

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

Condensed interim financial statements  
for the three-month and nine-month periods ended  
30 September 2022  
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 September 2022; the consolidated and separate statements of comprehensive income for the three-month and nine-month periods ended 30 September 2022, changes in equity and cash flows for the nine-month period ended 30 September 2022; 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 case is pending a judgement of the Supreme Court.
- 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 year 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. On 17 November 2021, the Black Case No. SorWor.4/2559 and the Black Case No. SorWor.6/2559, the Court of Civil, by reading the Court of Appeal's judgement, announced a revision of the calculation of interest. On 17 March 2022, 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. The case is pending a judgement of the Supreme Court. For the Black Case No. SorWor.1/2560, the Court of Civil, by reading the Court of Appeal's judgement on 24 June 2021, 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 judgment of the Court of Appeal together with a stay of execution pending the appeal to the Supreme Court on 9 November 2021. 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 year from the date of violation of mining to the date that payment is made in full. On 20 October 2021, 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 judgment of the Court of Appeal together with a stay of execution pending the appeal to the Supreme Court on 18 February 2022. 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.

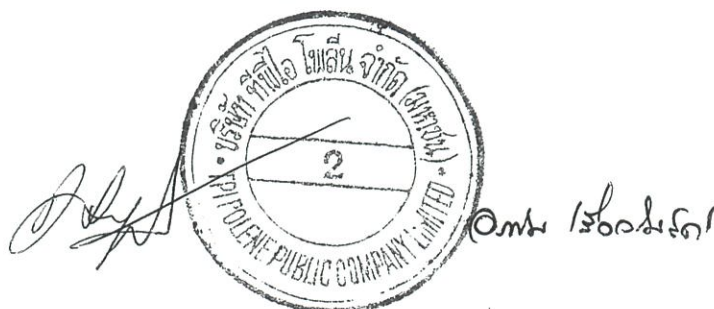
(Bunyarit Thanormcharoen)  
Certified Public Accountant  
Registration No. 7900

KPMG Phoomchai Audit Ltd.  
Bangkok  
14 November 2022

# TPI Polene Public Company Limited and its Subsidiaries

## Statement of financial position

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 September	31 December	30 September	31 December
		2022	2021	2022	2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
(in thousand Baht)					
Current assets					
Cash and cash equivalents		3,646,907	5,668,608	1,843,173	1,157,874
Trade accounts receivable	2, 3	6,694,980	5,965,998	4,808,162	8,657,063
Other receivables		916,246	952,730	590,635	585,366
Short-term loans to related parties	2	-	-	373,044	418,380
Receivables and advances to related parties	2	168,920	94,889	692,593	470,831
Inventories		19,013,919	15,715,380	15,337,891	12,653,929
Other current financial assets	13, 18	5,192,716	5,995,446	-	2,502,208
Other current assets		948,526	638,477	565,700	203,274
Non-current assets classified as held for sale	5	465,338	-	260,244	-
Total current assets		37,047,552	35,031,528	24,471,442	26,648,925
Non-current assets					
Other non-current financial assets	13, 18	522,914	520,319	19,133	18,447
Investments in associates	4	850,861	842,539	850,861	842,539
Investments in subsidiaries	4	-	-	28,269,764	26,088,167
Long-term investments in related party	2	45,653	45,653	45,653	45,653
Receivables and advances to related parties	2	-	-	421,122	421,115
Investment properties		588,912	585,740	130,516	130,516
Property, plant and equipment	5	98,820,721	96,366,052	54,951,477	54,802,393
Right-of-use assets		581,777	652,953	363,616	359,483
Intangible assets		702,085	660,155	699,067	657,712
Advances payment for plant, machinery and equipment		654,272	240,381	75,671	108,361
Deferred tax assets		517,206	545,114	275,872	291,195
Other non-current assets		216,871	223,164	145,720	163,737
Total non-current assets		103,501,272	100,682,070	86,248,472	83,929,318
Total assets		140,548,824	135,713,598	110,719,914	110,578,243



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 September	31 December	30 September	31 December
Liabilities and equity	Note	2022	2021	2022	2021
		(Unaudited)		(Unaudited)	
		(in thousand Baht)			
<i>Current liabilities</i>					
Short-term loans from financial institutions	6, 13	2,790,169	3,391,674	2,790,169	3,391,674
Trade accounts payable	2	5,436,492	3,616,626	4,990,953	3,155,688
Other payables		3,189,736	2,961,175	2,060,606	2,312,691
Payables and advances from related parties	2	53,619	7,513	1,056,250	984,447
Current portion of long-term loans from financial institutions		285,714	1,000,000	285,714	1,000,000
Current portion of lease liabilities	2	150,756	157,073	103,336	97,055
Current portion of debentures	7, 13	13,843,200	12,565,000	10,023,200	8,567,000
Interest payable		353,728	383,089	268,601	324,667
Current income tax payable		71,577	72,562	-	-
Other current liabilities		162,093	251,152	54,125	93,905
<b>Total current liabilities</b>		<b>26,337,084</b>	<b>24,405,864</b>	<b>21,632,954</b>	<b>19,927,127</b>
<i>Non-current liabilities</i>					
Lease liabilities	2	285,858	350,856	153,028	150,222
Debentures	7, 13	49,173,400	50,678,600	33,686,000	39,964,200
Deferred tax liabilities		38,623	43,694	-	-
Non-current provisions for employee benefit		2,231,172	2,257,704	1,892,642	1,919,174
Other non-current liabilities	2	130,507	415,037	238,344	246,261
<b>Total non-current liabilities</b>		<b>51,859,560</b>	<b>53,745,891</b>	<b>35,970,014</b>	<b>42,279,857</b>
<b>Total liabilities</b>		<b>78,196,644</b>	<b>78,151,755</b>	<b>57,602,968</b>	<b>62,206,984</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

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 September	31 December	30 September	31 December
		2022	2021	2022	2021
		(Unaudited)		(Unaudited)	
		(in thousand Baht)			
Equity					
Share capital:					
Authorised share capital		23,751,500	23,751,500	23,751,500	23,751,500
Issued and paid-up share capital		18,935,235	19,126,500	18,935,235	19,126,500
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		1,209,292	1,209,292	1,209,292	1,209,292
Treasury shares reserve	8	-	-	-	-
Unappropriated		22,740,761	17,796,425	22,740,761	17,796,425
Treasury shares	8	-	-	-	-
Other components of equity		110,086	117,470	110,086	117,470
Equity attributable to owners of the parent		53,116,946	48,371,259	53,116,946	48,371,259
Non-controlling interests		9,235,234	9,190,584	-	-
Total equity		62,352,180	57,561,843	53,116,946	48,371,259
Total liabilities and equity		140,548,824	135,713,598	110,719,914	110,578,243

