

THAI NIPPON RUBBER INDUSTRY PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND SEPARATE
FINANCIAL INFORMATION (UNAUDITED)**

30 JUNE 2023

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of Thai Nippon Rubber Industry Public Company Limited

I have reviewed the interim consolidated financial information of Thai Nippon Rubber Industry Public Company Limited and its subsidiaries, and the interim separate financial information of Thai Nippon Rubber Industry Public Company Limited. These comprise the consolidated and separate statements of financial position as at 30 June 2023, the consolidated and separate statements of comprehensive income for the three-month and six-month periods then ended, the related consolidated and separate statements of changes in equity and cash flows for the six-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate 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 consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers ABAS Ltd.

Sa-nga Chokenitisawat

Certified Public Accountant (Thailand) No. 11251

Bangkok

8 August 2023

Thai Nippon Rubber Industry Public Co., Ltd.

Statement of Financial Position

As at 30 June 2023

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 June	31 December	30 June	31 December
		2023	2022	2023	2022
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Assets					
Current assets					
Cash and cash equivalents		75,820	68,665	53,240	28,704
Short-term loan to subsidiaries	16 c)	-	-	195,466	170,537
Trade and other accounts receivable (net)	7	683,138	553,860	664,114	536,989
Inventories (net)		254,706	308,055	190,143	257,306
Value added tax (net)		25,642	31,955	16,109	22,939
Loans to employee		854	680	854	680
Derivative assets	20	-	2,442	-	2,442
Other current assets		13,671	13,556	-	-
Total current assets		1,053,831	979,213	1,119,926	1,019,597
Non-current assets					
Cash at a financial institution pledged as security		9,318	9,301	-	-
Investment in subsidiaries	8	-	-	78,861	78,861
Property, plant and equipment (net)	9	572,548	583,159	349,121	362,316
Right-of-use assets (net)		38,909	41,573	34,973	36,119
Intangible assets (net)	10	14,949	15,311	14,560	14,911
Deferred tax assets		146,069	139,165	141,745	135,591
Other non-current assets		3,724	3,747	2,600	2,600
Total non-current assets		785,517	792,256	621,860	630,398
Total assets		1,839,348	1,771,469	1,741,786	1,649,995

The accompanying notes on pages 10 to 23 are an integral part of these interim financial information.

Thai Nippon Rubber Industry Public Co., Ltd.
Statement of Financial Position
As at 30 June 2023

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 June	31 December	30 June	31 December
		2023	2022	2023	2022
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Liabilities and equity					
Current liabilities					
Short-term loans from financial institutions	11	441,000	416,000	391,000	366,000
Trade and other accounts payable	12	317,884	246,702	283,631	219,846
Current portions of					
- Lease liabilities (net)		10,107	9,341	8,937	8,185
- Long-term loans from a financial institution	13	11,904	11,904	-	-
Derivative liabilities	20	19,777	-	19,777	-
Accrued income tax		10,407	16,359	10,407	16,359
Other current liabilities		2,634	3,213	2,480	3,108
Total current liabilities		813,713	703,519	716,232	613,498
Non-current liabilities					
Lease liabilities (net)		29,853	31,986	27,005	28,550
Long-term loans from a financial institution	13	11,894	17,846	-	-
Deferred tax liabilities		10,283	11,448	-	-
Employee benefit obligations		88,038	72,322	83,026	69,088
Total non-current liabilities		140,068	133,602	110,031	97,638
Total liabilities		953,781	837,121	826,263	711,136
Equity					
Share capital					
Authorised share capital					
300,000,000 ordinary shares of par Baht 1 each		300,000	300,000	300,000	300,000
Issued and fully paid-up share capital					
300,000,000 ordinary shares of par Baht 1 each		300,000	300,000	300,000	300,000
Share premium (net)		378,296	378,296	378,296	378,296
Retained earnings					
Appropriated - legal reserve		15,617	8,149	15,617	8,149
Unappropriated		193,879	237,401	222,957	244,196
Other components of equity (net)		(2,225)	10,502	(1,347)	8,218
Total equity		885,567	934,348	915,523	938,859
Total liabilities and equity		1,839,348	1,771,469	1,741,786	1,649,995

The accompanying notes on pages 10 to 23 are an integral part of these interim financial information.

