0.06	1,136

# **TPI Polene Public Company Limited and its Subsidiaries**

## **Notes to the condensed interim financial statements**

**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

### **12 Basic earnings per share**

The calculations of basic earnings per share for the six-month period ended 30 June 2023 and 2022 were based on the profit for the period attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the period, after adjusting the treasury shares. The calculations are as follows:

<i>Six-month period ended 30 June</i>	<b>Consolidated and Separate financial statements</b>	
	2023	2022
	<i>(in thousand Baht / thousand shares)</i>	
<b>Profit attributable to ordinary shareholders of the Company (basic)</b>	<b><u>1,816,659</u></b>	<b><u>4,225,945</u></b>
Number of ordinary shares outstanding at 1 January	18,935,235	19,126,500
Effect of treasury shares	-	(174,581)
<b>Weighted average number of ordinary shares outstanding (basic)</b>	<b><u>18,935,235</u></b>	<b><u>18,951,919</u></b>
<b>Earnings per share (basic) <i>(in Baht)</i></b>	<b><u>0.096</u></b>	<b><u>0.223</u></b>

**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

**13 Financial instruments**

***Carrying amounts and fair values***

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, but does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

	Consolidated financial statements				
	Carrying amount		Fair value		
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Financial instruments measured at amortised cost	Total (in thousand Baht)	
<b>At 30 June 2023</b>					
<b>Financial assets</b>					
Other financial assets					
Investment in equity instruments	-	139	-	139	139
Investment in debt instruments	1,404,950	1,215	510,349	1,916,514	1,880,103
<b>Total financial assets</b>	<b>1,404,950</b>	<b>1,354</b>	<b>510,349</b>	<b>1,916,653</b>	
<b>Financial liabilities</b>					
Promissary Note	-	-	6,919,138	6,919,138	6,918,976
Debentures	-	-	67,462,400	67,462,400	67,848,847
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>74,381,538</b>	<b>74,381,538</b>	

**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

	Consolidated financial statements				Fair value		
	(in thousand Baht)						
<i>At 31 December 2022</i>	Financial instruments measured at FVTPL	Carrying amount Financial instruments measured at FVOCI	Financial instruments measured at amortised cost	Total	Level 1	Level 2	Level 3
							Total
<b>Financial assets</b>							
Other financial assets							
Investment in equity instruments	-	183	-	183	183	-	183
Investment in debt instruments	-	1,210	515,301	516,511	-	470,610	470,610
<b>Total financial assets</b>	<b>-</b>	<b>1,393</b>	<b>515,301</b>	<b>516,694</b>			
<b>Financial liabilities</b>							
Promissory Note	-	-	4,355,338	4,355,338	-	4,356,344	4,356,344
Debentures	-	-	66,585,600	66,585,600	-	66,929,768	66,929,768
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>70,940,938</b>	<b>70,940,938</b>			

**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

	Separate financial statements				Fair value		
	Carrying amount		Total (in thousand Baht)	Level 1	Level 2	Level 3	Total
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI					
<b>At 30 June 2023</b>							
<b>Financial assets</b>							
Other financial assets							
Investment in equity instruments	-	139	139	139	-	-	139
Investment in debt instruments	-	-	12,550	-	12,658	-	12,658
<b>Total financial assets</b>	-	<b>139</b>	<b>12,550</b>	<b>12,550</b>	<b>12,658</b>	<b>-</b>	<b>12,658</b>
<b>Financial liabilities</b>							
Promissory Note	-	-	6,919,138	-	6,918,976	-	6,918,976
Debentures	-	-	46,255,000	-	46,742,945	-	46,742,945
<b>Total financial liabilities</b>	-	-	<b>53,174,138</b>	<b>53,174,138</b>	<b>46,742,945</b>	<b>-</b>	<b>46,742,945</b>
<b>At 31 December 2022</b>							
<b>Financial assets</b>							
Other financial assets							
Investment in equity instruments	-	183	183	183	-	-	183
Investment in debt instruments	-	-	12,529	-	12,872	-	12,872
<b>Total financial assets</b>	-	<b>183</b>	<b>12,529</b>	<b>12,712</b>	<b>12,872</b>	<b>-</b>	<b>12,872</b>
<b>Financial liabilities</b>							
Promissory Note	-	-	4,355,338	-	4,356,344	-	4,356,344
Debentures	-	-	51,278,200	-	51,659,611	-	51,659,611
<b>Total financial liabilities</b>	-	-	<b>55,633,538</b>	<b>55,633,538</b>	<b>51,659,611</b>	<b>-</b>	<b>51,659,611</b>

# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and six-month periods ended 30 June 2023 (Unaudited)

The following table presents valuation technique of financial instruments measured at fair value in statement of financial position

Type	Valuation technique
Corporate debt securities / Investments in government bonds guaranteed by the government, classified as financial assets measured at amortised cost	Thai Bond Market Association Government Bond Yield Curve as of the reporting date.
Investments in marketable unit trusts classified as financial assets measured at FVTPL or FVOCI	The net asset value as of the reporting date.
Debentures	A valuation technique incorporating observable market data which is adjusted with counterparty credit risk (excluding own credit risk) and other risks to reflect true economic value.