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 September		30 September	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<b>Revenue</b>				
Revenue from sales of goods	12,523,120	9,013,191	9,754,609	6,861,454
Cost of sales of goods	<u>(9,095,354)</u>	<u>(6,260,157)</u>	<u>(7,329,652)</u>	<u>(5,314,119)</u>
<b>Gross profit</b>	<b>3,427,766</b>	<b>2,753,034</b>	<b>2,424,957</b>	<b>1,547,335</b>
Transportation income	358,021	323,771	394,485	271,703
Net foreign exchange gain	133,383	152,886	133,752	-
Investment income	14,389	11,869	13,134	17,049
Other income	<u>187,429</u>	<u>62,695</u>	<u>169,783</u>	<u>184,408</u>
<b>Profit before expenses</b>	<b>4,120,988</b>	<b>3,304,255</b>	<b>3,136,111</b>	<b>2,020,495</b>
Cost of distributions and transportations	(891,391)	(705,492)	(845,616)	(651,499)
Administrative expenses	(500,177)	(456,797)	(302,406)	(270,091)
Net foreign exchange loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>(45,496)</u>
<b>Total expenses</b>	<b>(1,391,568)</b>	<b>(1,162,289)</b>	<b>(1,148,022)</b>	<b>(967,086)</b>
<b>Profit from operating activities</b>	<b>2,729,420</b>	<b>2,141,966</b>	<b>1,988,089</b>	<b>1,053,409</b>
Finance costs	(479,636)	(487,055)	(464,621)	(446,717)
Share of profit of subsidiaries accounted for using equity method	-	-	506,450	719,979
Share of profit of associates accounted for using equity method	<u>5,892</u>	<u>4,078</u>	<u>5,892</u>	<u>4,078</u>
<b>Profit before income tax expense</b>	<b>2,255,676</b>	<b>1,658,989</b>	<b>2,035,810</b>	<b>1,330,749</b>
Tax expense	<u>(66,598)</u>	<u>(169,986)</u>	<u>(7,016)</u>	<u>(122,397)</u>
<b>Profit for the period</b>	<b>2,189,078</b>	<b>1,489,003</b>	<b>2,028,794</b>	<b>1,208,352</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)**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	Three-month period ended		Three-month period ended	
	30 September		30 September	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<b>Other comprehensive income (expense)</b>				
<i>Items that will be reclassified subsequently to profit or loss</i>				
Exchange differences on translating financial statements	-	195	-	-
Gain on measurement of financial assets	-	-	-	-
Share of other comprehensive income (expense) of subsidiaries accounted for using equity method	-	-	-	195
Share of other comprehensive income (expense) of associates accounted for using equity method	(2,792)	1,360	(2,792)	1,360
Income tax relating to items that will be reclassified	-	-	-	-
<b>Total items that will be reclassified subsequently to profit or loss</b>	<b>(2,792)</b>	<b>1,555</b>	<b>(2,792)</b>	<b>1,555</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	(6)	-	(6)	-
Income tax relating to items that will not be reclassified	1	-	1	-
<b>Total items that will not be reclassified to profit or loss</b>	<b>(5)</b>	<b>-</b>	<b>(5)</b>	<b>-</b>
<b>Other comprehensive income (expense) for the period, net of tax</b>	<b>(2,797)</b>	<b>1,555</b>	<b>(2,797)</b>	<b>1,555</b>
<b>Total comprehensive income for the period</b>	<b>2,186,281</b>	<b>1,490,558</b>	<b>2,025,997</b>	<b>1,209,907</b>
<b>Profit attributable to:</b>				
Owners of the parent	2,028,794	1,208,352	2,028,794	1,208,352
Non-controlling interests	160,284	280,651	-	-
<b>Profit for the period</b>	<b>2,189,078</b>	<b>1,489,003</b>	<b>2,028,794</b>	<b>1,208,352</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	2,025,997	1,209,907	2,025,997	1,209,907
Non-controlling interests	160,284	280,651	-	-
<b>Total comprehensive income for the period</b>	<b>2,186,281</b>	<b>1,490,558</b>	<b>2,025,997</b>	<b>1,209,907</b>
<b>Basic earnings per share (in Baht)</b>	<b>0.107</b>	<b>0.063</b>	<b>0.107</b>	<b>0.063</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	
		Nine-month period ended		Nine-month period ended	
		30 September		30 September	
	Note	2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
<b>Revenue</b>					
Revenue from sales of goods	9	37,433,729	28,350,055	29,518,741	20,723,178
Cost of sales of goods		<u>(27,032,266)</u>	<u>(19,230,617)</u>	<u>(22,427,228)</u>	<u>(15,895,407)</u>
<b>Gross profit</b>		<b>10,401,463</b>	<b>9,119,438</b>	<b>7,091,513</b>	<b>4,827,771</b>
Transportation income		1,154,854	1,004,367	1,079,741	912,441
Net foreign exchange gain		600,330	384,016	411,917	-
Investment income		41,791	40,834	42,676	59,130
Other income		<u>655,674</u>	<u>399,074</u>	<u>571,690</u>	<u>388,601</u>
<b>Profit before expenses</b>		<b>12,854,112</b>	<b>10,947,729</b>	<b>9,197,537</b>	<b>6,187,943</b>
Cost of distributions and transportations		(2,963,759)	(2,442,751)	(2,668,000)	(2,132,118)
Administrative expenses		(1,392,368)	(1,498,936)	(877,231)	(817,562)
Net foreign exchange loss		<u>-</u>	<u>-</u>	<u>-</u>	<u>(91,849)</u>
<b>Total expenses</b>		<b>(4,356,127)</b>	<b>(3,941,687)</b>	<b>(3,545,231)</b>	<b>(3,041,529)</b>
<b>Profit from operating activities</b>		<b>8,497,985</b>	<b>7,006,042</b>	<b>5,652,306</b>	<b>3,146,414</b>
Finance costs		(1,436,607)	(1,586,939)	(1,406,073)	(1,402,097)
Share of profit of subsidiaries accounted for using equity method	4	-	-	2,008,342	2,549,290
Share of profit of associates accounted for using equity method	4	<u>15,495</u>	<u>19,651</u>	<u>15,495</u>	<u>19,651</u>
<b>Profit before income tax expense</b>		<b>7,076,873</b>	<b>5,438,754</b>	<b>6,270,070</b>	<b>4,313,258</b>
Tax expense	10	<u>(152,827)</u>	<u>(324,963)</u>	<u>(15,331)</u>	<u>(149,487)</u>
<b>Profit for the period</b>		<b>6,924,046</b>	<b>5,113,791</b>	<b>6,254,739</b>	<b>4,163,771</b>

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

## Statement of comprehensive income (Unaudited)

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 (loss) of associates using equity method	Total other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Nine-month period ended 30 September 2021															
	19,180,500	60,600	9,840,436	135,058	925,766	259,637	13,307,213	(259,637)	(176)	(88)	104,639	104,375	43,553,948	8,617,789	52,171,737
Transactions with owners, recorded directly in equity															
Contributions by and distributions to owners															
8	(54,000)	-	-	-	-	(63,843)	54,000	63,843	-	-	-	-	-	-	-
8	-	-	-	85,478	-	(195,794)	195,794	195,794	-	-	-	-	281,272	-	281,272
11	-	-	-	-	-	-	(1,147,590)	-	-	-	-	-	(1,147,590)	(674,630)	(1,822,220)
	(54,000)	-	-	85,478	-	(259,637)	(897,960)	259,637	-	-	-	-	(866,318)	(674,630)	(1,540,948)
Comprehensive income for the period															
	-	-	-	-	-	-	4,163,771	-	-	-	-	-	4,163,771	950,020	5,113,791
	-	-	-	-	-	-	-	-	406	8	3,538	3,952	3,952	-	3,952
	-	-	-	-	-	-	4,163,771	-	406	8	3,538	3,952	4,167,723	950,020	5,117,743
Balance at 30 September 2021															
	19,126,500	60,600	9,840,436	220,536	925,766	-	16,573,188	-	230	(80)	108,177	108,327	46,855,353	8,893,179	55,748,532

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

Note	Other surpluses			Retained earnings			Other components of equity					Total equity			
	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 (loss) of associates using equity method		Total other components of equity	Equity attributable to owners of the parent	Non-controlling interests
Nine-month period ended 30 September 2022															
Balance at 1 January 2022															
	19,126,500	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
Transactions with owners, recorded directly in equity															
Contributions by and distributions to owners															
8	(191,265)	-	-	-	-	(365,554)	191,265	365,554	-	-	-	-	-	-	-
8	-	-	-	-	-	365,554	(365,554)	(365,554)	-	-	-	-	(365,554)	-	(365,554)
11	-	-	-	-	-	-	(1,136,114)	-	-	-	-	-	(1,136,114)	(624,657)	(1,760,771)
Total transaction with owners, recorded directly in equity															
	(191,265)	-	-	-	-	-	(1,310,403)	-	-	-	-	-	(1,501,668)	(624,657)	(2,126,325)
Comprehensive income for the period															
Profit	-	-	-	-	-	-	6,254,739	-	-	-	-	-	6,254,739	669,307	6,924,046
Other comprehensive income (expense)	-	-	-	-	-	-	-	-	(177)	(34)	(7,173)	(7,384)	(7,384)	-	(7,384)
Total comprehensive income (expense) for the period															
	-	-	-	-	-	-	6,254,739	-	(177)	(34)	(7,173)	(7,384)	6,247,355	669,307	6,916,662
Balance at 30 September 2022															
	18,935,235	60,600	9,840,436	220,536	1,209,292	-	22,740,761	-	-	(115)	110,201	110,086	53,116,946	9,235,234	62,352,180