Thai Nippon Rubber Industry Public Co., Ltd.
Statement of Comprehensive Income
For the three-month period ended 30 June 2023

	Consolidated		Separate	
	financial information		financial information	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	30 June	30 June	30 June	30 June
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Revenue from sales and services	492,666	446,780	466,648	412,937
Cost of sales and services	(342,223)	(316,241)	(321,384)	(277,212)
Gross profit	150,443	130,539	145,264	135,725
Other income	2,151	1,419	2,611	1,926
Profit before expenses	152,594	131,958	147,875	137,651
Selling expenses	(21,673)	(12,143)	(18,158)	(9,800)
Administrative expenses	(91,347)	(42,401)	(84,819)	(36,460)
Expected credit losses	(15,405)	(20,707)	(15,405)	(20,512)
Other gain (loss)	16,312	27,014	16,316	27,014
Finance costs	(4,638)	(2,996)	(3,826)	(2,132)
Total expenses	(116,751)	(51,233)	(105,892)	(41,890)
Profit before income tax	35,843	80,725	41,983	95,761
Income tax	(1,233)	(11,903)	(2,138)	(13,024)
Net profit for the period	34,610	68,822	39,845	82,737
Other comprehensive income:				
Item that may not be reclassified subsequently to profit or loss				
- Remeasurements of defined benefit pension plans - net of tax	(10,666)	-	(9,565)	-
Item that may be reclassified subsequently to profit or loss				
- Currency translation differences	(1,714)	12	-	-
Other comprehensive income for the period, net of tax	(12,380)	12	(9,565)	-
Total comprehensive income for the period	22,230	68,834	30,280	82,737
Profit attributable to :				
Owner of the parent	34,610	68,822	39,845	82,737
Non-controlling interests	-	-	-	-
Total comprehensive income attributable to :				
Owner of the parent	22,230	68,834	30,280	82,737
Non-controlling interests	-	-	-	-
Earnings per share				
Basic earnings per share (Baht per share)	0.12	0.23	0.13	0.28

The accompanying notes on pages 10 to 23 are an integral part of these interim financial information.

Thai Nippon Rubber Industry Public Co., Ltd.
Statement of Comprehensive Income
For the six-month period ended 30 June 2023

	Note	Consolidated financial information		Separate financial information	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		30 June	30 June	30 June	30 June
		2023	2022	2023	2022
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Revenue from sales and services		985,033	965,342	932,124	887,679
Cost of sales and services		(737,333)	(698,501)	(683,568)	(612,512)
Gross profit		247,700	266,841	248,556	275,167
Other income		3,749	3,301	4,749	3,377
Profit before expenses		251,449	270,142	253,305	278,544
Selling expenses		(37,873)	(29,106)	(31,875)	(23,842)
Administrative expenses		(141,006)	(86,498)	(126,101)	(73,413)
Expected credit losses		(10,503)	(19,599)	(10,699)	(19,404)
Other gain (loss)		5,113	27,890	5,116	27,833
Finance costs		(8,639)	(6,520)	(7,007)	(5,129)
Total expenses		(192,908)	(113,833)	(170,566)	(93,955)
Profit before income tax		58,541	156,309	82,739	184,589
Income tax	15	(4,595)	(19,255)	(6,510)	(21,603)
Net profit for the period		53,946	137,054	76,229	162,986
Other comprehensive income:					
Item that may not be reclassified subsequently to profit or loss					
- Remeasurements of defined benefit pension plans - net of tax		(10,666)	-	(9,565)	-
Item that may be reclassified subsequently to profit or loss					
- Currency translation differences		(2,061)	61	-	-
Other comprehensive income for the period, net of tax		(12,727)	61	(9,565)	-
Total comprehensive income for the period		41,219	137,115	66,664	162,986
Profit attributable to :					
Owner of the parent		53,946	137,054	76,229	162,986
Non-controlling interests		-	-	-	-
Total comprehensive income attributable to :					
Owner of the parent		41,219	137,115	66,664	162,986
Non-controlling interests		-	-	-	-
Earnings per share					
Basic earnings per share (Baht per share)		0.18	0.46	0.25	0.54

The accompanying notes on pages 10 to 23 are an integral part of these interim financial information.

Thai Nippon Rubber Industry Public Co., Ltd.

Statement of Changes in Equity

For the six-month period ended 30 June 2023

Consolidated financial information (Unaudited)									
Attributable to owners of the parent									
					Other components of equity (net)				
					Other comprehensive				
					income (net)				
	Authorised, issued and fully paid-up share capital	Share premium (net)	Retained earnings		Remeasurements of employee benefit obligations (net)	Currency translation differences	Total other components of equity (net)	Total owners of the parent	Total equity
			Appropriated - legal reserve	Unappropriated					
Note	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Opening balance as at 1 January 2023	300,000	378,296	8,149	237,401	9,870	632	10,502	934,348	934,348
Change in equity for the period									
Legal reserve	-	-	7,468	(7,468)	-	-	-	-	-
Dividend paid	14	-	-	(90,000)	-	-	-	(90,000)	(90,000)
Total comprehensive income for the period		-	-	53,946	(10,666)	(2,061)	(12,727)	41,219	41,219
Closing balance as at 30 June 2023	300,000	378,296	15,617	193,879	(796)	(1,429)	(2,225)	885,567	885,567
Opening balance as at 1 January 2022	300,000	549,080	30,000	(157,540)	(1,800)	555	(1,245)	720,295	720,295
Change in equity for the period									
Distribution to compensate accumulated deficit	-	(170,784)	(30,000)	200,784	-	-	-	-	-
Total comprehensive income for the period		-	-	137,054	-	61	61	137,115	137,115
Closing balance as at 30 June 2022	300,000	378,296	-	180,298	(1,800)	616	(1,184)	857,410	857,410

The accompanying notes on pages 10 to 23 are an integral part of these interim financial information.