### 14 Commitments with non-related parties

<i>At 30 June 2023</i>	Consolidated financial statements (in thousand Baht)	Separate financial statements
<b>Capital commitments</b>		
Agreements for construction, machine and equipment	10,357,582	1,303,162
<b>Other commitments</b>		
Short-term lease and services commitments	3,171	-
Unused letters of credit	369,979	369,979
Purchase agreement for raw material	66,555	60,717
Bank guarantees	624,593	276,322
<b>Total</b>	<b>1,064,298</b>	<b>707,018</b>

**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
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**15 Contingent liabilities**

As at 30 June 2023, the Company had the major lawsuits as follows:

- 1) Due to on 20 February 2017, Tham Phra Phothisat Temple (the “Plaintiff”) filed a complaint with the Central Administrative Court (the “Court”) being the Black Case No. Sor. 3/2560, and claimed that Plaintiff is authorized by the Fine Arts Department to be the caretaker of the Phothisat cave (Tham Phra Phothisat), but did not have a written power of attorney, and alleged that the Company’s mining activity caused damage to the engraved images in Phothisat cave. Later, on 2 June 2017, the Court called the Company to be a party (as an interpleader) in the case where the Plaintiff filed a lawsuit against the Minister of the Ministry of Industry, 1<sup>st</sup> Defendant, the Director-General of Department of Primary Industries and Mines, 2<sup>nd</sup> Defendant, Department of Mineral Resources, 3<sup>rd</sup> Defendant and Saraburi Provincial Industry Office, 4<sup>th</sup> Defendant (collectively “Defendants”); claiming that the Defendants’ issuance of Prathanabat to the Company is done in contradiction to regulation of Ministry of Interior on the Conditions and Means of Prathanabat Issuance, under Section 9 of the Land Code B.E. 2497, which such regulation of Ministry of Interior was issued in B.E. 2535; thus, the Plaintiff requested that such Prathanabat issued by the Defendants to “Petrochemical Industry Company Limited” which such Prathanabat was later assigned to the Company, be revoked. Further, the Plaintiff filed a request for an emergency interim measure demanding that the Court orders the Company to stop the blasting of rocks for mining activity, until the decision of this case is reached.

On 3 August 2017, the Court, together with the parties of this case went to examine the location at Phothisat cave and found the Bas-relief art images of Buddha, Shiva god, Narai god, Hermit, etc. located at the front area of the cave; and during the examination at the location, the officer of Fine Arts Department informed that according to the evidences which are the photographed pictures of the art images which were taken in B.E. 2507, B.E. 2508, B.E. 2534, B.E. 2535, B.E. 2559 and B.E. 2560, there is no traces of any changes to the art images based on comparison with those pictures. Further, the Court, together with the parties of this case, examined the area of the Company (interpleader) which was granted with Prathanabat by witnessing the rock blasting activity of the interpleader around 15.30 o’clock, standing approximately 300-400 metres from the area of blasting activity; which at the time of blasting, it made a slightly loud sound, but no vibration was detected. Later, on 8 September 2017, Court denied the Plaintiff’s request for an emergency interim measure for the Company to comply with the order of the 4<sup>th</sup> Defendant.

The 1<sup>st</sup> Defendant submitted a written statement dated 8 May 2017 to the Court, which stated that the 1<sup>st</sup> Defendant is authorized with the power to issue Prathanabat to each applicant in accordance with the Minerals Act, B.E. 2510. The 2<sup>nd</sup> Defendant submitted a written statement dated 4 May 2017 to the Court, which stated that the 2<sup>nd</sup> Defendant was assigned with the administration power from Department of Mineral Resources according to the Reorganization of Ministry, Sub-Ministry, and Department Act, B.E. 2545 and is authorized with the duty to consider the application for Prathanabat which have been submitted to the officials at the local Industry Office, and the 2<sup>nd</sup> Defendant is authorized with the power to grant Prathanabat in accordance with Section 54 of the Minerals Act, B.E. 2510; and after Prathanabat is granted, the 2<sup>nd</sup> Defendant has the duty to control, monitor and inspect that the person whom has been granted with Prathanabat, shall comply with the Minerals Act, B.E. 2510 and the conditions set forth in the annex of Prathanabat. The 3<sup>rd</sup> Defendant submitted a written statement dated 28 March 2017 to the Court, which stated that the presently, the 3<sup>rd</sup> Defendant is not authorized by the laws related to the issuance of Prathanabat, which is due to the Royal Decree on transfer of administration duty and power of the administrative agencies issued according to the Reorganization of Ministry, Sub-Ministry, and Department Act, B.E. 2545, Section 151 which transferred the said duty, power and asset to Department of Primary Industries and Mines (2<sup>nd</sup> Defendant). The Fine Arts Department also submitted a written statement dated 5 April 2017 to the Court, which stated that the Phothisat cave is deemed as ancient monument under Section 4 of Act on ancient monuments, antiques, objects of art and national museum, B.E. 2504 and



# **TPI Polene Public Company Limited and its Subsidiaries**

## **Notes to the condensed interim financial statements**

**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

the Fine Arts Department had already announced the registration of Phothisat cave as ancient monuments in the government gazette since 6 April 1965; and the Fine Arts Department authorized the director of Regional Office of the Arts Department, No.3, Ayutthaya, with the authority to file any complaint to the inquiry officer who has authority in the area, against any wrongdoer. The statement further clarified that on 14 December 2016, the Fine Arts Department had inspected the Phothisat cave and there appeared to be no traces of any damage, nor any damage to the Bas-relief art images from Dvaravati era, e.g. images of Buddha, Narai god, Shiva god or other persons; which are in good order and it was found that the conditions of the other areas within the cave are normal without traces of any damage being caused by the mining activity of the Company.