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

		Separate financial statements										
		Other surplus			Retained earnings			Other components of equity				
Note	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 (loss) of subsidiaries and associates using equity method	Total other components of equity	Total equity
Nine-month period ended 30 September 2021												
	19,180,500	60,600	9,840,436	135,058	925,766	259,637	13,307,213	(259,637)	(251)	104,626	104,375	43,553,948
Transaction with owners, recorded directly in equity												
Contributions by and distributions to owners												
8	(54,000)	-	-	-	-	(63,843)	54,000	63,843	-	-	-	-
8	-	-	-	85,478	-	(195,794)	195,794	195,794	-	-	-	281,272
11	-	-	-	-	-	-	(1,147,590)	-	-	-	-	(1,147,590)
Total transactions with owners, recorded directly in equity												
	(54,000)	-	-	85,478	-	(259,637)	(897,796)	259,637	-	-	-	(866,318)
Comprehensive income for the period												
	-	-	-	-	-	-	4,163,771	-	-	-	-	4,163,771
	-	-	-	-	-	-	-	-	7	3,945	3,952	3,952
Total comprehensive income (expense) for the period												
	-	-	-	-	-	-	4,163,771	-	7	3,945	3,952	4,167,723
Balance at 30 September 2021												
	19,126,500	60,600	9,840,436	220,536	925,766	-	16,573,188	-	(244)	108,571	108,327	46,855,353



**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	Treasury shares reserve (in thousand Baht)	Unappropriated	Treasury shares	Fair value reserve	Share of other comprehensive income (loss) of subsidiaries and associates using equity method		Total other components of equity	
Nine-month period ended 30 September 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														
Reduction of ordinary shares	8	(191,265)	-	-	-	-	(365,554)	191,265	365,554	-	-	-	-	
Treasury shares purchased	8	-	-	-	-	-	365,554	(365,554)	(365,554)	-	-	-	(365,554)	
Dividends	11	-	-	-	-	-	-	(1,136,114)	-	-	-	-	(1,136,114)	
Total transactions with owners, recorded directly in equity														
		(191,265)	-	-	-	-	-	(1,310,403)	-	-	-	-	(1,501,668)	
Comprehensive income for the period														
Profit		-	-	-	-	-	-	6,254,739	-	-	-	-	6,254,739	
Other comprehensive income (expense)		-	-	-	-	-	-	-	-	(35)	(7,349)	(7,384)	(7,384)	
Total comprehensive income (expense) for the period														
		-	-	-	-	-	-	6,254,739	-	(35)	(7,349)	(7,384)	6,247,355	
Balance at 30 September 2022														
		18,935,235	60,600	9,840,436	220,536	1,209,292	-	22,740,761	-	(281)	110,367	110,086	53,116,946	

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	
	Nine-month period ended		Nine-month period ended	
	30 September		30 September	
	2022	2021	2022	2021
	(in thousand Baht)			
<b><i>Cash flows from operating activities</i></b>				
Profit for the period	6,924,046	5,113,791	6,254,739	4,163,771
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Depreciation and amortisation	2,474,624	2,286,407	1,515,196	1,343,394
Interest income	(23,323)	(42,056)	(15,990)	(34,044)
Finance costs	1,436,607	1,586,939	1,406,073	1,402,097
Dividend income	(9)	(9)	(9)	(9)
Unrealised (gain) loss on foreign exchange	(100,368)	(117,699)	(109,146)	30,592
(Reversal of) expected credit losses	(7,188)	(4,911)	868	(1,604)
Reversal of losses on decline in value of inventories	(29,687)	(10,680)	(15,133)	(8,786)
Provision for employees benefits	-	2,514	-	-
(Gain) loss on sale and write-off of plant and equipment	10,639	11,896	(53,402)	11,003
Reversal of cancellation of provision for decommissioning	(76,738)	-	-	-
Gain on fair value adjustment	(4,608)	(5,960)	-	-
Share of profit of subsidiaries and associates accounted for using equity method	(15,495)	(19,651)	(2,023,837)	(2,568,941)
Tax expense	152,827	324,963	15,331	149,487
	10,741,327	9,125,544	6,974,690	4,486,960
<b><i>Changes in operating assets and liabilities</i></b>				
Trade accounts receivable	(598,153)	(378,352)	3,950,483	(95,161)
Other receivables	41,195	(130,564)	(6,804)	(52,579)
Receivable and advances to related parties	(74,031)	(78,633)	(221,762)	(46,593)
Inventories	(3,268,852)	(3,199,065)	(2,668,829)	(2,998,190)
Other current assets	(292,064)	(144,816)	(342,974)	(48,275)
Other non-current assets	6,293	(5,326)	18,017	(6,012)
Trade accounts payable	1,788,488	966,099	1,803,956	994,985
Other payables	(269,299)	391,705	(224,018)	534,687
Payable and advances from related parties	46,106	12,477	71,803	324,569
Other current liabilities	(89,059)	(21,561)	(39,780)	(29,320)
Provisions for employee benefits	(26,532)	(23,607)	(26,532)	(1,448)
Other non-current liabilities	(2,352)	(669)	1,919	-
Cash generate from operating	8,003,067	6,513,232	9,290,169	3,063,623
Taxes received (paid)	(148,952)	(185,602)	(19,452)	13,407
<b>Net cash from operating activities</b>	<b>7,854,115</b>	<b>6,327,630</b>	<b>9,270,717</b>	<b>3,077,030</b>

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>	
	Nine-month period ended		Nine-month period ended	
	30 September		30 September	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Interest received	15,974	56,609	16,979	44,383
Dividend received	9	9	1,526,571	1,771,134
Decrease in equity and debt instruments investment	807,338	568,233	2,502,208	1,702,353
Acquisition of property, plant and equipment	(4,162,645)	(4,609,711)	(2,179,372)	(1,646,183)
Acquisition of investment properties	-	(23,299)	-	-
Acquisition of intangible assets	(82,889)	(145,267)	(82,072)	(144,236)
Proceeds from sale of plant and equipment	4,056	3,501	632,813	83
Proceeds from sale of intangible assets	-	1,776	-	1,776
Advance payment for plant and equipment	(770,773)	(244,743)	(131,107)	(144,536)
Acquisition of subsidiary, net of cash acquired	-	-	(1,700,000)	-
Cash outflow on loans to related parties	-	-	-	(38,600)
Proceeds from repayment of loans to related party	-	-	45,153	-
Cash outflow for decommissioning	(1,713)	(230)	-	-
<b>Net cash from (used in) investing activities</b>	<b>(4,190,643)</b>	<b>(4,393,122)</b>	<b>631,173</b>	<b>1,546,174</b>

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	
	Nine-month period ended		Nine-month period ended	
	30 September		30 September	
	2022	2021	2022	2021
	(in thousand Baht)			
<i>Cash flows from financing activities</i>				
Interest paid	(1,912,221)	(1,884,832)	(1,521,643)	(1,522,754)
Dividend paid	(1,760,771)	(1,822,220)	(1,136,114)	(1,147,590)
Payment of lease liabilities	(144,487)	(131,108)	(92,527)	(70,860)
Increase (decrease) in short-term loans from financial institutions	(601,505)	3,042,213	(601,505)	3,282,213
Proceeds from short-term loan from related party	-	-	850,000	878,000
Repayment of short-term loans from related parties	-	-	(850,000)	(878,000)
Repayment of long-term loans from financial institutions	(714,286)	(1,274,340)	(714,286)	(1,274,340)
Proceeds from issue of debentures	8,338,000	10,845,600	3,745,000	8,000,000
Repayment of debentures	(8,565,000)	(13,385,000)	(8,567,000)	(13,385,000)
Proceeds from sale treasury shares	-	281,272	-	281,272
Payment of treasury shares	(365,554)	-	(365,554)	-
<b>Net cash used in financing activities</b>	<b>(5,725,824)</b>	<b>(4,328,415)</b>	<b>(9,253,629)</b>	<b>(5,837,059)</b>
Net increase (decrease) in cash and cash equivalents, before effect of exchange rates	(2,062,352)	(2,393,907)	648,261	(1,213,855)
Effect of exchange rate changes	40,651	102,727	37,038	1,071
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(2,021,701)</b>	<b>(2,291,180)</b>	<b>685,299</b>	<b>(1,212,784)</b>
Cash and cash equivalents at 1 January	5,668,608	6,657,879	1,157,874	2,034,928
<b>Cash and cash equivalents at 30 September</b>	<b>3,646,907</b>	<b>4,366,699</b>	<b>1,843,173</b>	<b>822,144</b>
<i>Non-cash transactions</i>				
Advances of plant and equipment	654,272	212,559	75,671	129,435
Other payable - plant and equipment	743,483	222,593	157,845	150,139
Other non - current liabilities - intangible assets	69,813	1,629	69,813	1,629

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 nine-month periods ended 30 September 2022 (Unaudited)**

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**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2022 (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 14 November 2022.