Thai Nippon Rubber Industry Public Co., Ltd.

Statement of Changes in Equity

For the six-month period ended 30 June 2023

Separate financial information (Unaudited)

	Note	Authorised, issued and fully paid-up share capital Thousand Baht	Share premium (net) Thousand Baht	Retained earnings		Other components of equity (net)	Total Thousand Baht
				Appropriated - legal reserve Thousand Baht	Unappropriated Thousand Baht	Other comprehensive income (net)	
						Remeasurements of employee benefit obligations (net) Thousand Baht	
Opening balance as at 1 January 2023		300,000	378,296	8,149	244,196	8,218	938,859
Changes in equity for the period							
Legal reserve		-	-	7,468	(7,468)	-	-
Dividend paid	14	-	-	-	(90,000)	-	(90,000)
Total comprehensive income for the period		-	-	-	76,229	(9,565)	66,664
Closing balance as at 30 June 2023		300,000	378,296	15,617	222,957	(1,347)	915,523
Opening balance as at 1 January 2022		300,000	549,080	30,000	(200,784)	(1,800)	676,496
Changes in equity for the period							
Distribution to compensate accumulated deficit		-	(170,784)	(30,000)	200,784	-	-
Total comprehensive income for the period		-	-	-	162,986	-	162,986
Closing balance as at 30 June 2022		300,000	378,296	-	162,986	(1,800)	839,482

The accompanying notes on pages 10 to 23 are an integral part of these interim financial information.

Thai Nippon Rubber Industry Public Co., Ltd.
Statement of Cash Flows
For the six-month period ended 30 June 2023

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		30 June	30 June	30 June	30 June
		2023	2022	2023	2022
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from operating activities					
Net profit before income tax		58,541	156,309	82,739	184,589
Adjustments:					
Depreciation charge		47,347	49,457	37,189	39,421
Amortisation charge	10	1,476	1,454	1,431	1,418
Expected credit losses		10,503	19,599	10,699	19,404
Loss from fair value of financial derivatives		22,219	5,358	22,219	5,358
Provision for obsolete inventory		1,089	3,172	1,863	1,843
(Reversal of) allowance for inventory costs in excess of net realisable value		(1,481)	(749)	(1,481)	-
Employee benefit obligations		6,494	5,917	5,818	5,431
Interest income from - financial institutions		(32)	(5)	(9)	(4)
- short-term loan to subsidiaries	16 a)	-	-	(2,920)	(722)
- loans to employee		(25)	(20)	(25)	(20)
Net (gain) loss from disposals of equipment		(2)	52	(6)	108
Loss from write-off of intangible assets		-	1	-	1
Unrealised (gain) from exchange rate arising from short-term loan to a subsidiary	16 c)	-	-	(660)	(290)
Finance costs					
- interest expense from - loans from financial institutions		7,600	6,174	6,170	5,142
- lease liabilities		892	346	837	277
Cash flow before changes in working capital		154,621	247,065	163,864	261,956
Changes in working capital					
- trade and other accounts receivable		(139,782)	(39,077)	(137,332)	(18,488)
- inventories		53,741	(67,460)	66,782	(55,265)
- value added tax		6,313	(5,370)	6,828	(695)
- other current assets		3	-	-	-
- other non-current assets		23	(59)	-	-
- trade and other accounts payable		77,382	39,397	63,718	38,245
- other current liabilities		(577)	(2,828)	(629)	(2,686)
- employee benefits paid		(3,683)	(2,814)	(3,683)	(2,666)
Cash generated from operating activities					
before income tax paid		148,041	168,854	159,548	220,401
- Interest received from financial institutions		32	5	9	4
- Income tax paid		(16,494)	(13,653)	(16,377)	(13,632)
Net cash generated from operating activities		131,579	155,206	143,180	206,773

The accompanying notes on pages 10 to 23 are an integral part of these interim financial information.