The fact-finding procedure of the case had ended and the Court had set the first trial date to be 9 September 2020 together with submission of summary of facts from the Judge who presided over this case dated 11 August 2020 and scheduled the date of rendering the Court's decision to be on 30 September 2020.

The Court ruled that the Defendants lawfully issued Prathanabat to "Petrochemical Industry Company Limited" and in accordance with the Land Code and Minerals Act, B.E. 2510, which such Prathanabat was later transferred to the Company, which were done lawfully and legitimately; the mining activity of the Company which is the blasting of rocks according to Prathanabat and using the explosives not exceeding the rate of 130 kilograms, further, the result of vibration or compression level inspection are according to the safety standard, when compared with the standard set forth by the Ministry of Natural Resources and Environment. Additional, the Fine Arts Department also stated that according to the inspection result, there is no additional damage, the Bas-relief art images are in good condition and there is no damage to the area within the cave; thus, the Court has no reason nor cause to issue the order according to the Plaintiff's request and the Court has ruled that the case is dismissed and the Court's order relating to the emergency interim measure dated 8 September 2017 shall be revoked starting from the first day of which the appeal submission period has expired (in case there is no appeal submission) or starting from the date on which the Court has ordered its decision to accept or not accept the appeal (in case there is submission of an appeal), as the case maybe.

The Plaintiff submitted the appeal to the Court on 27 October 2020 and the Court accepted the appeal of the Plaintiff. Therefore, the Court's order dated 8 September 2017 relating to the emergency interim measure ceased to be in effect. The Court allowed the date to submit the answer to the appeal to be within 21 February 2021. The interpleader submitted the answer to the appeal on 5 February 2021.

On 22 March 2023, the Supreme Administrative Court issued a notice advising the parties of the Court's order that 28 April 2023 shall be the date of fact inquiry termination. At the moment, a judge of the Supreme Administrative Court who is the judge rapporteur is in the process of preparing the statement of this case.

- 2) This case is due to the Company received permit to dig the water-well, from Mittraphap Subdistrict Administration Organization and the Company dig the water-well in the Company's own land, in order to preserve the environment and to be used for prevention of fire (the Black Case No. SorWor.2/2561). Later, on 21 June 2018, the Department of Primary Industry and Mines, Ministry of Industry, by representation of the district attorney, the Office of Attorney General (the "Plaintiff"), filed a lawsuit against the Company (the "Defendant") at the Civil Court (the "Court"), claiming the violation in mining activity with the principal amount of claim of Baht 71,566,889.42. The Plaintiff claimed that the Company conducted its shale mining unlawfully in the area in which Prathanabat for such area has not been granted, totaling 2 locations; thus, requesting that the Court to order the Company to return the shale totaling of 249,159.96 metric tons back to the original area and restore the area into its previous condition or pay the compensation consisting of the value of the shale and royalty fee to the government in the amount of Baht 66,650,289.31 together with interest.

**TPI Polene Public Company Limited and its Subsidiaries**  
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The Company plead in its defense that the Plaintiff does not have any authority to file such lawsuit according to the Enhancement and Conservation of National Environmental Quality Act B.E. 2535, the lawsuit is vague, delusive without any evidence and is already time-barred by prescription period; further, the lawsuit is a civil claim in connection with criminal offence, the Plaintiff claimed that the Company conducted unlawful mining activity, however, the claim is fault, the Company did not commit any criminal offence and did not infringe any rights of the Plaintiff, thus, the civil claim does not exist due to non-existence of infringement, the Company has not committed any wrongdoing according to the complaint and is not liable to any claim. The hearing was finished and the Court ordered the date to render the Court's decision to be on 24 March 2020.

On 24 March 2020, the Court ordered the Company to return the shale totaling 249,159.96 metric tons back to the original area and restore the area to its previous condition or pay the compensation consisting of the value of the shale and royalty fee to the government in the amount of Baht 66,650,289.31 together with interest at the rate of 7.5 percent per annum on the said amount, starting from the date of the violation (28 June 2017) until the date of the complaint filing (359 days) making the interest to be Baht 4,916,600.11. Total amount of combined principal and interest is Baht 71,566,289.31. The Court also ordered that the interest on the principal amount of Baht 66,650,289.31, in the rate of 7.5 percent per annum would be paid calculating from the next day after the date of filing of the complaint until the payment is received in full together with the court fees in behalf of the Plaintiff and attorney fee of Baht 80,000.