**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 2021.

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 2021.

**2 Related parties**

Relationships with subsidiaries and associates are described in note 4. Key management and other related parties which have no material changes in relationships during the period.

The pricing policies have no material changes in during the nine-month period ended 30 September 2022.

The Group had significant transactions with during the period were as follows:

<i>Significant transactions with related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
<i>Nine-month period ended 30 September</i>	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<b>Subsidiaries</b>				
Sale of goods	-	-	9,006,702	11,446,498
Transportation income	-	-	140,887	139,121
Purchase of raw materials and spare parts	-	-	416,457	250,028
Purchase of electricity	-	-	1,074,384	1,419,677
Purchase of steam	-	-	25,826	24,952
Purchase of goods for sales promotion	-	-	79,791	84,852
Dividend income	-	-	1,526,562	1,771,125
Interest income	-	-	11,141	23,880
Interest expense	-	-	4,216	2,590
Other income	-	-	368,853	305,250
Administrative expenses	-	-	24,234	21,703



# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2022 (Unaudited)

<i>Significant transactions with related parties</i> <i>Nine-month period ended 30 September</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<b>Associates</b>				
Sale of goods	4,446	1,826	4,176	1,765
Purchase of raw materials	415,391	398,106	387,143	379,941
Interest expense	2,146	4,711	137	36
Other income	-	5	-	5
Insurance premium	13,768	20,056	10,836	14,354
<b>Other related parties</b>				
Sale of goods	1,484	2,213	224	231
Transportation income	71	70	4	1
Interest expense	3,971	3,407	2,214	2,050
Insurance premium	204,937	180,465	96,318	88,241
Administrative expenses	45,875	53,876	43,167	50,960
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefits	260,619	240,327	193,153	176,404
Post-employment benefits	2,991	3,645	-	-
<b>Total key management personnel compensation</b>	<b>263,610</b>	<b>243,972</b>	<b>193,153</b>	<b>176,404</b>

Balances as at 30 September 2022 and 31 December 2021 with related parties were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	<i>(in thousand Baht)</i>			
<b>Trade accounts receivable</b>				
<b>Subsidiaries</b>				
TPI Concrete Co., Ltd.	-	-	113,470	1,524,103
TPI Polene Power Public Co., Ltd.	-	-	2,131	122,773
TPI All Seasons Co., Ltd.	-	-	452,563	444,953
Polene Silicon Co., Ltd. (Formerly: Polene Plastic Co., Ltd.)	-	-	154,334	5,601,944
TPI Polene Bio Organics Co., Ltd.	-	-	10,896	12,953
TPI Commercial Co., Ltd.	-	-	4,613	5,459
Thai Nitrate Co., Ltd.	-	-	-	38
<b>Associates</b>				
BUI Life Insurance Public Co., Ltd.	7	7	-	-
United Grain Industry Co., Ltd.	193	117	27	37
Thai Plastic Products Co., Ltd.	4,430	-	4,430	-



# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2022 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	30	31	30	31
	September	December	September	December
	2022	2021	2022	2021
	(in thousand Baht)			
<i>Trade accounts receivable (continue)</i>				
<b>Other related parties</b>				
Bangkok Union Insurance Public Co., Ltd.	14	17	4	4
Pornchai Enterprise Co., Ltd.	184	165	65	23
Lampang Food Products Co., Ltd.	20	9	20	9
Rayong Forest Co., Ltd.	460	455	-	-
	<u>5,308</u>	<u>770</u>	<u>742,553</u>	<u>7,712,296</u>
Less allowance for expected credit loss	-	-	-	-
<b>Net</b>	<u>5,308</u>	<u>770</u>	<u>742,553</u>	<u>7,712,296</u>

	Interest rate		Separate financial statements		
	1	30	1		30
	January	September	January	Increase	September
	2022	2022	2022		2022
	(% per annum)			(in thousand Baht)	
<i>Short-term loans to related parties</i>					
<b>Subsidiaries</b>					
TPI Polene Bio Organics Co., Ltd.	MLR-1.5	MLR-1.5	253,096	-	253,096
TPI All Seasons Co., Ltd.	MLR-1.5	-	44,153	-	-
TPI Commercial Co., Ltd.	MLR-1.5	MLR-1.5	97,993	-	97,993
Master Achieve (Thailand) Co., Ltd.	MLR-1.5	MLR-1.5	20,790	-	20,790
TPI Healthcare Co., Ltd.	MLR-1.5	-	1,000	-	-
			<u>417,032</u>	<u>-</u>	<u>371,879</u>
Accrued interest receivable			1,348	11,138	1,165
<b>Total</b>			<u>418,380</u>	<u>11,138</u>	<u>373,044</u>
Less allowance for expected credit loss			-	-	-
<b>Net</b>			<u>418,380</u>		<u>373,044</u>

# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2022 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	<i>(in thousand Baht)</i>			
<i>Receivables and advances to related parties - current</i>				
<b>Subsidiaries</b>				
TPI Concrete Co., Ltd.	-	-	2,257	3,019
TPI Polene Power Public Co., Ltd.	-	-	414,005	74,970
TPI All Seasons Co., Ltd.	-	-	12,120	16,508
Polene Silicon Co., Ltd.	-	-	71,829	200,014
TPI Polene Bio Organics Co., Ltd.	-	-	106,599	98,994
TPI Commercial Co., Ltd.	-	-	259	66
TPI Service Co., Ltd.	-	-	181	139
Thai Nitrate Co., Ltd.	-	-	182	180
TPI Polene Power (International) Co., Ltd.	-	-	-	65
TPI Biomass Power Co., Ltd. (Formerly: TPI Polene Power (On nut) Co., Ltd.)	-	-	1	65
Thai Propoxide Co., Ltd.	-	-	-	65
TPI Healthcare Co., Ltd.	-	-	14,059	36,319
TPI Bio Pharmaceuticals Co., Ltd.	-	-	31	75
Master Achieve (Thailand) Co., Ltd.	-	-	481	293
TPI Polene Power Investment Co., Ltd.	-	-	-	34
TPI Distribution Center Co., Ltd. (Formerly: TPI Olefins Co., Ltd.)	-	-	1	1
Mondo Thai Co., Ltd.	-	-	1	-
TPI Wind Power Co., Ltd.	-	-	1	-
TPI Solar Power Co., Ltd.	-	-	1	-
<b>Associates</b>				
BUI Life Insurance Public Co., Ltd.	1,429	5,415	1,190	4,642
United Grain Industry Co., Ltd.	8	8	8	8
<b>Other related parties</b>				
Bangkok Union Insurance Public Co., Ltd.	167,025	86,615	69,386	35,173
Pornchai Enterprise Co., Ltd.	456	2,718	-	68
Rayong Forest Co., Ltd.	1	67	-	67
TPI EOEG Co., Ltd.	-	1	-	1
Thai Petrochemical Industry Co., Ltd.	1	65	1	65
<b>Total</b>	<b>168,920</b>	<b>94,889</b>	<b>692,593</b>	<b>470,831</b>
Less allowance for expected credit loss	-	-	-	-
<b>Net</b>	<b>168,920</b>	<b>94,889</b>	<b>692,593</b>	<b>470,831</b>

# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2022 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	(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 September 2022	31 December 2021	30 September 2022	31 December 2021
	(in thousand Baht)			
<i>Receivables and advances to related party - 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	-	-	(862)	(869)
<b>Net</b>	-	-	<b>421,122</b>	<b>421,115</b>