Thai Nippon Rubber Industry Public Co., Ltd.
Statement of Cash Flows (Cont'd)
For the six-month period ended 30 June 2023

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		30 June	30 June	30 June	30 June
		2023	2022	2023	2022
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from investing activities					
Short-term loan to subsidiaries - payments	16 c)	-	-	(34,269)	3,000
- proceeds	16 c)	-	-	10,000	(70,108)
Loans to employee - principal payments		(173)	(300)	(173)	(300)
Interest received from - short-term loan to subsidiaries		-	-	2,429	664
- loans to employee		25	20	25	20
Cash at a financial institution pledged as security (Increase)		(17)	-	-	-
Cash paid for investment in a subsidiary		-	-	-	(20,000)
Cash paid for purchases of - property, plant and equipment		(37,251)	(68,052)	(19,742)	(24,021)
- intangible assets		(1,185)	(726)	(1,152)	(687)
Cash received from disposals of equipment		8	183	8	23
Net cash (used in) investing activities		(38,593)	(68,875)	(42,874)	(111,409)
Cash flows from financing activities					
Short-term loans from financial institutions - proceeds	11	829,000	997,000	829,000	897,000
- payments	11	(804,000)	(1,037,700)	(804,000)	(937,700)
Long-term loans from financial institutions - payments	13	(5,952)	(40,020)	-	(40,020)
Finance costs paid					
- interest expense from loans from financial institutions		(7,267)	(6,051)	(5,848)	(5,019)
Dividend paid to the Group's shareholders		(89,989)	-	(89,989)	-
Cash paid for lease liabilities - principle		(4,670)	(5,218)	(4,096)	(4,565)
- interest expense		(892)	(346)	(837)	(277)
Net cash (used in) financing activities		(83,770)	(92,335)	(75,770)	(90,581)
Net increase (decrease) in cash and cash equivalents		9,216	(6,004)	24,536	4,783
Loss on exchange rate		(2,061)	917	-	-
Cash and cash equivalents - beginning balance		68,665	43,173	28,704	14,729
Cash and cash equivalents - ending balance		75,820	38,086	53,240	19,512
Non-cash transactions:					
Purchases of assets during the periods which have not been paid					
- equipment		5,739	2,908	5,364	2,908
- intangible assets		17	68	17	68
Retention		1,500	1,848	-	987
Dividend declared which has not been paid		33	18	33	18

The accompanying notes on pages 10 to 23 are an integral part of these interim financial information.

1 General information

Thai Nippon Rubber Industry Public Co., Ltd. ("the Company") was incorporated as a limited company on 29 September 1993. The Company registered to convert to a public company limited and changed its name from Thai Nippon Rubber Industry Co., Ltd. to Thai Nippon Rubber Industry Public Co., Ltd. on 2 June 2016. The Company has become a listed company in the Stock Exchange of Thailand on 29 November 2016.

The principal activities of the Company and its subsidiaries ("the Group") are to manufacture and distribute condom and lubricating gel including manufacturing paper packaging products. The registered addresses are as follows:

Head office

No. 1 Charoenrat Road, Thungwatdon, Sathon, Bangkok 10120.

Branches

Branch 1 : No. 49-49/1 Moo.5 Export Processing Zone 1, Laemchabang Industrial Estate, Thungsukla, Sriracha, Chonburi 20230.

Branch 2 : No. 789/139 Moo.1 Pintong Industrial, Nongkham, Sriracha, Chonburi 20110.

The interim consolidated and separate financial information have been approved by the Board of Directors on 8 August 2023.

The interim consolidated and separate financial information have been reviewed, not audited.

2 Basis of preparation

The interim consolidated and separated financial information have been prepared in accordance with Thai Accounting Standard (TAS) no. 34, Interim Financial Reporting and other financial reporting requirements issued under the Securities and Exchange Act.

The interim consolidated and separate financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2022.

An English language version of the interim consolidated and separate financial information has been prepared from the interim financial information that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

3 Accounting policies

The accounting policies used in the preparation of the interim consolidated and separate financial information are consistent with those used in the annual financial statements for the year ended 31 December 2022.

New and amended Thai Financial Reporting Standards effective for the accounting periods beginning on or after 1 January 2023 do not have significant impact to the Group.

4 Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2022.

5 Fair value estimation

The Group presents financial assets and liabilities that are measured at fair value in each level including fair value of financial assets and financial liabilities, excluding financial assets and liabilities measured at amortised cost where their carrying value approximated fair value as follows.

Consolidated financial information	Separate financial information
Financial assets <ul style="list-style-type: none"> - Cash and cash equivalents - Trade and other accounts receivable (net) - Loans to employee - Deposit at a financial institution pledged as security - Other non-current assets 	Financial assets <ul style="list-style-type: none"> - Cash and cash equivalents - Short-term loan to subsidiaries - Trade and other accounts receivable (net) - Loans to employee - Other non-current assets
Financial liabilities <ul style="list-style-type: none"> - Short-term loans from financial institutions - Trade and other accounts payable - Derivative liabilities - Lease liabilities (net) 	Financial liabilities <ul style="list-style-type: none"> - Short-term loans from financial institutions - Trade and other accounts payable - Derivative liabilities - Lease liabilities (net)

The analysis of financial instruments carried and disclosed at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: The fair value of financial instruments is based on the closing price by reference to the Stock Exchange of Thailand.
- Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3: The fair value of financial instruments is not based on observable market data.