The Company filed the appeal together with the request for delay of judgement execution on 19 August 2020.

On 20 October 2021, the Civil Court pronounced the judgment of the Court of Appeal in which the Court of Appeal modified the judgment by charging interest at a rate of 5 percent per annum pursuant to the judgment of the Court of First Instance from 11 April 2021 onwards until payment to the Plaintiff in full or by making an adjustment to decrease or increase the interest in accordance with the Royal Decree enacted under newly amended Section 7 of the Civil Procedure Code plus an increasing rate of 2 percent per annum but not exceeding the rate of 7.5 percent per annum as requested by the Plaintiff. Other than the amendment, the judgment of Court of Appeal shall govern.

The Company has applied for permission to lodge an appeal to the Supreme Court challenging the judgment of the Court of Appeal together with a stay of execution pending the appeal to the Supreme Court on 18 February 2022.

On 23 January 2023, the Civil Court made the announcement of the Supreme Court's order, whereby the Supreme Court allowed the Company to submit an appeal to the Supreme Court and accepted the said Company's appeal for consideration. The case is pending a judgement of the Supreme Court.

The complaint of this case described that the lawsuit is a civil claim in connection with the criminal offence for the part concerning the Department of Primary Industry and Mines' filling of report to the inquiry official requesting the inquiry official to commence the criminal proceeding against the Company for unlawful mining activity without permit; and the inquiry official issued the opinion that this case shall not be prosecuted and later on, the District Attorney also concurred and issued the final order that the criminal case will not be prosecuted against the Company, thus, the criminal case is final.

# **TPI Polene Public Company Limited and its Subsidiaries**

## **Notes to the condensed interim financial statements**

**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

- 3) On 20 June 2019, Tham Phra Phothisat Temple (the “Plaintiff”) filed a lawsuit against the Ministry of Industry, as 1<sup>st</sup> defendant and other related persons as co-defendants, totaling 31 persons, in a Black Case No. Sor. 17/2562, which the Company is the 30<sup>th</sup> Defendant in the lawsuit and the Plaintiff also filed request for the Court to order an emergency interim measure, until the decision of this case is reached. Later on, the Court also ordered the Committee of Professional on Environmental Impact Assessment Report (the “Committee”), as the 32<sup>nd</sup> Defendant. The Court has considered and issued the order dated 17 September 2019, to accept the complaint against some of the respondents and denied to accept the complaint against some respondents and some claims (the Court only accept the followings as defendants: Ministry of Industry, as 1<sup>st</sup> Defendant, Minister of Ministry of Industry, as 2<sup>nd</sup> Defendant, Department of Primary Industry and Mines, as 3<sup>rd</sup> Defendant, Director-General of Department of Primary Industry and Mines, as 4<sup>th</sup> Defendant, the Company, as the 30<sup>th</sup> Defendant and the Committee, as the 32<sup>nd</sup> Defendant, respectively). The Court also issued order dated 17 September 2019 which denied the Plaintiff’s request for an emergency interim measure. The Plaintiff claimed to be the authorized person from the Fine Arts Department as caretaker of the Phothisat Cave, but did not have a written power of attorney, but requested to the Court to order that the application for Prathanabat of the Company is unlawful, the Plaintiff also claimed that the resolution of the 32<sup>nd</sup> Defendant which approved the Company’s Environmental Impact Assessment Report for the Company’s mining activity, concealed the facts, thus, unlawful. The Plaintiff requested the Court to order the revocation of the Company’s application for Prathanabat of limestone mining, in which the Company has submitted for approval.

The Defendant submitted written statement of defense which informed the Court that the Plaintiff has no authority to file the complaint and this complaint repeated the complaint filed in Black Case No. Sor.3/2560, and the Company’s application for Prathanabat of limestone mining is lawful and in accordance with the rules, procedures and methods as prescribed by the laws, further, the applied area for Prathanabat is not the restricted area under the laws in respect of Mineral and Forest; and there is an Environmental Impact Assessment Report which have been prepared correctly and completely in accordance with the law in relation to Enhancement and Conservation of National Environmental Quality and law related to Mineral, for application for Prathanabat which have been submitted for approval from the authority. The application for Prathanabat is pending the consideration for approval of the authority and the Company’s application for Prathanabat did not cause any damage or grievance to the Plaintiff, thus, the Defendant requested the Court to dismiss the complaint.

The Company have made and submitted the additional statement of defense to the Court on 14 January 2021, the case is under the process of the Court’s fact finding procedure.

- 4) On 8 July 2015, the Department of Primary Industries and Mines, Ministry of Industry by the representation of the Saraburi Office of District Attorney (the “Plaintiff”) filed a civil lawsuit (the Black Case No. SorWor.4/2559) against the Company (the “Defendant”) with the principle amount of claim in total of Baht 4,066,535,823. The Plaintiff later amended the complaint to increase the amount of claim to be the total of Baht 4,338,558,231.54; claiming that the Company engaged its limestone mining activity in the area outside the designated area under the Prathanabat and requested that the Company returned the limestone ore in total of 31,522,374.26 metric tons and restore the area to be in its previous condition or pay the compensation together with the 7.5 per annum interest.

