

Tipco Foods Public Company Limited and its subsidiaries
Review report and interim financial information
For the three-month period ended 31 March 2021

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Tipco Foods Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Tipco Foods Public Company Limited and its subsidiaries as at 31 March 2021, the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Tipco Foods Public Company Limited for the same period (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Emphasis of matter

I draw attention to Note 6.4 to the interim consolidated financial statements, regarding the compliance with the US State Department's request that the associate wind down its crude oil procurement from Venezuela, in order to avoid a potential US sanction. My conclusion is not modified in respect of this matter.

Natthawut Santipet

Certified Public Accountant (Thailand) No. 5730

EY Office Limited

Bangkok: 13 May 2021

Tipco Foods Public Company Limited and its subsidiaries

Statements of financial position

As at 31 March 2021

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>31 March 2021</u>	<u>31 December 2020</u>	<u>31 March 2021</u>	<u>31 December 2020</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		59,933	55,544	13,218	15,137
Trade and other receivables	2, 3	288,235	368,819	41,695	16,484
Short-term loans to related parties	2	-	-	420,400	412,900
Inventories	4	519,425	500,542	46,889	46,138
Biological assets		585	480	-	-
Advanced payments	2	21,021	29,016	2,323	2,547
Derivative assets		150	1,649	-	-
Other current assets		19,535	24,460	5,524	5,565
Total current assets		<u>908,884</u>	<u>980,510</u>	<u>530,049</u>	<u>498,771</u>
Non-current assets					
Investments in subsidiaries	5	-	-	1,478,837	1,478,837
Investment in associate	6	3,527,379	3,477,058	644,930	644,930
Investment property - Land awaiting sale		7,270	7,270	7,270	7,270
Property, plant and equipment	7	1,826,757	1,910,738	632,785	652,766
Intangible assets		29,592	30,389	27,022	27,037
Deferred tax assets		83,103	69,420	6,364	6,195
Other non-current assets	2	11,538	11,874	2,092	2,092
Total non-current assets		<u>5,485,639</u>	<u>5,506,749</u>	<u>2,799,300</u>	<u>2,819,127</u>
Total assets		<u>6,394,523</u>	<u>6,487,259</u>	<u>3,329,349</u>	<u>3,317,898</u>

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

Tipco Foods Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 March 2021

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>31 March 2021</u>	<u>31 December 2020</u>	<u>31 March 2021</u>	<u>31 December 2020</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from					
financial institutions		733,333	814,379	520,000	500,000
Trade and other payables	2, 8	475,330	429,728	37,764	22,176
Current portion of long-term loans					
from financial institutions	9	274,380	266,880	197,500	190,000
Current portion of lease liabilities	2, 10	24,827	27,587	5,587	7,943
Derivative liabilities		9,716	163	-	-
Other current liabilities		55,150	62,663	12,737	3,777
Total current liabilities		<u>1,572,736</u>	<u>1,601,400</u>	<u>773,588</u>	<u>723,896</u>
Non-current liabilities					
Long-term loans from financial institutions					
- net of current portion	9	458,343	532,563	310,000	365,000
Lease liabilities - net of current portion	2, 10	22,781	27,439	7,617	11,240
Provision for dismantling cost		1,030	1,201	-	-
Provision for long-term employee benefits	12	108,155	105,156	31,389	30,109
Total non-current liabilities		<u>590,309</u>	<u>666,359</u>	<u>349,006</u>	<u>406,349</u>
Total liabilities		<u>2,163,045</u>	<u>2,267,759</u>	<u>1,122,594</u>	<u>1,130,245</u>