The fair values of long-term loans from a financial institution and financial instruments are disclosed in Note 13 and 20, respectively.

6 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Chief Executive Officer (CEO), that makes strategic decisions. CEO has chosen to organise the entity using groups of products by comparing consolidated financial information in current period with last period.

Consolidated financial information (Unaudited)							
For the six-month periods ended 30 June							
	Condoms and lubricating gels		Paper boxes		Adjustments in consolidated financial information		Total
	2023	2022	2023	2022	2023	2022	2023
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Revenue from sales and services	932,209	888,359	100,483	91,851	(47,659)	(14,868)	985,033
Cost of sales and services	(685,847)	(615,287)	(80,176)	(92,255)	34,516	14,868	(731,507)
Depreciation charge in excess from building and equipment recognised under fair value	-	-	-	-	(5,826)	(5,827)	(5,826)
Segment results	246,362	273,072	20,307	(404)	(18,969)	(5,827)	247,700
Other income							3,749
Selling expenses							(37,873)
Administrative expenses							(141,006)
Expected credit losses							(10,503)
Other gain (loss)							5,113
Finance costs							(8,639)
Operating profit							58,541
Income tax							(4,595)
Net profit for the period							53,946

The Group has two types of timing of revenue recognition when the obligations have been fulfilled and recognition throughout the period of compliance with the obligations. However, the Group has not presented revenue recognised over the period of compliance with the obligations due to insignificant values.

	Consolidated financial information					
	Condoms and lubricating gels		Paper boxes		Total	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December	30 June	31 December
	2023	2022	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Segment assets - Domestic	33,409	21,701	46,582	17,354	79,991	39,055
- Export	543,342	498,027	-	-	543,342	498,027
Unallocated assets					1,216,015	1,234,387
Total assets					1,839,348	1,771,469

7 Trade and other accounts receivable (net)

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023 Thousand Baht	(Audited) 31 December 2022 Thousand Baht	(Unaudited) 30 June 2023 Thousand Baht	(Audited) 31 December 2022 Thousand Baht
Trade accounts receivable				
- other companies	1,031,481	892,155	994,244	874,605
- related company (Note 15 b))	-	4	17,768	102
<u>Less</u> Allowance for expected credit losses				
- other companies	(365,038)	(354,535)	(365,038)	(354,339)
	666,443	537,624	646,974	520,368
Other accounts receivable - related company (Note 16 b))	-	-	150	925
Prepaid expenses	5,779	3,947	5,543	3,635
Short-term deposits	10,644	8,565	10,546	8,497
Interest receivable - related company (Note 16 b))	-	-	854	344
Accrued income	-	3,191	-	3,191
Advance payment	151	143	47	29
Others	121	390	-	-
	683,138	553,860	664,114	536,989

Outstanding trade accounts receivable (net) as at 30 June 2023 and 31 December 2022 can be analysed by age of debtors as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023 Thousand Baht	(Audited) 31 December 2022 Thousand Baht	(Unaudited) 30 June 2023 Thousand Baht	(Audited) 31 December 2022 Thousand Baht
Current (30 days - 180 days credit terms)	313,737	189,237	312,302	178,513
Overdue				
Up to 3 months	195,972	274,952	177,970	269,993
3 months - 6 months	50,514	53,481	50,482	51,907
6 months - 12 months	103,111	19,954	103,111	19,955
Over 12 months	368,147	354,535	368,147	354,339
	1,031,481	892,159	1,012,012	874,707
<u>Less</u> Allowance for expected credit losses				
- other companies	-	-	-	-
Overdue				
Up to 3 months	-	-	-	-
3 months - 6 months	-	-	-	-
6 months - 12 months	-	-	-	-
Over 12 months	(365,038)	(354,535)	(365,038)	(354,339)
	(365,038)	(354,535)	(365,038)	(354,339)
	666,443	537,624	646,974	520,368

The movements of allowance for expected credit losses for the period ended 30 June 2023 are as follows:

	(Unaudited)	
	Consolidated financial information	Separate financial information
	Thousand Baht	Thousand Baht
Opening book value	354,535	354,339
Reversal of allowance for expected credit losses during the period	(196)	-
Effect from exchange rate	10,699	10,699
Closing book value	365,038	365,038

8 Investment in subsidiaries

As at 30 June 2023 and 31 December 2022, investment in subsidiaries which is recorded by the cost method consisted of:

Company name	Nature of business	Registered in	Separate financial information					
			Issued and paid-up capital		Percentage of Shareholding (%)		Cost method	
			(Thousand Baht)				(Thousand Baht)	
			(Unaudited) 30 June 2023	(Audited) 31 December 2022	(Unaudited) 30 June 2023	(Audited) 31 December 2022	(Unaudited) 30 June 2023	(Audited) 31 December 2022
Operating subsidiaries								
Box Asia Group International Co., Ltd.	Manufacture paper boxes	Thailand	169,100	169,100	100	100	25,822	25,822
TNR (Beijing) Trading Co., Ltd.	Import and distribution	China	2,724	2,724	100	100	2,724	2,724
TNR USA Inc.	Import and distribution	United States of America	315	315	100	100	315	315
TNR Bioscience Co., Ltd.	Manufacture medicinal plants product	Thailand	50,000	50,000	100	100	50,000	50,000
							78,861	78,861

During the six-month period ended 30 June 2023, there was no movement on investment in subsidiaries.