**TPI Polene Public Company Limited and its Subsidiaries**  
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The Company plead in its statement of defense that the Plaintiff does not have any authority to file such lawsuit according to the Enhancement and Conservation of National Environmental Quality Act B.E. 2535, the lawsuit is vague, delusive without any evidence and is already time-barred by prescription period; further, the lawsuit is a civil claim in connection with criminal offence relating to unlawful mining activity, however, the Company has not committed any criminal offence and did not infringe any rights of the Plaintiff, thus, the civil claim does not exist due to non-existence of infringement, the Company has not committed any wrongdoing according to the complaint and is not liable to any claim, therefore, the Company denied all claims under the complaint. Additionally, the Company also has, in reserve pursuant to the Prathanabat, several hundred million tons of limestone and the said reserves, if not used before the expiration of the Prathanabat, would not be usable after the expiration date, therefore, the Defendant does not have any cause or necessity to the engage in mining activity outside the designated area.

The case was requested to be transferred to the Environmental Law Division of the Civil Court to be jointly considered with other related cases and the Court granted the said request.

On 13 December 2019, the Civil Court ordered the Company to return the limestone ore in total of 31,522,374.26 metric tons back to the area where the mining activity was done and to restore such area to the previous condition or pay the compensation of Baht 4,047,472,854.98 together with the 7.5 percent per annum interest on the said principle amount, calculating from the discovery date of the unlawful mining activity (24 July 2014) until the date of the filing of complaint (350 days) totaling Baht 291,085,376.56 making it Baht 4,338,558,231.54 in total. The Court also ordered the Defendant to pay 7.5 percent per annum interest on the principal of Baht 4,047,472,854.98 counting from the day after the complaint filing date until the payment is made in full.

The Company filed an appeal with the request for a delay of judgement execution on 8 May 2020.

On 17 November 2021, the Civil Court pronounced the judgment of the Court of Appeal in which the Court of Appeal modified the judgment by charging interest at a rate of 5 percent per annum pursuant to the judgment of the Court of First Instance from 11 April 2021 onwards until payment to the Plaintiff in full or by making an adjustment to decrease or increase the interest in accordance with the Royal Decree enacted under newly amended Section 7 of the Civil Procedure Code plus an increasing rate of 2 percent per annum but not exceeding the rate of 7.5 percent per annum as requested by the Plaintiff. Other than the amendment, the judgment of Court of Appeal shall govern. There is no court cost at the appellate level.

The Company has applied for permission to lodge an appeal to the Supreme Court challenging the judgement of the Court of Appeal together with a stay of execution pending the appeal to the Supreme Court on 17 March 2022.

On 22 November 2022, the Civil Court made the announcement of the Supreme Court's order, whereby the Supreme Court allowed the Company to submit an appeal to the Supreme Court and accepted the said Company's appeal for consideration. The case is pending a judgement of the Supreme Court.

The complaint of this case described that the lawsuit is a civil claim in connection with the criminal offence for the part concerning the Department of Primary Industry and Mines's filling of report to the inquiry official requesting the inquiry official to commence the criminal proceeding against the Company for unlawful mining activity without permit; and the inquiry official issued the opinion that this case shall not be prosecuted and later on, the District Attorney also concurred and issued the final order that the criminal case will not be prosecuted against the Company, thus, the criminal case is final.

# **TPI Polene Public Company Limited and its Subsidiaries**

## **Notes to the condensed interim financial statements**

**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

- 5) On 24 March 2016, the Department of Primary Industries and Mines, Ministry of Industry by the representation of the Saraburi Office of District Attorney (the "Plaintiff") filed a civil lawsuit (the Black Case No. SorWor.6/2559) against the Company (the "Defendant") claiming that the Company engaged its limestone mining activity in the area outside the designated area under the Prathanabat. The complaint requested the Company to return the limestone ore of 2,447,906.76 metric tons and restore the area into the previous condition or pay the compensation of Baht 327,680,219.25 together with 7.5 percent per annum interest.

The Company plead in its defense that the Plaintiff does not have any authority to file such lawsuit according to the Enhancement and Conservation of National Environmental Quality Act B.E. 2535, the lawsuit is vague, delusive without any evidence and is already time-barred by prescription period; further, the lawsuit is a civil claim in connection with criminal offence relating to unlawful mining activity, however, the Company has not committed any criminal offence and did not infringe any rights of the Plaintiff, thus, the civil claim does not exist due to non-existence of infringement, the Company has not committed any wrongdoing according to the complaint and is not liable to any claim, therefore, the Company denied all claims under the complaint. Additionally, the Company also has, in reserve pursuant to the Prathanabat, several hundred million tons of limestone and the said reserves, if not used before the expiration of the Prathanabat, would not be usable after the expiration date, therefore, the Defendant does not have any cause or necessity to the engage in mining activity outside the designated area.

The case was requested to be jointly considered with other related cases and the Court granted the said request.