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 September 2022, 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	
	2022	2021	2022	2021
	(in thousand Baht)			
<i>Expected credit loss for the nine-month period ended 30 September</i>				
Trade account receivables	-	-	-	-
Short-term loans to related parties	-	-	-	-
Receivables and advances to related parties	-	-	-	-



# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2022 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	(in thousand Baht)			
<b>Trade accounts payable</b>				
<b>Subsidiaries</b>				
TPI Concrete Co., Ltd.	-	-	-	30
TPI Polene Power Public Co., Ltd.	-	-	53,781	43,595
TPI All Seasons Co., Ltd.	-	-	22,370	13,872
Polene Silicon Co., Ltd.	-	-	452	1,110
TPI Polene Bio Organics Co., Ltd.	-	-	-	171
Thai Nitrate Co., Ltd.	-	-	7,360	9,288
TPI Healthcare Co., Ltd.	-	-	8,765	4,499
<b>Associate</b>				
United Grain Industry Co., Ltd.	2,487	2,559	-	15
Thai Plastic Film Co., Ltd.	138,572	142,098	138,414	141,620
Thai Plastic Products Co., Ltd.	212,552	167,372	204,147	159,573
<b>Total</b>	<b>353,611</b>	<b>312,029</b>	<b>435,289</b>	<b>373,773</b>

	Interest rate	Separate financial statements			
	30 September 2022	1 January 2022	Increase	Decrease	30 September 2022
	(% per annum)		(in thousand Baht)		
<b>Short-term loans from related parties</b>					
<b>Subsidiaries</b>					
TPI Polene Power Public Co., Ltd.	1.45	-	700,000	(700,000)	-
Thai Nitrate Co., Ltd.	1.60	-	150,000	(150,000)	-
		-	850,000	(850,000)	-
Accrued interest		-	2,356	(2,356)	-
<b>Total</b>		-	<b>852,356</b>	<b>(852,356)</b>	-

	Consolidated financial statements		Separate financial statements	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	(in thousand Baht)			
<b>Payables and advances from related parties</b>				
<b>Subsidiaries</b>				
TPI Concrete Co., Ltd.	-	-	1,752	1,944
TPI Polene Power Public Co., Ltd.	-	-	1,036,334	966,211
TPI All Seasons Co., Ltd.	-	-	2,000	2,000
Polene Silicon Co., Ltd.	-	-	2	12
TPI Polene Bio Organics Co., Ltd.	-	-	5,138	5,084
TPI Healthcare Co., Ltd.	-	-	4,077	4,020
TPI Bio Pharmaceuticals Co., Ltd.	-	-	1,101	983
Thai Nitrate Co., Ltd.	-	-	130	-
Master Achieve (Thailand) Co., Ltd.	-	-	1,377	-



# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2022 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	<i>(in thousand Baht)</i>			
<b>Payables and advances from related partiesm (continue)</b>				
<b>Associates</b>				
BUI Life Insurance Public Co., Ltd.	118	164	117	164
United Grain Industry Co., Ltd.	2,309	2,335	-	4
Thai Plastic Film Co., Ltd.	111	732	-	732
<b>Other related parties</b>				
Pornchai Enterprise Co., Ltd.	3,306	1,145	3,297	443
Bangkok Union Insurance Public Co., Ltd.	47,420	2,998	570	2,711
Hong Yiah Seng Co., Ltd.	355	109	355	109
Rayong Forest Co., Ltd.	-	30	-	30
<b>Total</b>	<b>53,619</b>	<b>7,513</b>	<b>1,056,250</b>	<b>984,447</b>

	Consolidated financial statements		Separate financial statements	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	<i>(in thousand Baht)</i>			
<b>Current portion of lease liabilities</b>				
<b>Subsidiaries</b>				
TPI Concrete Co., Ltd.	-	-	5,037	-
TPI Polene Bio Organics Co., Ltd.	-	-	3,134	-
Mondo Thai Co., Ltd.	-	-	228	151
Thai Nitrate Co., Ltd.	-	-	1,151	-
<b>Associates</b>				
United Grain Industry Co., Ltd.	11,906	6,612	3,695	1,449
<b>Other related parties</b>				
Pornchai Enterprise Co., Ltd.	35,710	35,233	30,014	31,294
Hong Yiah Seng Co., Ltd.	2,074	2,810	2,074	2,015
Rayong Forest Co., Ltd.	24	23	24	23
Saraburi Ginning Mill Co., Ltd.	1,913	2,144	706	972
Leophairatana Enterprise Co., Ltd.	4,172	4,204	-	-
Hong Yiah Seng Real Estates and Investment Co., Ltd.	1,207	1,173	-	-
<b>Total</b>	<b>57,006</b>	<b>52,199</b>	<b>46,063</b>	<b>35,904</b>

# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2022 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	<i>(in thousand Baht)</i>			
<b>Lease liabilities</b>				
<b>Subsidiaries</b>				
TPI Concrete Co., Ltd.	-	-	6,578	-
TPI Polene Bio Organics Co., Ltd.	-	-	4,093	-
Mondo Thai Co., Ltd.	-	-	14,507	14,878
<b>Associates</b>				
United Grain Industry Co., Ltd.	107,421	153,723	3,444	2,281
<b>Other related parties</b>				
Pornchai Enterprise Co., Ltd.	45,733	33,440	36,469	26,297
Hong Yiah Seng Co., Ltd.	1,068	2,631	1,068	2,631
Rayong Forest Co., Ltd.	952	985	952	985
Saraburi Ginning Mill Co., Ltd.	2,229	3,599	-	459
Leophairatana Enterprise Co., Ltd.	6,688	9,811	-	-
Hong Yiah Seng Real Estates and Investment Co., Ltd.	2,229	3,139	-	-
<b>Total</b>	<b>166,320</b>	<b>207,328</b>	<b>67,111</b>	<b>47,531</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 September 2022, 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 nine-month periods ended 30 September 2022 (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>
<i>At 30 September 2022</i>	<i>(in thousand Baht)</i>	
<b>Non-cancellable service contract commitments</b>		
Within one year	50,225	41,509
After one year but within five years	56,020	49,701
<b>Total</b>	<b>106,245</b>	<b>91,210</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 September 2022 in amount of Baht 5.7 million (31 December 2021: Baht 4.9 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.

**3 Trade account receivable**

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		30	31	30	31
		September	December	September	December
	<i>Note</i>	2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
Related parties	2	5,308	770	742,553	7,712,296
Other parties		6,732,021	6,014,765	4,098,984	977,274
<b>Total</b>		<b>6,737,329</b>	<b>6,015,535</b>	<b>4,841,537</b>	<b>8,689,570</b>
Less allowance for expected credit loss		(42,349)	(49,537)	(33,375)	(32,507)
<b>Net</b>		<b>6,694,980</b>	<b>5,965,998</b>	<b>4,808,162</b>	<b>8,657,063</b>

**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2022 (Unaudited)**

Aging analyses for trade accounts receivable were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	<i>(in thousand Baht)</i>			
<b>Related parties</b>				
Within credit terms	653	689	375,394	2,024,029
Overdue:				
1 - 30 days	49	58	131,068	1,536,660
31 - 60 days	2,302	4	78,285	1,389,295
61 - 90 days	2,229	14	2,218	1,086,110
More than 90 days	75	5	155,588	1,676,202
<b>Total</b>	<b>5,308</b>	<b>770</b>	<b>742,553</b>	<b>7,712,296</b>
Less allowance for expected credit loss	-	-	-	-
<b>Net</b>	<b>5,308</b>	<b>770</b>	<b>742,553</b>	<b>7,712,296</b>
<b>Other parties</b>				
Within credit terms	6,176,436	5,533,308	3,934,133	810,043
Overdue:				
1 - 30 days	231,068	321,775	74,388	106,223
31 - 60 days	102,832	48,208	19,045	6,451
61 - 90 days	63,016	25,980	7,842	2,939
More than 90 days	158,669	85,494	63,576	51,618
<b>Total</b>	<b>6,732,021</b>	<b>6,014,765</b>	<b>4,098,984</b>	<b>977,274</b>
Less allowance for expected credit loss	(42,349)	(49,537)	(33,375)	(32,507)
<b>Net</b>	<b>6,689,672</b>	<b>5,965,228</b>	<b>4,065,609</b>	<b>944,767</b>
<b>Net total</b>	<b>6,694,980</b>	<b>5,965,998</b>	<b>4,808,162</b>	<b>8,657,063</b>
<b>Expected credit losses</b>				
<i>For the nine-month period ended 30 September</i>				
	<b>Consolidated financial statements</b>	<b>Consolidated financial statements</b>	<b>Separate financial statements</b>	<b>Separate financial statements</b>
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
- (Reversal) addition - net	(7,188)	(4,911)	868	(1,604)

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 360 days.