9 Property, plant and equipment (net)

	(Unaudited)	
	Consolidated financial information	Separate financial information
	Thousand Baht	Thousand Baht
For the six-month period ended 30 June 2023		
Opening net book value	583,159	362,316
Additions	31,704	19,547
Disposals (net)	(6)	(2)
Depreciation charge	(42,309)	(32,740)
Closing net book value	572,548	349,121

10 Intangible assets (net)

	(Unaudited)	
	Consolidated financial information	Separate financial information
	Thousand Baht	Thousand Baht
For the six-month period ended 30 June 2023		
Opening net book value	15,311	14,911
Additions	1,114	1,080
Amortisation charge	(1,476)	(1,431)
Closing net book value	14,949	14,560

11 Short-term loans from financial institutions

Promissory notes

The movement of promissory notes for the six-month period ended 30 June 2023 comprises the following:

	(Unaudited)	
	Consolidated financial information	Separate financial information
	Thousand Baht	Thousand Baht
Opening balance	416,000	366,000
Addition during the period	829,000	829,000
Repayment during the period	(804,000)	(804,000)
Closing balance	441,000	391,000

As at 30 June 2023 and 31 December 2022, promissory notes are unsecured and comprise the following:

Consolidated financial information					
30 June 2023 (Unaudited)			31 December 2022 (Audited)		
Currency	Amount Thousand Baht	Interest rate (% per annum)	Currency	Amount Thousand Baht	Interest rate (% per annum)
Baht	441,000	3.10 - 5.32	Baht	416,000	2.60 - 4.60
Separate financial information					
30 June 2023 (Unaudited)			31 December 2022 (Audited)		
Currency	Amount Thousand Baht	Interest rate (% per annum)	Currency	Amount Thousand Baht	Interest rate (% per annum)
Baht	391,000	3.10 - 3.40	Baht	366,000	2.60 - 4.60

12 Trade and other accounts payable

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023 Thousand Baht	(Audited) 31 December 2022 Thousand Baht	(Unaudited) 30 June 2023 Thousand Baht	(Audited) 31 December 2022 Thousand Baht
Trade accounts payable				
- other companies	154,538	119,136	133,718	110,770
- related companies (Note 16 b))	13,143	8,031	9,345	1,654
Other accounts payable				
- other companies	56,873	24,618	51,495	21,923
- related companies (Note 16 b))	168	619	168	619
Accounts payable for purchases of				
- equipment	5,739	12,212	5,364	5,559
- intangible assets	17	88	17	88
Advance received from customers	24,540	17,006	24,540	17,006
Provision for goods returned	898	904	898	904
Retention	1,500	1,553	-	-
Accrued expenses				
- employee expenses	16,582	42,920	16,019	42,695
- interest expense	475	142	460	139
- legal expense	25,324	3,675	25,324	3,675
- others	18,087	15,798	16,283	14,814
	317,884	246,702	283,631	219,846

13 Long-term loans from a financial institution

	Consolidated financial statements		Separate financial statements	
	(Unaudited) 30 June 2023 Thousand Baht	(Audited) 31 December 2022 Thousand Baht	(Unaudited) 30 June 2023 Thousand Baht	(Audited) 31 December 2022 Thousand Baht
Long-term loans from financial institutions	23,798	29,750	-	-
<u>Less</u> Current portion of long-term loans	(11,904)	(11,904)	-	-
	11,894	17,846	-	-

The movement of the long-term loans from a financial institution for the six-month period ended 30 June 2023 comprises the following:

	(Unaudited)	
	Consolidated financial information Thousand Baht	Separate financial information Thousand Baht
Opening balance	29,750	-
Repayment during the period	(5,952)	-
Closing balance	23,798	-

As at 30 June 2023 and 31 December 2022, the fair value are based on discounted cash flows using a discount rate based upon the borrowing rates of 4.17% per annum (Level 2 of fair value hierarchy). There was no change in valuation technique during the period. However, such fair value is close to their carrying amount as the impact of discounting is not significant.