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

Tipco Foods Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 March 2021

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>31 March 2021</u>	<u>31 December 2020</u>	<u>31 March 2021</u>	<u>31 December 2020</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
500,000,000 ordinary shares of Baht 1 each	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Issued and fully paid				
482,579,640 ordinary shares of Baht 1 each	482,580	482,580	482,580	482,580
Non-controlling interests of subsidiary acquired by the Company at price higher than book value	(80,767)	(80,767)	-	-
Non-controlling interest in subsidiary of the associated company acquired at price lower than book value	1,494	1,494	-	-
Change in the interest in subsidiaries of the associated company which did not result in a loss of control of the associate	(135,833)	(135,833)	-	-
Capital reserve for share-based payment transactions of the associate	40,953	40,953	-	-
Retained earnings				
Appropriated - statutory reserve	50,000	50,000	50,000	50,000
Unappropriated	4,097,046	4,147,407	1,674,175	1,655,073
Other components of shareholders' equity	<u>(223,995)</u>	<u>(286,334)</u>	-	-
Total shareholders' equity	<u>4,231,478</u>	<u>4,219,500</u>	<u>2,206,755</u>	<u>2,187,653</u>
Total liabilities and shareholders' equity	<u>6,394,523</u>	<u>6,487,259</u>	<u>3,329,349</u>	<u>3,317,898</u>
	-	-	-	-

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

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Directors
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(Unaudited but reviewed)

Tipco Foods Public Company Limited and its subsidiaries

Statements of comprehensive income

For the three-month period ended 31 March 2021

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Profit or loss:					
Revenues					
Sales		550,616	765,117	82,013	100,847
Dividend income from subsidiary	5	-	-	-	39,000
Dividend income from associate	6	-	-	110,964	-
Management income	2	-	-	10,495	14,002
Other income		27,300	29,047	434	4,586
Total revenues		577,916	794,164	203,906	158,435
Expenses					
Cost of sales		443,551	627,029	47,690	62,802
Selling and distribution expenses		83,205	90,994	-	-
Administrative expenses		103,178	138,601	41,586	43,636
Loss on exchange		8,949	31,355	-	150
Total expenses		638,883	887,979	89,276	106,588
Operating profit (loss)		(60,967)	(93,815)	114,630	51,847
Share of profit (loss) from investment in associate	6	98,944	(188,497)	-	-
Finance income	2	27	27	2,839	1,710
Finance cost		(10,334)	(15,407)	(6,847)	(9,821)
Profit (loss) before income tax expenses		27,645	(297,692)	110,622	43,736
Income tax benefit (expenses)	13	13,683	3,222	169	(321)
Profit (loss) for the period		41,328	(294,470)	110,791	43,415
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Share of other comprehensive income in associate					
- net of income tax	6	62,339	138,718	-	-
Other comprehensive income for the period		62,339	138,718	-	-
Total comprehensive income for the period		103,667	(155,752)	110,791	43,415

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

(Unaudited but reviewed)

Tipco Foods Public Company Limited and its subsidiaries

Statements of comprehensive income (continued)

For the three-month period ended 31 March 2021

(Unit: Thousand Baht except earnings per share expressed in Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Profit (loss) attributable to:				
Equity holders of the Company	<u>41,328</u>	<u>(294,470)</u>	<u>110,791</u>	<u>43,415</u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>103,667</u>	<u>(155,752)</u>	<u>110,791</u>	<u>43,415</u>
Earnings per share	14			
Basic earnings per share				
Profit (loss) attributable to equity holders of the Company	<u>0.09</u>	<u>(0.61)</u>	<u>0.23</u>	<u>0.09</u>

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

(Unaudited but reviewed)

Tipco Foods Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the three-month period ended 31 March 2021

(Unit: Thousand Baht)