On 13 December 2019, the Civil Court ordered the Company to return the limestone ore for cement industry, in total of 2,447,906.76 metric tons back to the area where the mining activity was done and restore such area to the previous condition or pay the compensation of Baht 314,311,227.98 together with the 7.5 percent per annum interest, calculating from the discovery date of the unlawful mining activity (31 August 2015) until the date of the filing of complaint (207 days) totaling Baht 13,368,991.27 making it Baht 327,680,219.25 in total. The Court also ordered the Defendant to pay 7.5 percent per annum interest on the principal of Baht 314,311,227.98 counting from the day after the complaint filing date until the payment is made in full and ordered that the Defendant pay the court fees on the Plaintiff's behalf (court fee shall be calculated from the amount of claim ordered in favour of the Plaintiff) and to pay the attorney fee of Baht 100,000.

The Company filed an appeal with the request for a delay of judgement execution on 8 May 2020.

On 17 November 2021, the Civil Court pronounced the judgment of the Court of Appeal in which the Court of Appeal modified the judgment by charging interest at a rate of 5 percent per annum pursuant to the judgment of the Court of First Instance from 11 April 2021 onwards until payment to the Plaintiff in full or by making an adjustment to decrease or increase the interest in accordance with the Royal Decree enacted under newly amended Section 7 of the Civil Procedure Code plus an increasing rate of 2 percent per annum but not exceeding the rate of 7.5 percent per annum as requested by the Plaintiff. Other than the amendment, the judgment of Court of Appeal shall govern. There is no court cost at the appellate level.

The Company has applied for permission to lodge an appeal to the Supreme Court challenging the judgement of the Court of Appeal together with a stay of execution pending the appeal to the Supreme Court on 17 March 2022.

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On 22 November 2022, the Civil Court made the announcement of the Supreme Court's order, whereby the Supreme Court allowed the Company to submit an appeal to the Supreme Court and accepted the said Company's appeal for consideration. The case is pending a judgement of the Supreme Court.

The complaint of this case described that the lawsuit is a civil claim in connection with the criminal offence for the part concerning the Department of Primary Industry and Mines' filing of report to the inquiry official requesting the inquiry official to commence the criminal proceeding against the Company for unlawful mining activity without permit; and the inquiry official issued the opinion that this case shall not be prosecuted and later on, the District Attorney also concurred and issued the final order that the criminal case will not be prosecuted against the Company, thus, the criminal case is final.

- 6) On 24 March 2016, the Department of Primary Industries and Mines, Ministry of Industry by the representation of the Saraburi Office of District Attorney (the "Plaintiff") filed a civil lawsuit (the Black Case No. SorWor.5/2559) against the Company (the "Defendant") in the civil case claiming for compensation totaling Baht 1,671,128,829.14 stating that the Company engaged its limestone mining activity unlawfully (engaged in the mining restricted area) demanding that the ore totaling 12,484,023.50 metric tons be returned and the area be restored into its previous condition or pay the compensation together with the 7.5 percent per annum interest.

The Company plead in its statement of defense that the Plaintiff does not have any authority to file such lawsuit according to the Enhancement and Conservation of National Environmental Quality Act B.E. 2535, the lawsuit is vague, delusive without any evidence and is already time-barred by prescription period; further, the lawsuit is a civil claim in connection with criminal offence relating to unlawful mining activity, however, the Company has not committed any criminal offence and did not infringe any rights of the Plaintiff, thus, the civil claim does not exist due to non-existence of infringement, the Company has not committed any wrongdoing according to the complaint and is not liable to any claim, therefore, the Company denied all claims under the complaint. Additionally, the Company also has, in reserve pursuant to the Prathanabat, several hundred million tons of limestone and the said reserves, if not used before the expiration of the Prathanabat, would not be usable after the expiration date, therefore, the Defendant does not have any cause or necessity to the engage in mining activity outside the designated area.

On 2 August 2019, the Court ordered the Company to return the limestone for cement industry totaling 12,484,023.50 metric tons back to the area where the mining activity was done and restore such area to the previous condition or pay the compensation of Baht 1,602,948,617.40 together with the interest of 7.5 percent per annum of such amount calculating from the date of being notified of the land survey result (31 August 2015) until the date of the filing of complaint (207 days) making the interest to be Baht 68,180,211.74, making it Baht 1,671,128,829.14 in total, together with payment of 7.5 percent per annum interest on the principle amount of Baht 1,602,948,617.40 counting from the day after the complaint filing date until the payment is made in full and ordered that the Defendant pay the court fees on the Plaintiff's behalf (court fee shall be calculated from the amount of claim ordered in favour of the Plaintiff) and to pay the attorney fee of Baht 200,000.

The Company does not agree with the decision of the Court of the First Instance and filed the appeal together with the request for a delay of judgement execution on 3 December 2019. The case is pending the consideration of the Court of Appeal. The Court makes an appointment for the hearing of a judgement or order of the Court of Appeal on 10 May 2022.