**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2022 (Unaudited)**

**4 Investments in subsidiaries and associates**

**Investments in subsidiaries**

<i>Nine-month period ended 30 September</i>	<i>Note</i>	<b>Separate financial statements</b>	
		2022	2021
		<i>(in thousand Baht)</i>	
<b><i>Subsidiaries</i></b>			
<b>At 1 January</b>		<b>26,088,167</b>	<b>24,911,629</b>
Increase capital of TPI Concrete Co., Ltd.		1,700,000	-
Share of profit of subsidiaries		2,008,342	2,549,290
Dividends income	2	(1,526,562)	(1,771,125)
(Reversal of) losses recognised using the equity method in excess of the investment	2	(7)	10,390
Share of other comprehensive income (expense) of subsidiaries		(176)	407
<b>At 30 September</b>		<b><u>28,269,764</u></b>	<b><u>25,700,591</u></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 3.52 at 30 September 2022 (31 December 2021: Baht 4.16), the fair value of the Company's investment in TPI Polene Power Public Co., Ltd. was Baht 20,768 million (31 December 2021: Baht 24,544 million).

On 1 July 2022, the Company paid for the newly issued ordinary shares of TPI Concrete Company Limited, a subsidiary, amounting to 17 million shares with the par value of Baht 100 per share, amounting to Baht 1,700 million.

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

Investments in subsidiaries as at 30 September 2022 and 31 December 2021, dividend income from those investments for the nine-month periods ended 30 September 2022 and 2021, were as follows:

[illegible]

# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

### For the three-month and nine-month periods ended 30 September 2022 (Unaudited)

Separate financial statements																		
Type of business	Ownership interest		Paid-up capital			Cost			At equity method			Dividend						
	30 September 2022	31 December 2021	30 September 2022	31 December 2021	30 September 2022	31 December 2021	30 September 2022	31 December 2021	30 September 2022	31 December 2021	30 September 2022	31 December 2021	30 September 2022	31 December 2021	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	(in thousand Baht)																	
<i>Direct subsidiaries</i>																		
<i>(continue)</i>																		
TPI Commercial Co., Ltd.	99.94	99.94	100	100	-	-	5,714	4,292	-	-	5,714	4,292	-	-	-	-	-	-
TPI Service Co., Ltd.	95.10	95.10	4,600	4,600	4,457	4,457	11,777	10,211	-	-	11,777	10,211	-	-	-	-	-	-
Master Achieve (Thailand) Co., Ltd.	99.99	99.99	100,000	100,000	99,931	99,931	96,990	102,172	-	-	96,990	102,172	-	-	-	-	-	-
TPI Bio Pharmaceuticals Co., Ltd.	99.99	99.99	5,500	5,500	5,647	5,647	10,466	7,547	-	-	10,466	7,547	-	-	-	-	-	-
<i>Indirect subsidiaries</i>																		
Mondo Thai Co., Ltd.	83.27	83.27	36,000	36,000	10,350	10,350	9,588	9,479	-	-	9,588	9,479	-	-	-	-	-	-
Polene Silicon Co., Ltd.	99.93	99.93	10,000	10,000	-	-	17,801	18,273	-	-	17,801	18,273	-	-	-	-	-	-
TPI Polene Power Investment Co., Ltd.	-	70.24	-	3,957	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TPI Biomass Power Co., Ltd.	70.23	70.23	187,500	187,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TPI Polene Power (International) Co., Ltd.	70.23	70.23	100,000	100,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TPI Deep Sea Port Co., Ltd.	70.23	70.23	25,000	25,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**TPI Polene Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2022 (Unaudited)**

Separate financial statements									
Type of business	Ownership interest		Paid-up capital		Cost		At equity method		Dividend Income for the nine-month periods ended
	30 September 2022	31 December 2021 (%)	30 September 2022	31 December 2021	30 September 2022	31 December 2021 (in thousand Baht)	30 September 2022	31 December 2021	
<i>Indirect subsidiaries</i>									
<i>(continue)</i>									
TPI Distribution Center Co., Ltd.	70.23	70.23	1,000	1,000	-	-	-	-	-
TPI Smart City Co., Ltd. (Formerly: TPI Polene Power (SongKhla) Co., Ltd.)	70.22	70.22	1,000	1,000	-	-	-	-	-
TPI Solar Power Co., Ltd.	70.22	70.22	1,000	1,000	-	-	-	-	-
TPI Wind Power Co., Ltd.	70.22	70.22	1,000	1,000	-	-	-	-	-
<b>Total</b>			<b>13,614,392</b>	<b>11,914,392</b>	<b>28,269,764</b>	<b>26,088,167</b>	<b>1,526,562</b>	<b>1,771,125</b>	



**TPI Polene Public Company Limited and its Subsidiaries****Notes to the condensed interim financial statements****For the three-month and nine-month periods ended 30 September 2022 (Unaudited)****Investments in associates**

<i>Nine-month period ended 30 September</i>	<b>Consolidated and Separate financial statements</b>	
	2022	2021
	<i>(in thousand Baht)</i>	
<i>Associates</i>		
<b>At 1 January</b>	<b>842,539</b>	<b>805,101</b>
Share of profit of associates accounted for using equity method	15,495	19,651
Share of other comprehensive income (expense) of associates accounted for using equity method	(7,173)	3,538
<b>At 30 September</b>	<b>850,861</b>	<b>828,920</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 September 2022, the Group's cumulative share of unrecognised loss was Baht 985 million (30 September 2021: 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 nine-month periods ended 30 September 2022 (Unaudited)**

Investments in associates as at 30 September 2022 and 31 December 2021 were as follows:

	Type of business	Ownership interest		Paid-up capital		Consolidated financial statements				At equity method	
		30		30		Cost				30	
		September 2022	December 2021	September 2022	December 2021	September 2022	September 2022	December 2021	December 2021	September 2022	December 2021
		(%)				(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	125,000		119,855	128,711
United Grain Industry Co., Ltd.	Manufacture and sale of packaging	19.00	19.00	550,000	550,000	104,500	104,500	104,500		731,006	713,828
						229,500	229,500	229,500		850,861	842,539
<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	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>1,475,700</b>		<b>850,861</b>	<b>842,539</b>

# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

### For the three-month and nine-month periods ended 30 September 2022 (Unaudited)

#### Separate financial statements

Type of business	Ownership interest		Paid-up capital		Cost		At equity method	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021	30 September 2022	31 December 2021	30 September 2022	31 December 2021
		(%)						
<b>Associates</b>								
BUI Life Insurance Public Co., Ltd.	25.00	25.00	500,000	500,000	125,000	125,000	119,855	128,711
United Grain Industry Co., Ltd.	19.00	19.00	550,000	550,000	104,500	104,500	731,006	713,828
of packaging								
<b>Total</b>					<b>229,500</b>	<b>229,500</b>	<b>850,861</b>	<b>842,539</b>

No dividend distribution from investments in associates held by the Group and the Company during the nine-month periods ended 30 September 2022 and 2021.