	Consolidated financial statements									
	Issued and paid-up share capital	Non-controlling interests of subsidiary acquired by the Company at price higher than book value	Non-controlling interest in subsidiary of the associated company acquired at price lower than book value	Change in the interest in subsidiaries of the associated company which did not result in a loss of control of the associate	Capital reserve for share-based payment transactions of the associate	Retained earnings		Other components of shareholders' equity		
		Appropriated - statutory reserve	Unappropriated	Share of other comprehensive income in associate	Total other components of shareholders' equity	Total shareholders' equity	Other comprehensive income		Total other components of shareholders' equity	Total shareholders' equity
							Share of other comprehensive income in associate	Total other components of shareholders' equity		
Balance as at 1 January 2020	482,580	(80,767)	1,494	(135,833)	40,994	50,000	3,848,177	(299,851)	(299,851)	3,906,794
Loss for the period	-	-	-	-	-	-	(294,470)	-	-	(294,470)
Other comprehensive income for the period	-	-	-	-	-	-	-	138,718	138,718	138,718
Total comprehensive income for the period	-	-	-	-	-	-	(294,470)	138,718	138,718	(155,752)
Share-based payment transactions of the associate	-	-	-	-	(8)	-	-	-	-	(8)
Balance as at 31 March 2020	<u>482,580</u>	<u>(80,767)</u>	<u>1,494</u>	<u>(135,833)</u>	<u>40,986</u>	<u>50,000</u>	<u>3,553,707</u>	<u>(161,133)</u>	<u>(161,133)</u>	<u>3,751,034</u>
Balance as at 1 January 2021	482,580	(80,767)	1,494	(135,833)	40,953	50,000	4,147,407	(286,334)	(286,334)	4,219,500
Profit for the period	-	-	-	-	-	-	41,328	-	-	41,328
Other comprehensive income for the period	-	-	-	-	-	-	-	62,339	62,339	62,339
Total comprehensive income for the period	-	-	-	-	-	-	41,328	62,339	62,339	103,667
Dividend paid (Note 16)	-	-	-	-	-	-	(91,689)	-	-	(91,689)
Balance as at 31 March 2021	<u>482,580</u>	<u>(80,767)</u>	<u>1,494</u>	<u>(135,833)</u>	<u>40,953</u>	<u>50,000</u>	<u>4,097,046</u>	<u>(223,995)</u>	<u>(223,995)</u>	<u>4,231,478</u>

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

(Unaudited but reviewed)

Tipco Foods Public Company Limited and its subsidiaries
Statements of changes in shareholders' equity (continued)
For the three-month period ended 31 March 2021

(Unit: Thousand Baht)

	Separate financial statements			
	Issued and paid-up share capital	Retained earnings		Total shareholders' equity
		Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2020	482,580	50,000	1,510,502	2,043,082
Total comprehensive income for the period	-	-	43,415	43,415
Balance as at 31 March 2020	<u>482,580</u>	<u>50,000</u>	<u>1,553,917</u>	<u>2,086,497</u>
Balance as at 1 January 2021	482,580	50,000	1,655,073	2,187,653
Total comprehensive income for the period	-	-	110,791	110,791
Dividend paid (Note 16)	-	-	(91,689)	(91,689)
Balance as at 31 March 2021	<u>482,580</u>	<u>50,000</u>	<u>1,674,175</u>	<u>2,206,755</u>

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

(Unaudited but reviewed)

Tipco Foods Public Company Limited and its subsidiaries**Cash flow statements****For the three-month period ended 31 March 2021**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:				
Profit (loss) before income tax	27,645	(297,692)	110,622	43,736
Adjustments to reconcile profit (loss) before income tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	98,772	92,757	16,749	18,041
Reversal of allowance for expected credit losses	(133)	-	-	-
Reduction of cost of inventories to net realisable value (reversal)	(2,530)	3,076	(260)	345
Loss from inventory destruction	1,953	3,491	-	-
(Gain) loss on changes in fair value of biological assets	(105)	2,050	-	-
Unrealised (gain) loss on exchange	100	(1,195)	(8)	(19)
Loss on changes in fair value of derivatives	9,560	11,786	-	-
(Gain) loss on sales of property, plant and equipment	4,217	(644)	-	(654)
Decrease in provision for dismantling cost	(171)	-	-	-
Provision for long-term employee benefits	3,315	3,939	1,280	1,187
Dividend income from subsidiary	-	-	-	(39,000)
Dividend income from associate	-	-	(110,964)	-
Share of (profit) loss from investment in associate	(98,944)	188,497	-	-
Finance income	(2)	(27)	(2,839)	(1,710)
Finance cost	10,334	15,407	6,847	9,821
Profit from operating activities before changes in operating assets and liabilities	54,011	21,445	21,427	31,747
(Increase) decrease in operating assets				
Trade and other receivables	82,992	22,095	(25,203)	(21,669)
Inventories	(18,306)	(25,653)	(491)	2,416
Other current assets	12,551	7,484	(1,714)	(194)
Other non-current assets	336	1,280	-	(2)
Increase (decrease) in operating liabilities				
Trade and other payables	43,681	66,595	15,234	(12,220)
Other current liabilities	(7,671)	(4,881)	8,960	629
Other non-current liabilities	-	59	-	-
Cash paid for long-term employee benefits	(316)	(22,563)	-	(513)
Cash flows from operating activities	167,278	65,861	18,213	194
Cash paid for interest expenses	(10,155)	(14,969)	(6,671)	(9,572)
Cash received from refund of corporate income tax	9,525	2,232	2,193	2,232
Cash paid for corporate income tax	(9,073)	(233)	(327)	-
Net cash flows from (used in) operating activities	157,575	52,891	13,408	(7,146)