14 Dividend

On 7 April 2023, at the Annual General Meeting of shareholders no. 1/2022, the shareholders approved to pay dividend in respect of the net profit for the year ended 31 December 2022 under Bol certificate no. 1466(1)/2553 of Baht 0.30 per share amounting to Baht 90,000,000, which paid to shareholders on 3 May 2023.

15 Income tax

	(Unaudited)			
	Consolidated financial information		Separate financial information	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
For the six-month periods ended 30 June				
Current income tax:				
Current income tax on taxable profit for the period	(10,540)	(20,257)	(10,540)	(20,257)
Over recorded income tax for prior year	114	(4,180)	114	(4,180)
Income tax expense	(10,426)	(24,437)	(10,426)	(24,437)
Deferred tax:				
Origination and reversal of temporary differences	5,831	5,182	3,916	2,834
Total income tax	(4,595)	(19,255)	(6,510)	(21,603)

16 Related party transactions

As at 30 June 2023, the Company's shares are held by the following individuals/companies;

Individual/Company	Type	% of holding	Incorporation/ Nationality
The family of Dararattanaroj	Shareholders and/or directors	37.26	Thai
Charoen Aksorn Holding Group Co., Ltd.	Parent	26.25	Thailand
THK Investment Company Limited	Related company	12.00	Hongkong
CMS Holding Co., Ltd.	Related company	2.45	Thailand
Other investors		22.04	-
		100.00	

Thai Nippon Rubber Industry Public Co., Ltd.
Condensed notes to the interim financial information (Unaudited)
For the six-month period ended 30 June 2023

- a) The following significant transactions incurred during for the six-month periods ended 30 June 2023 and 2022 were carried out with related companies as follows:

	(Unaudited)			
	Consolidated financial information		Separate financial information	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
For the six-month periods ended 30 June				
Sales of goods				
Parent company	-	6	-	6
Subsidiaries	-	-	16,421	-
Related parties	355	97	4	84
	355	103	16,425	90
Service income				
Subsidiaries	-	-	523	123
Related parties	52	-	-	-
	52	-	523	123
Sales of scrap				
Related parties	-	1,424	-	-
Interest income				
Subsidiaries	-	-	2,920	722
Purchase of raw materials and packaging				
Subsidiaries	-	-	31,238	14,868
Related parties	18,592	32,418	-	-
	18,592	32,418	31,238	14,868
Purchase of office supply				
Related parties	223	94	223	94
Paid for lease liabilities and service expenses				
Parent company	3,390	3,310	3,382	3,310
Management benefit expenses				
- short-term employee benefits	10,110	13,592	10,110	13,592
- post-employments benefits	191	176	191	176
	10,301	13,768	10,301	13,768
Directors' remuneration	2,184	1,853	2,184	1,853

Sales of goods and service, purchase of goods and services, other income and other expenses were charged by related companies under price as agreed between the parties.

Management benefit expenses represent benefits which management has received from working for the Company and benefits received at retirement age.

Directors' remuneration was proposed in the Board of Directors meeting and will be approved in the Annual General Meeting of the Company's shareholders.

Thai Nippon Rubber Industry Public Co., Ltd.
Condensed notes to the interim financial information (Unaudited)
For the six-month period ended 30 June 2023

- b) Outstanding balances as at 30 June 2023 and 31 December 2022 arising from related company transactions comprise the following:

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023 Thousand Baht	(Audited) 31 December 2022 Thousand Baht	(Unaudited) 30 June 2023 Thousand Baht	(Audited) 31 December 2022 Thousand Baht
Trade accounts receivable (Note 7)				
Parent company	-	-	17,768	98
Related parties	-	4	-	4
	-	4	17,768	102
Other accounts receivable (Note 7)				
Subsidiaries	-	-	150	925
Interest receivable (Note 7)				
Subsidiaries	-	-	854	344
Deposits				
Parent company	577	576	576	576
Trade accounts payable (Note 12)				
Subsidiaries	-	-	9,345	1,654
Related parties	13,143	8,031	-	-
	13,143	8,031	9,345	1,654
Other accounts payable (Note 12)				
Parent company	89	578	89	578
Related parties	79	41	79	41
	168	619	168	619
Accrual expenses				
Directors	991	576	991	576

- c) **Short-term loans to subsidiaries**

The movements of short-term loans to subsidiaries for the six-month period ended 30 June 2023 comprises the following:

	(Unaudited) Separate financial information Thousand Baht
Beginning balance of the period	170,537
Additions during the period	34,269
Repayment during the period	(10,000)
Unrealised gain from exchange rate	660
Ending balance of the period	195,466

As at 30 June 2023, outstanding short-term loans to subsidiaries are unsecured loans denominated in Thai Baht and US Dollar which are due for repayment within 3 months. The loans bear the interest at the rate as agreed between the parties.