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 nine-month periods ended 30 September 2022 (Unaudited)

### 5 Property, plant and equipment

*For the nine-month period ended  
30 September 2022*

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
Acquisitions - at cost	5,434,998	2,375,573
Transfer to asset held for sale	(465,338)	(260,244)
Disposals - net book value	(14,694)	(579,411)

#### *Security*

At 30 September 2022, the Company's land, buildings, machinery and equipment with a net book value of Baht 5,801 million (*31 December 2021: Baht 5,557 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 205 million. The partial disposal of machinery and equipment for production will be completed within the second quarter of 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 nine-month periods ended 30 September 2022 of short-term loans from financial institutions were as follows:

	Consolidated and Separate financial statements
	Promissary Note <i>(in thousand Baht)</i>
At 1 January	3,391,674
Decrease - net	(601,505)
At 30 September	<u>2,790,169</u>

# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2022 (Unaudited)

### 7 Debentures

As at 30 September 2022, the Group and the Company had the unsecured, unsubordinated debentures in registered form with debentures holders' representative, payable quarterly totalling Baht 63,017 million and Baht 43,709 million, respectively (31 December 2021: Baht 63,244 million and Baht 48,531 million, respectively) as follows:

Consolidated financial statements					
30 September 2022					
Issued Date	The period to maturity within one year	Long-term (in thousand Baht)	Total	Interest Rate (% p.a.)	Term
1 April 2016	2,640,500	-	2,640,500	4.80	7 years
11 July 2019	2,820,000	-	2,820,000	3.90	3 years 6 months
11 July 2019	-	2,888,000	2,888,000	4.90	5 years 6 months
9 August 2019	4,000,000	-	4,000,000	3.50	3 years 3 months
16 January 2020	4,382,700	-	4,382,700	3.50	3 years
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
<b>Total</b>	<b>13,843,200</b>	<b>49,173,400</b>	<b>63,016,600</b>		

# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2022 (Unaudited)

### Separate financial statements

30 September 2022

Issued Date	The period to maturity within one year	Long-term (in thousand Baht)	Total	Interest Rate (% p.a.)	Term
1 April 2016	2,640,500	-	2,640,500	4.80	7 years
11 July 2019	3,000,000	-	3,000,000	3.90	3 years 6 months
11 July 2019	-	2,888,000	2,888,000	4.90	5 years 6 months
16 January 2020	4,382,700	-	4,382,700	3.50	3 years
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
<b>Total</b>	<b><u>10,023,200</u></b>	<b><u>33,686,000</u></b>	<b><u>43,709,200</u></b>		



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

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

**For the three-month and nine-month periods ended 30 September 2022 (Unaudited)**

### **8 Treasury shares**

During 2021, the Company has sold 165.61 million treasury shares totalling to Baht 281.27 million, consisting the cost of the repurchased treasury shares calculated by the weighted average method in the amount of Baht 195.79 million and surplus on sale of treasury shares (Surplus on treasury shares) in the amount of Baht 85.48 million, presented as a separate category within equity.

On 16 June 2021, the Company's treasury shares has remained 54.00 million shares. The Company registered to decrease capital totalling 54.00 million shares, at par value Baht 1 per share, by writing off the treasury shares totalling 54.00 million shares that could not be sold through the Securities Exchange of Thailand on 11 June 2021 with the Ministry of Commerce and write-off all treasury shares and treasury shares reserve from equity.

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 nine-month periods ended 30 September 2022 (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
		Revenue from external customers		Inter-segment revenue		Total reportable segment revenue	
<i>Nine-month period ended 30 September</i>		2022	2021	2022	2021	2022	2021
		<i>(in thousand Baht)</i>					
Construction Materials		17,776,651	12,658,918	4,605,752	4,832,226	22,382,403	17,491,144
Petrochemical & Chemicals		13,250,910	8,640,214	4,594,558	6,827,533	17,845,468	15,467,747
Energy & Utilities		6,296,588	6,935,300	1,368,611	1,516,883	7,665,199	8,452,183
Agriculture		109,580	115,623	105,525	117,030	215,105	232,653
<b>Total</b>		<b>37,433,729</b>	<b>28,350,055</b>	<b>10,674,446</b>	<b>13,293,672</b>	<b>48,108,175</b>	<b>41,643,727</b>
Other gains (losses)						<u>2,721</u>	<u>(15,977)</u>
						11,102,322	9,324,209
Finance costs						(1,436,607)	(1,586,939)
Depreciation and amortisation						(2,474,624)	(2,286,407)
Share of profit of associates accounted for using equity method						15,495	19,651
Elimination of inter-segment (profit) loss						(129,713)	(31,760)
<b>Profit before income tax expense for the period</b>						<b>7,076,873</b>	<b>5,438,754</b>

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 nine-month periods ended 30 September 2022 (Unaudited)

<i>Nine-month period ended 30 September</i>	Consolidated financial statements	
	Reportable segment	
	profit (loss) before tax	
	2022	2021
	<i>(in thousand Baht)</i>	
Construction Materials	(59,845)	(941,109)
Petrochemical & Chemicals	5,298,585	3,452,966
Energy & Utilities	2,266,809	3,278,032
Agriculture	(6,083)	(9,450)
<b>Total</b>	<b>7,499,466</b>	<b>5,780,439</b>
Other gains (losses)	1,038	(29,035)
Finance costs for investment	(344,586)	(299,267)
Elimination of inter-segment (profit) loss	(79,045)	(13,383)
<b>Profit (loss) before income tax expense for the period</b>	<b>7,076,873</b>	<b>5,438,754</b>

**(b) Reportable segment financial position**

	Consolidated financial statements	
	Segment assets	
	30 September	31 December
	2022	2021
	<i>(in thousand Baht)</i>	
Construction Materials	76,520,581	76,935,278
Petrochemical & Chemicals	12,141,766	15,297,125
Energy & Utilities	46,316,094	43,031,698
Agriculture	2,110,685	2,117,248
Others	586,121	584,705
	<b>137,675,247</b>	<b>137,966,054</b>
Unallocated assets	7,791,884	9,059,366
<b>Total</b>	<b>145,467,131</b>	<b>147,025,420</b>
Elimination of inter-segment assets	(4,918,307)	(11,311,822)
<b>Total assets</b>	<b>140,548,824</b>	<b>135,713,598</b>

**(c) Disaggregation of revenue**

<i>Nine-month period ended 30 September</i>	Separate financial statements	
	Revenue from sale of goods	
	2022	2021
	<i>(in thousand Baht)</i>	
Construction Materials	17,967,757	12,843,239
Petrochemical & Chemicals	11,550,984	7,879,939
<b>Total</b>	<b>29,518,741</b>	<b>20,723,178</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 nine-month periods ended 30 September 2022 (Unaudited)

### (d) Disaggregation of finance cost

<i>Nine-month period ended 30 September</i>	Separate financial statements	
	Finance cost	
	2022	2021
	<i>(in thousand Baht)</i>	
Construction Materials	987,676	1,100,165
Petrochemical & Chemicals	73,811	2,665
Investing	344,586	299,267
<b>Total</b>	<b>1,406,073</b>	<b>1,402,097</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 nine-month ended 30 September 2022 was 2.16% and 0.24% respectively (30 September 2021: 5.97% and 3.47% respectively). This change in effective tax rate was caused mainly by the following factors:

- The significant increase of profit from promoted activities that the Company does not need to pay of income tax.
- The decrease of expenses not deductible for tax purposes of a subsidiary.

## 11 Dividends

At the annual general meeting of the shareholders of the Company held on 22 April 2021, the shareholders approved the appropriation of dividend from the Company's retained earnings of Baht 0.06 per share, amounting to Baht 1,150.83 million. After a deduction of the interim dividends of Baht 0.03 per share which paid to the Company's shareholders in 2020, the remaining dividends of Baht 0.03 per share, totalling Baht 573.79 million. The dividend was paid to the shareholders in May 2021.

At the Board of Directors' meeting of the Company held on 30 September 2021, the Board of Directors approved the appropriation of interim dividend from the Company's retained earnings of Baht 0.03 per share, amounting to Baht 573.80 million. The dividend was paid to the shareholders in October 2021.

At the annual general meeting of the shareholders of the Company held on 20 April 2022, the shareholders approved the appropriation of dividend from the Company's retained earnings of Baht 0.09 per share, amounting to Baht 1,721.39 million (not yet deducting the 191.265 million repurchase shares at record date, which doesn't have the right to receive dividend payment pursuant to related legal regulations imposed). After a deduction of the interim dividends of Baht 0.03 per share which paid to the Company's shareholders in 2021, the remaining dividends of Baht 0.06 per share, totalling Baht 1,136.11 million. The dividend was paid to the shareholders in May 2022.

# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2022 (Unaudited)

### 12 Basic earnings per share

The calculations of basic earnings per share for the nine-month periods ended 30 September 2022 and 2021 were based on the profit for the periods 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>Nine-month period ended 30 September</i>	<b>Consolidated and Separate financial statements</b>	
	2022	2021
	<i>(in thousand Baht / thousand shares)</i>	
<b>Profit attributable to ordinary shareholders of the Company (Basic)</b>	<b>6,254,739</b>	<b>4,163,771</b>
Number of ordinary shares outstanding at 1 January	19,126,500	19,180,500
Effect of treasury shares	(180,203)	(86,946)
<b>Weighted average number of ordinary shares outstanding (basic)</b>	<b>18,946,297</b>	<b>19,093,554</b>
<b>Earnings per share (basic) (<i>in Baht</i>)</b>	<b>0.330</b>	<b>0.218</b>

# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2022 (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.

	Note	Consolidated financial statements				Fair value	
		Carrying amount		Total (in thousand Baht)	Level 1	Level 2	Level 3
		Financial instruments measured at FVTPL	Financial instruments measured at FVOCI				
		Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Total	Level 1	Level 2	Total
<i>At 30 September 2022</i>							
<b>Financial assets</b>							
Other financial assets							
Investment in equity instruments		-	189	189		-	189
Investment in debt instruments		3,247,610	1,208	3,763,910	3,205,878	481,894	3,687,772
<b>Total other financial assets</b>		<b>3,247,610</b>	<b>1,397</b>	<b>3,764,099</b>			
<b>Financial liabilities</b>							
Promissory Note	6	-	-	2,790,169	-	2,789,808	2,789,808
Debentures	7	-	-	63,016,600	-	62,447,913	62,447,913
<b>Total other financial liabilities</b>		<b>-</b>	<b>-</b>	<b>65,806,769</b>			



# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2022 (Unaudited)

Consolidated financial statements					Fair value			
		Carrying amount			Level 1	Level 2	Level 3	Total
	Note	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Financial instruments measured at amortised cost	(in thousand Baht)			
<b>At 31 December 2021</b>								
<b>Financial assets</b>								
Other financial assets								
Investment in equity instruments		-	233	-	233	-	-	233
Investment in debt instruments	18	3,849,788	1,207	512,454	3,806,496	541,970	-	4,348,466
Promissary Note		-	-	2,145,658	-	2,145,658	-	2,145,658
<b>Total other financial assets</b>		<b>3,849,788</b>	<b>1,440</b>	<b>2,658,112</b>	<b>6,509,340</b>			
<b>Financial liabilities</b>								
Promissary Note		-	-	3,391,674	3,391,674	3,392,337	-	3,392,337
Debentures		-	-	63,243,600	63,243,600	63,905,528	-	63,905,528
<b>Total other financial liabilities</b>		<b>-</b>	<b>-</b>	<b>66,635,274</b>	<b>66,635,274</b>			

# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2022 (Unaudited)

	Note	Carrying amount			Separate financial statements			Fair value		
		Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Financial instruments measured at amortised cost	Total (in thousand Baht)	Level 1	Level 2	Level 3	Total	
At 30 September 2022										
Financial assets										
Other financial assets										
Investment in equity instruments		-	189	-	189	189	-	-	189	
Investment in debt instruments		-	-	12,519	12,519	-	12,543	-	12,543	
Total other financial assets		-	189	12,519	12,708					189
										12,543
Financial liabilities										
Promissary Note	6	-	-	2,790,169	2,790,169	-	2,789,808	-	2,789,808	
Debentures	7	-	-	43,709,200	43,709,200	-	43,433,121	-	43,433,121	
Total other financial liabilities		-	-	46,499,369	46,499,369					2,789,808
										43,433,121

# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2022 (Unaudited)

	Separate financial statements				Fair value	
	Financial instruments measured at FVTPL	Carrying amount Financial instruments measured at FVOCI	Financial instruments measured at amortised cost	Total (in thousand Baht)	Level 1	Level 2
					Level 3	Total
<b>At 31 December 2021</b>						
<b>Financial assets</b>						
Other financial assets						
Investment in equity instruments	-	233	-	233	-	233
Investment in debt instruments	1,803,991	-	11,789	1,815,780	1,803,991	12,486
Promissory Note	-	-	698,218	698,218	-	698,218
<b>Total other financial assets</b>	<b>1,803,991</b>	<b>233</b>	<b>710,007</b>	<b>2,514,231</b>		
<b>Financial liabilities</b>						
Promissory Note	-	-	3,391,674	3,391,674	-	3,392,337
Debentures	-	-	48,531,200	48,531,200	-	49,120,253
<b>Total other financial liabilities</b>	<b>-</b>	<b>-</b>	<b>51,922,874</b>	<b>51,922,874</b>		



# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2022 (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.
Corporate debt securities (Private funds)	<i>Market comparison/discounted cash flow:</i> The fair value is estimated considering (i) current or recent quoted prices for identical securities in markets that are not active and (ii) a net present value calculated using discount rates derived from quoted prices of securities with similar maturity and credit rating that are traded in active markets, adjusted by an illiquidity factor.
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

	Consolidated financial statements	Separate financial statements
<i>At 30 September 2022</i>		
<i>Capital commitments</i>		
Agreements for construction, machine and equipment	<u>10,259,442</u>	<u>1,353,558</u>
<i>Other commitments</i>		
Short-term lease and services commitments	2,488	-
Unused letters of credit	566,123	520,021
Purchase agreement for raw material	340,365	340,365
Bank guarantees	393,729	263,572
<b>Total</b>	<u>1,302,705</u>	<u>1,123,958</u>



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

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

**For the three-month and nine-month periods ended 30 September 2022 (Unaudited)**

#### **15 Contingent liabilities**

As at 30 September 2022, 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



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

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

**For the three-month and nine-month periods ended 30 September 2022 (Unaudited)**

Section 4 of Act on ancient monuments, antiques, objects of art and national museum, B.E. 2504 and 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. The case is pending the considering of the Supreme Court.

- 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**

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

**For the three-month and nine-month periods ended 30 September 2022 (Unaudited)**

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 judgement of the Court of Appeal in which the Court of Appeal modified the judgement by charging interest at a rate of 5 percent per annum pursuant to the judgement 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 consideration of Court of Appeal shall govern.

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 18 February 2022. 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.

- 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



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

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

**For the three-month and nine-month periods ended 30 September 2022 (Unaudited)**

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 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.

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.



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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 judgement of the Court of Appeal in which the Court of Appeal modified the judgement by charging interest at a rate of 5 percent per annum pursuant to the judgement 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 judgement 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. 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.

- 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.



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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 judgement of the Court of Appeal in which the Court of Appeal modified the judgement by charging interest at a rate of 5 percent per annum pursuant to the judgement 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 judgement 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. 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.

- 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,



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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 22 September 2020 but the appointment was postponed because the case is pending mediation during the appeal. Subsequently, the mediation in the appellate stage was terminated.

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 case is pending a judgement of the Supreme Court.

- 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.



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**For the three-month and nine-month periods ended 30 September 2022 (Unaudited)**

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.

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 judgement of the Court of Appeal in which the Court of Appeal modified the judgement by charging interest at a rate of 5 percent per annum pursuant to the judgement 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 judgement 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 9 November 2021. 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.



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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 judgement depends on the consideration and discretion of the court. As at 30 September 2022, 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.

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

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.



# TPI Polene Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

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### 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.

In 2021, the subsidiary used approximately 2.19 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 5.08 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.

- 2) From December 2021 until the third quarter 2022, 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 27 - 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).

### 17 Events after the reporting period

During 9 - 14 November 2022, the Company issued and offered for sale of debenture with maturity of 4 - 5 years, at a fixed interest rate 4.25 - 4.50% per annum, interest payable every 3 months, with an offering value of not exceeding Baht 10,000 million.

### 18 Adjustment of accounts

Other current financial assets disclosed in the consolidated financial statements as at 31 December 2021 have been adjusted to conform with the remaining period and the objective of the subsidiary's business model.

#### Consolidated financial statements

31 December 2021

	Before adjustment	Adjustment (in thousand Baht)	After adjustment
<i>Statement of financial position</i>			
Other current financial assets	6,480,787	485,341	5,995,446
Other non-current financial assets	34,978	485,341	520,319