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

(Unaudited but reviewed)

Tipco Foods Public Company Limited and its subsidiaries

Cash flow statements (continued)

For the three-month period ended 31 March 2021

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Cash flows from investing activities:				
Increase in fixed deposit with maturity over 3 months	-	(21)	-	-
Decrease (increase) in short-term loans to related parties	-	-	(7,500)	18,100
Cash received from sales of property, plant and equipment	48	655	-	654
Cash paid for acquisition of property, plant and equipment	(17,489)	(28,795)	(938)	(250)
Cash paid for acquisition of intangible assets	-	(1,221)	-	(82)
Dividend received from subsidiary	-	-	-	39,000
Dividend received from associate	110,964	-	110,964	-
Interest received	2	27	2,839	1,710
Net cash flows from (used in) investing activities	<u>93,525</u>	<u>(29,355)</u>	<u>105,365</u>	<u>59,132</u>
Cash flows from financing activities:				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(81,046)	92,697	20,000	7,312
Cash paid for lease liabilities	(7,256)	(6,430)	(1,503)	(2,022)
Repayment of long-term loans from financial institutions	(66,720)	(103,125)	(47,500)	(57,800)
Dividend paid	(91,689)	-	(91,689)	-
Net cash flows used in financing activities	<u>(246,711)</u>	<u>(16,858)</u>	<u>(120,692)</u>	<u>(52,510)</u>
Net increase (decrease) in cash and cash equivalents	4,389	6,678	(1,919)	(524)
Cash and cash equivalents at beginning of period	<u>55,544</u>	<u>41,336</u>	<u>15,137</u>	<u>15,127</u>
Cash and cash equivalents at end of period	<u>59,933</u>	<u>48,014</u>	<u>13,218</u>	<u>14,603</u>
	-	-	-	-
Supplemental cash flows information				
Non-cash transactions:				
Acquisition of equipment for which cash has not been paid	1,402	1,450	317	512
Acquisition of intangible assets for which cash has not been paid	50	-	50	-
Increase in right-of-use assets due to entering into lease agreements	4,313	1,589	-	-

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

Tipco Foods Public Company Limited and its subsidiaries
Notes to interim consolidated financial statements
For the three-month period ended 31 March 2021

1. General information

1.1 Coronavirus disease 2019 pandemic

The Coronavirus disease 2019 pandemic is adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

1.2 Basis of preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

1.3 Basis of consolidation

The consolidated interim financial statements include the financial statements of Tipco Foods Public Company Limited and its subsidiaries ("the Group") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2020.

1.4 New financial reporting standards

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

During the current period, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued amendments to Thai Financial Reporting Standard 16 Leases that provide temporary exemptions from the impact of interest rate benchmark reform for a lessee, provided that all specified conditions are to be met.

The management of the Group is currently evaluating the impact of this standard on the financial statements in the year when it is adopted.

1.5 Significant accounting policies

The interim consolidated financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2020.

(Unaudited but reviewed)

2. Related party transactions

During the periods, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon among the Company, its subsidiaries and those related parties.

(Unit: Million Baht)

	For the three-month periods ended 31 March				Transfer pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Sales of goods	-	-	82	100	Cost plus certain margin
Management income	-	-	10	14	As agreed
Interest income	-	-	3	2	2.65 percent per annum
Dividend income	-	-	-	39	Announced rate
<u>Transactions with associated company</u>					
Sales of goods	-	1	-	-	Market price
Dividend income	-	-	111	-	Announced rate
<u>Transactions with related companies</u>					
Rental and service expenses	9	9	2	4	As agreed