# **TPI Polene Public Company Limited and its Subsidiaries**

## **Notes to the condensed interim financial statements**

**For the three-month and six-month periods ended 30 June 2023 (Unaudited)**

On 10 May 2022, The Civil Court pronounced the judgment of the Court of Appeal in which the Court of Appeal modified the judgment by charging interest at a rate of 5 percent per annum pursuant to the judgment of the Court of First Instance from 11 April 2021 onwards until payment to the Plaintiff in full or by making an adjustment to decrease or increase the interest in accordance with the Royal Decree enacted under newly amended Section 7 of the Civil Procedure Code plus an increasing rate of 2 percent per annum but not exceeding the rate of 7.5 percent per annum as requested by the Plaintiff. Other than the amendment, the judgment of Court of Appeal shall govern. There is no court cost at the appellate level. The future court fee on entry of a complaint of Baht 100 baht shall be paid back to the defendant. The defendant shall be required to pay for the appellate fees on behalf of the plaintiff together with an attorney fee imposed at Baht 200,000.

The Company has applied for permission to lodge an appeal to the Supreme Court challenging the judgement of the Court of Appeal together with a stay of execution pending the appeal to the Supreme Court on 12 October 2022. The Civil Court has issued an appointment notice for hearing an order of the Supreme Court whether to permit the Supreme Court appeal on 14 September 2023. If the Supreme Court orders permitting the Company to lodge the Supreme Court appeal, the Civil Court will order the plaintiff to make a further reply to the Supreme Court appeal within a prescribed period.

- 7) On 2 March 2017, the Department of Primary Industries and Mines, Ministry of Industry by the representation of the district attorney of the Office of the Attorney General (the "Plaintiff"), filed a complaint against the Company (the "Defendant") at the Civil Court, Environmental Law Department (the Black Case No. SorWor.1/2560) with the lawsuit amount of Baht 344,882,135.15 claiming that the Company partially engaged its mining activity in the area designated in the Prathanabat unlawfully requesting that the shale totaling 1,220,559.82 metric tons be returned to the area and the area be restored into its previous condition or to pay compensation together with the 7.5 percent per annum interest.

The Company plead in its statement of defense that the Plaintiff does not have any authority to file such lawsuit according to the Enhancement and Conservation of National Environmental Quality Act B.E. 2535, the lawsuit is vague, delusive without any evidence and is already time-barred by prescription period; further, the lawsuit is a civil claim in connection with criminal offence relating to unlawful mining activity, however, the Company has not committed any criminal offence and did not infringe any rights of the Plaintiff, thus, the civil claim does not exist due to non-existence of infringement, the Company has not committed any wrongdoing according to the complaint and is not liable to any claim, therefore, the Company denied all claims under the complaint. Additionally, the Company also has, in reserve pursuant to the Prathanabat, several hundred million tons of limestone and the said reserves, if not used before the expiration of the Prathanabat, would not be usable after the expiration date, therefore, the Defendant does not have any cause or necessity to the engage in mining activity outside the designated area.

On 13 December 2019, the Civil Court ordered the Company to return the shale for cement production industry totaling 1,220,559.82 metric tons back to the area where the mining activity was done and restore such area to the previous condition or pay the compensation consisting of the value of the shale and royalty fee to the government in the amount totaling Baht 326,499,751.86 together with 7.5 percent per annum interest calculating from the date of the violation (2 June 2016) until the date of the complaint filing (274 days) making the interest to be Baht 18,382,383.29. The total amount from combining the principal and interest, is the amount of Baht 344,882,135.15. The Court also ordered that the interest on the principal amount of Baht 326,499,751.86 in the rate of 7.5 percent per annum be paid counting from the day after the complaint filing date until the payment is made in full together with the court fees in behalf of the Plaintiff and attorney fee of Baht 200,000.

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The Company filed the appeal with the request for delay of judgement execution to Court on 5 June 2020. On 24 June 2021, the Civil Court pronounced the judgment of the Court of Appeal in which the Court of Appeal modified the judgment by charging interest at a rate of 5 percent per annum pursuant to the judgment of the Court of First Instance from 11 April 2021 onwards until payment to the Plaintiff in full or by making an adjustment to decrease or increase the interest in accordance with the Royal Decree enacted under newly amended Section 7 of the Civil Procedure Code plus an increasing rate of 2 percent per annum but not exceeding the rate of 7.5 percent per annum as requested by the Plaintiff. Other than the amendment, the judgment of Court of Appeal shall govern. There is no court cost at the appellate level.

The Company has applied for permission to lodge an appeal to the Supreme Court challenging the judgment of the Court of Appeal together with a stay of execution pending the appeal to the Supreme Court on 9 November 2021.

On 15 November 2022, the Civil Court made the announcement of the Supreme Court's order, whereby the Supreme Court allowed the Company to submit an appeal to the Supreme Court and accepted the said Company's appeal for consideration. The case is pending a judgement of the Supreme Court.

The complaint of this case described that the lawsuit is a civil claim in connection with the criminal offence for the part concerning the Department of Primary Industry and Mines' filling of report to the inquiry official requesting the inquiry official to commence the criminal proceeding against the Company for unlawful mining activity without permit; and the inquiry official issued the opinion that this case shall not be prosecuted and later on, the District Attorney also concurred and issued the final order that the criminal case will not be prosecuted against the Company, thus, the criminal case is final.