17 Banks guarantee

As at 30 June 2023 and 31 December 2022, the Group has letters of guarantee issued by domestic banks on behalf of the Group for the following purposes:

Consolidated financial information					
30 June 2023 (Unaudited)			31 December 2022 (Audited)		
Currency	Currency amount in thousand	Thousand Baht and Thousand Baht equivalent	Currency	Currency amount in thousand	Thousand Baht and Thousand Baht equivalent
Guarantee for electricity usage	Baht	9,233	Baht	9,233	9,233
Guarantee for material purchase	Baht	1,000	Baht	1,000	1,000
Guarantee for performance	Baht	659	Baht	349	349
	USD	46	USD	10	347
		12,556			10,929

Separate financial information					
30 June 2023 (Unaudited)			31 December 2022 (Audited)		
Currency	Currency amount in thousand	Thousand Baht and Thousand Baht equivalent	Currency	Currency amount in thousand	Thousand Baht and Thousand Baht equivalent
Guarantee for electricity usage	Baht	8,538	Baht	8,538	8,538
Guarantee for performance	Baht	659	Baht	349	349
	USD	46	USD	10	347
		10,861			9,234

18 Contingent liabilities

On 6 November 2021, the Company received a notice dated 5 November 2021 from Products Licensing LLC whose rights were assigned from Playboy Enterprises International, Inc. (collectively "Playboy") which purports to exercise the right to terminate the Product License Agreement ("Agreement").

The Company has appointed a legal counsel in the United States of America and in Thailand. After both legal counsels had considered the facts and relevant laws, the US counsel views that Playboy wrongfully terminated the Agreement and committed several violations under US laws. The legal counsel advised the Company to take legal action against Playboy to pursue its legal rights. The Company submitted a complaint against Playboy with the claim value of USD 100,000,000 which was later amended essentially to include an individual who was a sales consultant of the Company (the "Individual") and is believed to be involved with Playboy's actions, as the co-defendants in the same lawsuit under the claims of unfair competition and breach of fiduciary duty under First Amended Complaint ("FAC").

On 12 May 2022, the Individual filed an answer to the Company's FAC. Thereafter, on 21 June 2022, Playboy filed its answer to the Company's FAC and counter-claim against the Company essentially for breach of the Agreement. The precise quantum of damage sought by Playboy is not specified in Playboy's counter-claim. At this moment, the ultimate outcome of the counter-claim and quantum of damage cannot be ascertained yet as advised by the US legal counsel.

As at 30 June 2023, the case is currently under proceedings at the United States District Court for the Central District of California. There is no significant change in the case.

19 Commitments

a) Capital commitments

As at 30 June 2023 and 31 December 2022, the Group has capital commitments relating to purchase of machine and equipment, building construction, and computer software as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023 Thousand Baht	(Audited) 31 December 2022 Thousand Baht	(Unaudited) 30 June 2023 Thousand Baht	(Audited) 31 December 2022 Thousand Baht
Purchase of machine and equipment	9,883	6,382	9,879	5,945
Building construction	39	-	39	-
Purchase of computer software	840	1,410	840	1,410
	10,762	7,792	10,758	7,355

b) Operating commitment contracts

As at 30 June 2023 and 31 December 2022, the Group has the non-cancellable lease contract and service agreements. The future minimum payments under operating commitments in respect of office equipment rental and service fee are as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023 Thousand Baht	(Audited) 31 December 2022 Thousand Baht	(Unaudited) 30 June 2023 Thousand Baht	(Audited) 31 December 2022 Thousand Baht
<u>Due for payable within</u>				
1 year	2,446	3,099	1,692	2,924
Later than 1 year but not later than 5 years	193	307	193	307
	2,639	3,406	1,885	3,231

20 Financial instruments

Forward foreign currency exchange rate contracts

As at 30 June 2023 and 31 December 2022 the settlement dates on buying and selling forward contracts were ranged 6 months. The local currency amounts to be received and contractual exchange rates of the outstanding contracts were:

	Consolidated and separate financial information					
	30 June 2023 (Unaudited)			31 December 2022 (Audited)		
Foreign currency	Contract amount in thousand	Exchange rate	Thousand Baht equivalent	Contract amount in thousand	Exchange rate	Thousand Baht equivalent
<u>Selling forward contract</u>						
USD	18,250	33.32 - 34.80	620,205	800	37.33	29,864

Net fair value

The net fair value of the derivative financial instruments as at 30 June 2023 and 31 December 2022 are as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023 Thousand Baht	(Audited) 31 December 2022 Thousand Baht	(Unaudited) 30 June 2023 Thousand Baht	(Audited) 31 December 2022 Thousand Baht
Net fair of value of				
- Forward foreign currency exchange contracts	(19,777)	2,442	(19,777)	2,442

The fair values of financial derivative contracts, which are forward foreign exchange rate contracts are determined by the market price of each contract which are calculated by a financial institution of the Group as at 30 June 2023 and 31 December 2022 (Level 2 of fair value hierarchy).