The balances of the accounts as at 31 March 2021 and 31 December 2020 between the Company, its subsidiaries and those related parties were as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	31 March	31 December	31 March	31 December
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(Audited)		(Audited)	
<u>Trade and other receivables - related parties</u> (Note 3)				
Subsidiaries	-	-	41,603	16,263
Associate	125	1,104	-	86
Related companies (common shareholders and directors)	88	701	-	-
Total trade and other receivables - related parties	213	1,805	41,603	16,349

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2021	2020	2021	2020
		(Audited)		(Audited)
<u>Prepaid expenses - related parties</u>				
Related companies (common shareholders and directors)	1,425	312	86	130
Total prepaid expenses - related parties	1,425	312	86	130
<u>Retentions - related parties</u>				
Related companies (common shareholders and directors)	7,166	7,166	1,961	1,961
Total retentions - related parties	7,166	7,166	1,961	1,961
<u>Trade and other payables - related parties</u> (Note 8)				
Subsidiaries	-	-	20	35
Associate	20	503	-	420
Related companies (common shareholders and directors)	2,216	1,190	201	286
Total trade and other payables - related parties	2,236	1,693	221	741
<u>Lease liabilities - related parties</u>				
Related companies (common shareholders and directors)	21,996	28,055	10,946	10,774
Total lease liabilities - related parties	21,996	28,055	10,946	10,774

Short-term loans to related parties

As at 31 March 2021 and 31 December 2020, the balances of short-term loans to related parties and the movements were as follows:

(Unit: Thousand Baht)

Short-term loans	Related by	Separate financial statements			
		Balance as at 31 December 2020	Increase during the period	Decrease during the period	Balance as at 31 March 2021
		(Audited)			
Tipco Pineapple Co., Ltd.	Subsidiary	305,000	45,000	(37,000)	313,000
Tipco Biotech Co., Ltd.	Subsidiary	72,900	-	(6,000)	66,900
Tipco Retail Co., Ltd.	Subsidiary	35,000	5,500	-	40,500
Total		412,900	50,500	(43,000)	420,400

(Unaudited but reviewed)

Directors and management's benefits

For the three-month periods ended 31 March 2021 and 2020, the Group had employee benefit expenses of its directors and management as detailed below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Short-term employee benefits	9	9	9	9
Post-employment benefits	-	1	-	-
Total	<u>9</u>	<u>10</u>	<u>9</u>	<u>9</u>

3. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March	31 December	31 March	31 December
	2021	2020	2021	2020
			(Audited)	(Audited)
<u>Trade receivables - related parties</u> (Note 2)				
Aged on the basis of due dates				
Not yet due	153	1,238	37,073	12,456
Past due				
Up to 3 months	58	33	64	-
Total trade receivables - related parties	<u>211</u>	<u>1,271</u>	<u>37,137</u>	<u>12,456</u>
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	225,663	272,778	-	-
Past due				
Up to 3 months	43,703	27,331	-	-
3 - 6 months	-	1,052	-	-
6 - 12 months	1,535	2	-	-
Over 12 months	1,182	2,579	-	-
Total	272,083	303,742	-	-
Less: Allowance for expected credit losses	(5,047)	(5,180)	-	-
Total trade receivables - unrelated parties, net	<u>267,036</u>	<u>298,562</u>	<u>-</u>	<u>-</u>
Total trade receivables - net	<u>267,247</u>	<u>299,833</u>	<u>37,137</u>	<u>12,456</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March	31 December	31 March	31 December
	2021	2020	2021	2020
		(Audited)		(Audited)
Other receivables				
Amounts due from related parties (Note 2)	2	534	4,466	3,893
Amounts due from unrelated parties	20,419	67,733	50	51
Advance to employees	146	564	38	84
Accrued income	421	155	4	-
Total other receivables	20,988	68,986	4,558	4,028
Total trade and other receivables - net	288,235	368,819	41,695	16,484

4. Inventories

Movements in the reduction of cost to net realisable value of inventories account during the three-month period ended 31 March 2021 were summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2021	42,863	1,835
Add: Additions during the period	1,932	-
Less: Reversals during the period	(4,462)	(260)
Balance as at 31 March 2021	40,333	1,575

5. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follows:

Company's name	(Unit: Thousand Baht)	
	Cost	
	31 March 2021	31 December 2020
		(Audited)
Tipco F&B Co., Ltd.	729,050	729,050
Tipco Retail Co., Ltd.	175,500	175,500
Tipco Biotech Co., Ltd.	160,787	160,787
Tipco Pineapple Co., Ltd.	700,000	700,000
Total	1,765,337	1,765,337
Less: Allowance for impairment loss on investments in subsidiaries	(286,500)	(286,500)
Investments in subsidiaries - net	1,478,837	1,478,837

(Unaudited but reviewed)

During the three-month periods ended 31 March 2021 and 2020, the Company received dividends from the following subsidiary:

(Unit: Thousand Baht)

Company's name	For the three-month periods ended 31 March	
	<u>2021</u>	<u>2020</u>
Tipco F&B Co., Ltd.	-	39,000

6. Investment in associate

The Company has investment in an associate, Tipco Asphalt Public Company Limited, which incorporate in Thailand and engaged in the manufacture and distribution of asphalt and petroleum products. The shareholding percentage of the Company as at 31 March 2021 and 31 December 2020 is 23.4345 percent.

6.1 Details of associate

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
Cost	644,930	644,930	644,930	644,930
Carrying amounts based on equity method	3,527,379	3,477,058	-	-

6.2 Share of comprehensive income and dividend received

During the three-month periods ended 31 March 2021 and 2020, the Company has recognised its share of profit (loss) from investment in associate in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Share of profit (loss) from investment in associate during the period	98,944	(188,497)	-	-
Share of other comprehensive income from investment in associate during the period	62,339	138,718	-	-
Dividend received during the period	-	-	110,964	-

6.3 Fair value of investment in listed associate

The fair value of investment in Tipco Asphalt Public Company Limited which is a listed company on the Stock Exchange of Thailand as at 31 March 2021 and 31 December 2020 are Baht 7,657 million and Baht 6,473 million, respectively.

6.4 Winding down of crude oil procurement from Venezuela

In January 2019, the United States announced and imposed sanction on a Venezuelan oil company that has been the key source of crude oil that the associate used as a raw material for the production of about half of all asphalt product volume sold each year. The associate approached two law firms to seek advice on the implication of this sanction in respect of its crude oil purchases and payments. Both law firms opined that the transactions were not in violation of any applicable laws related to the sanction. The associate therefore continued to operate business as usual.

In September 2020, the US State Department requested the associate to wind down crude oil procurement from Venezuela. In order to avoid a potential US sanction, the associate complied with the request and informed the US State Department in writing that the associate would cease purchasing crude oil from this source, effective by the end of November 2020. The associate has already ceased its purchasing crude oil from this source since the end of November 2020.

The associate notified the Stock Exchange of Thailand of these facts on 11 September 2020, 15 September 2020 and 23 November 2020, together with the associate's plans to mitigate the risk arising from the disruption of its normal source of crude supply by considering plans to procure non-Venezuelan crude oil from other sources or to procure asphalt from other sources.

7. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 31 March 2021 were summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2021	1,910,738	652,766
Acquisitions during period - at cost	22,684	1,179
Adjustments from the lease modification - net book value at modification date	(4,475)	(4,475)
Disposals/written-off during period - net book value at disposal/written-off date	(4,265)	-
Depreciation for the period	(97,925)	(16,685)
Net book value as at 31 March 2021	1,826,757	632,785

(Unaudited but reviewed)

8. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2021	2020	2021	2020
		(Audited)		(Audited)
Trade payables - related parties (Note 2)	-	-	9	30
Trade payables - unrelated parties	155,244	148,534	17,481	6,869
Other payables - related parties (Note 2)	2,236	1,693	212	711
Other payables - unrelated parties	45,578	43,308	3,691	5,969
Accounts payable from sale promotions	202,735	180,546	-	-
Accrued expenses	69,537	55,647	16,371	8,597
Total trade and other payables	<u>475,330</u>	<u>429,728</u>	<u>37,764</u>	<u>22,176</u>

9. Long-term loans from financial institutions

Movements in the long-term loans from financial institutions account during the three-month period ended 31 March 2021 were summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
Balance as at 1 January 2021	799,443		555,000	
Repayments	(66,720)		(47,500)	
Balance as at 31 March 2021	<u>732,723</u>		<u>507,500</u>	
Less: Current portion	(274,380)		(197,500)	
Long-term loans from financial institutions				
- net of current portion	<u>458,343</u>		<u>310,000</u>	

As at 31 March 2021, the long-term credit facilities of the Group which has not yet been drawn down amounted to Baht 12 million (2020: Baht 12 million).