Incidentally, the information regarding cases 1) - 7) above are under the consideration of the court, the above cases are not final. The Company and the legal advisors hereby opines that based on the evidence and information the Company possesses, the Company did not commit any wrongful acts against the plaintiff as detailed in the complaints; the plaintiff claimed that the defendant committed wrongful action against the plaintiff, therefore, the plaintiff has the burden of proof to prove that the defendant had committed such act as the plaintiff claimed and since the plaintiff had not presented the evidences which show that in fact, the defendant had committed wrongful act against the plaintiff, the, the court could consider to dismiss the case. However, the judgment depends on the consideration and discretion of the court. As at 30 June 2023, the outcome of lawsuit is not yet final, the Company has not recorded a provision for liability of lawsuit in the financial statements.

- 8) On 16 December 2019, individuals in total of 222 people sued Energy Regulatory Commission (ERC) et al to the Central Administrative Court which a subsidiary was listed as the 5<sup>th</sup> Defendant. The Plaintiffs requested that the approval of Environmental and Health Impact Assessment (EHIA) report for the project of 150 megawatts thermal power plant, the license to operate electricity generating business and the construction approval of the subsidiary be revoked. The Plaintiffs also requested that the Court take evidence out of Court and issued an interim measure and ordering that the electricity generating system be temporarily stopped until the final decision is reached.

On 25 December 2019, the Court inquired both Parties in considering the request for interim measure and rendered its decision on 28 January 2020 denied the request for interim measure due to the lack of reason to believe that the license to operate electricity generating business of the subsidiary is unlawful.



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On 31 January 2020, the Court issued an order accepting the complaint and requesting the subsidiary to file the answer. The lawyer submitted the answer to Court on 1 July 2020.

On 7 December 2020, the Court sent the objection to the answer of the 5<sup>th</sup> Defendant and requested the subsidiary to submit additional answer to the Court within the prescribed period. The subsidiary submitted the additional answer to the Court on 12 March 2021, the case is under the Court consideration.

The subsidiary's legal consultant considered the complaint and its appendixes and hereby opines that the subsidiary lawfully and transparently received the license to operate the electricity generating business and the construction approval from the competent authorities, in accordance with the applicable laws and that the relevant public official have lawfully and honestly performed their duties without any conflict of interest in issuing the said license. The complaint of the Plaintiffs is untrue. As the case is in the preparation for answer, the subsidiary has causes to relieve itself of any liability generated from the complaint depending on the Central Administrative Court Decision. Moreover, the subsidiary has pressed charges against the 222 Plaintiffs to the Muak Lek police station, Saraburi, for taking the false information to charge the person in the Court. The case is under the investigation of the police.

For all above lawsuit, the Group's legal consultant opines that, based on the Company's evidences and information, the Company has a chance to defend itself in the court trial depending on the consideration of each courts.

## **16 Others**

- 1) The subsidiary is a power company that produces electricity by turning community municipal solid waste to energy, which is clean and green energy. The subsidiary has participated in the Thailand Voluntary Emission Reduction Program, according to Thai standards, which is a waste management project ("T-VER"), with the Thailand Greenhouse Gas Management Organization ("TGO").

At the end of year 2021, the subsidiary registered with the TGO to apply for the reduction of greenhouse gases, which subsequently TGO has certified the reduction of greenhouse gases (carbon credit) for the subsidiary's project of 82,056 tons of carbon dioxide equivalent, and after sale of 34,690 tons of carbon dioxide equivalent, the subsidiary has the balance of 47,366 tons of carbon dioxide equivalent.

Subsequently, on 24 May 2022, TGO has certified the reduction of greenhouse gases (carbon credit) for the subsidiary's project for the period from 1 May 2017 to 31 December 2020, increased by 717,931 tons of carbon dioxide equivalent. As a result, the subsidiary has the balance of 765,297 tons of carbon dioxide equivalent.

Subsequently, on 28 April 2023, the subsidiary was certified for reduced greenhouse gas emissions (Carbon credits) increased by 462,797 tons of carbon dioxide equivalents. As a result, the subsidiary has total carbon credits of 1,228,094 tons of carbon dioxide equivalent.

In 2022, the subsidiary used approximately 2.73 million tons of all types of waste as fuel in the Company's power plants and Cement Plants of TPI Polene Public Company Limited, which can reduce greenhouse gas emissions or carbon reductions by approximately 6.34 million tons of carbon dioxide equivalent. The subsidiary is currently applying to TGO for approval for the reduction of greenhouse gases (carbon credit) for these new projects.

# **TPI Polene Public Company Limited and its Subsidiaries**

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- 2) From December 2021 until the second quarter 2023, the Company has been granted limestone and shale concession for the manufacturing of cement industry from the Department of Primary Industries and Mines, Ministry of Industry, totaling 24 plots, with long-term concession period of 25 - 30 years for total areas of 6,375 Rai, with limestone and shale reserves of 388,017,000 tons and 43,043,400 tons, respectively, totaling 431,060,400 tons (average of 15.97 million tons per year).