Loan covenants

The loans are secured by the mortgage of certain land, buildings, machinery and equipment of the Group.

The loan agreements of the Group contain certain restrictive covenants pertaining to, among other things, the maintenance of debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements and the prohibition from creating lien over related assets.

10. Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
		(Audited)		(Audited)
Lease payments	49,321	56,975	14,208	20,450
Less: Deferred interest expenses	(1,713)	(1,949)	(1,004)	(1,267)
Total lease liabilities	47,608	55,026	13,204	19,183
Less: Portion due within one year	(24,827)	(27,587)	(5,587)	(7,943)
Lease liabilities - net of current portion	22,781	27,439	7,617	11,240

The Group has entered into the lease agreements for rental of property, plant and equipment for use in its operation, whereby it is committed to pay rental on a monthly basis.

As at 31 March 2021 and 31 December 2020, future minimum lease payments required under the lease agreements were as follows:

	(Unit: Million Baht)					
	Consolidated financial statements					
	31 March 2021			31 December 2020		
	Less than 1 year	1 - 5 years	Total	Less than 1 year	1 - 5 years	Total
Future minimum lease payments	26	24	50	29	28	57
Deferred interest expenses	(1)	(1)	(2)	(1)	(1)	(2)
Present value of future minimum lease payments	25	23	48	28	27	55

(Unaudited but reviewed)

(Unit: Million Baht)

	Separate financial statements					
	31 March 2021			31 December 2020		
	Less than 1 year	1 - 5 years	Total	Less than 1 year	1 - 5 years	Total
Future minimum lease payments	6	8	14	8	12	20
Deferred interest expenses	-	(1)	(1)	-	(1)	(1)
Present value of future minimum lease payments	6	7	13	8	11	19

11. Credit facilities

The credit facilities of the Group granted by financial institutions are secured by the following collaterals:

- The guarantees by the Company.
- The mortgages of the assets of the Group of which the net book value as at 31 March 2021 and 31 December 2020 were summarised below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
		(Audited)		(Audited)
Land	58	104	17	17
Buildings and complement	493	580	256	260
Machinery and equipment	-	53	-	-

- The prohibition from creating lien over assets of the Group.

(Unaudited but reviewed)

12. Provision for long-term employee benefits

Movements of the provision for long-term employee benefits account during the three-month period ended 31 March 2021 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Provision for long-term employee benefits as at		
1 January 2021	105,156	30,109
Included in profit or loss:		
Current service cost	2,815	1,138
Interest cost	500	142
Benefits paid during the period	(316)	-
Provision for long-term employee benefits as at		
31 March 2021	<u>108,155</u>	<u>31,389</u>

13. Income tax

Income tax expenses for the three-month periods ended 31 March 2021 and 2020 were made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Current income tax:				
Current income tax charge	-	-	-	-
Deferred tax:				
Relating to origination and reversal of				
temporary differences	<u>(13,683)</u>	<u>(3,222)</u>	<u>(169)</u>	<u>321</u>
Income tax expenses (benefit) reported in				
profit or loss	<u>(13,683)</u>	<u>(3,222)</u>	<u>(169)</u>	<u>321</u>

14. Earnings per share

Basic earnings per share is calculated by dividing profit (loss) for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

(Unaudited but reviewed)

15. Segment information

The following tables present revenue and profit information regarding the Group' operating segments for the three-month periods ended 31 March 2021 and 2020, respectively.

(Unit: Million Baht)

	Products of vegetable & fruit		Beverage		Others		Consolidation	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues from sales of goods	205	261	343	500	3	4	551	765
Gross profit (loss)	21	10	86	129	-	(1)	107	138
Other income							27	29
Selling and distribution expenses							(83)	(91)
Administrative expenses							(103)	(139)
Loss on exchange							(9)	(31)
Operating loss							(61)	(94)
Share of profit (loss) from investment in associate							99	(188)
Finance cost							(10)	(15)
Profit (loss) before income tax expenses							28	(297)
Income tax benefit							13	3
Profit (loss) for the period							41	(294)

(Unaudited but reviewed)

Geographic segment information for the three-month periods 31 March 2021 and 2020 was as follows:

	(Unit: Million Baht)					
	Domestic sales		Export sales		Consolidation	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues from the sale of goods	<u>278</u>	<u>458</u>	<u>273</u>	<u>307</u>	<u>551</u>	<u>765</u>
Gross profit	<u>58</u>	<u>117</u>	<u>49</u>	<u>21</u>	<u>107</u>	<u>138</u>

Transfer prices between the segments are set out in Note 2 to the interim financial statements.

16. Dividends

Dividends	Approved by	Total dividends	Dividend
		(Million Baht)	per share
			(Baht per share)
Interim dividends for 2021	Board of Directors' meeting on 18 February 2021	<u>91.7</u>	<u>0.19</u>
Total dividends for the three-month period ended 31 March 2021		<u>91.7</u>	<u>0.19</u>

17. Commitments and contingent liabilities

17.1 Capital commitments

The Group had outstanding capital commitments relating purchases of machinery and equipment and computer software as follows:

Foreign currency	(Unit: Million)			
	Consolidated financial statements		Separate financial statements	
	<u>31 March 2021</u>	<u>31 December 2020</u>	<u>31 March 2021</u>	<u>31 December 2020</u>
		(Audited)		(Audited)
Baht	19	10	1	1

17.2 Lease and service commitments

The Group has entered into several agreements in respect of the lease of office equipment, which is short-term leases or leases of low-value assets, and other service agreements.

(Unaudited but reviewed)

Future minimum rental and service fees payable under these agreements were as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
		(Audited)		(Audited)
Payable within:				
1 year	31	28	8	11
2 to 5 years	6	7	1	1

17.3 Bank guarantees

The outstanding bank guarantees issued by the banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business were summarised below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
		(Audited)		(Audited)
Bank guarantees	16	15	7	7

18. Foreign currency risk

The balances of financial assets and liabilities of the Group denominated in foreign currencies were summarised below.

	Consolidated financial statements				Average exchange rate	
	Financial assets		Financial liabilities		31 March	31 December
Foreign currency	31 March 2021	31 December 2020	31 March 2021	31 December 2020	2021	2020
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
		(Audited)		(Audited)		(Audited)
US Dollar	1.7	2.9	0.8	0.8	31.34	30.04
Euro	1.2	1.0	0.2	0.2	36.71	36.88

(Unaudited but reviewed)

The outstanding forward exchange contracts of the Group which maturity date within one year were summarised below.

As at 31 March 2021						
Foreign currency	Consolidated		Separate		Contractual exchange rate	
	Sold	Bought	Sold	Bought	Sold	Bought
	Amount	amount	amount	amount		
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	4.9	2.6	-	-	29.93 - 31.21	30.03 - 30.25
Euro	0.9	-	-	-	36.17 - 36.63	-

As at 31 December 2020 (Audited)						
Foreign currency	Consolidated		Separate		Contractual exchange rate	
	Sold	Bought	Sold	Bought	Sold	Bought
	amount	amount	amount	amount		
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	3.8	-	-	-	29.88 - 31.43	-
Euro	0.4	-	-	-	36.96 - 37.09	-

As at 31 March 2021, the subsidiaries had put option contract and the outstanding is summarised below.

Contracts	Sold amount	Contractual exchange rate	Loss on
		of sold amount	change in fair value
	(Million US Dollar)	(Baht per 1 foreign currency unit)	(Million Baht)
Put option	1.0	30.30	1.1

19. Events after reporting period

19.1 On 8 April 2021, the Annual General Meeting of the shareholders of Tipco Asphalt Public Company Limited (associated company) approved a dividend payment of Baht 1.0 per share, a total of Baht 1,578 million for the year 2020. The Company received the dividend of Baht 370 million on 28 April 2021.

19.2 On 9 April 2021, the Annual General Meeting of the Company's shareholders approved a dividend payment of Baht 0.5 per share, a total of Baht 241 million. The Company paid such dividends on 7 May 2021.

20. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 13 May 2021.