

Thai Agro Energy Public Company Limited
Review report and interim financial information
For the three-month and nine-month periods ended
30 September 2021

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Thai Agro Energy Public Company Limited

I have reviewed the accompanying statement of financial position of Thai Agro Energy Public Company Limited as at 30 September 2021, the related statements of comprehensive income for the three-month and nine-month periods then ended, and the related statements of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the interim financial statements (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.



Patcharawan Koonarangsri

Certified Public Accountant (Thailand) No. 6650

EY Office Limited

Bangkok: 8 November 2021

Thai Agro Energy Public Company Limited
Statement of financial position
As at 30 September 2021

(Unit: Thousand Baht)

	<u>Note</u>	<u>30 September 2021</u>	<u>31 December 2020</u>
		(Unaudited but reviewed)	(Audited)
Assets			
Current assets			
Cash and cash equivalents		27,285	26,502
Trade and other receivables	4	190,988	179,079
Inventories		325,262	124,556
Advance payments for purchase of goods		-	181,176
Current tax assets		5,153	5,153
Other current financial asset		1,068	1,065
Other current assets		2,008	9,482
Total current assets		<u>551,764</u>	<u>527,013</u>
Non-current assets			
Biological assets		10,738	6,459
Property, plant and equipment	5	2,732,773	2,784,448
Right-of-use-assets	6	27,293	33,306
Intangible assets		2,003	1,246
Deferred tax assets		3,490	4,734
Other non-current financial assets		796	769
Total non-current assets		<u>2,777,093</u>	<u>2,830,962</u>
Total assets		<u><u>3,328,857</u></u>	<u><u>3,357,975</u></u>

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

Thai Agro Energy Public Company Limited
Statement of financial position (continued)
As at 30 September 2021

		(Unit: Thousand Baht)	
	<u>Note</u>	<u>30 September 2021</u>	<u>31 December 2020</u>
		(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity			
Current liabilities			
Short-term loans from financial institutions	7	587,838	915,330
Trade and other payables	8	41,897	124,856
Current portion of long-term loans	9	887,786	143,834
Current portion of liabilities lease agreements		7,216	7,244
Provision for short-term employee benefits		2,406	3,126
Other current liabilities		22,664	15,156
Total current liabilities		<u>1,549,807</u>	<u>1,209,546</u>
Non-current liabilities			
Long-term loans - net of current portion	9	-	316,447
Liabilities under agreements - net of current portion		20,986	26,214
Provision for long-term employee benefits		7,926	7,076
Total non-current liabilities		<u>28,912</u>	<u>349,737</u>
Total liabilities		<u>1,578,719</u>	<u>1,559,283</u>

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

Thai Agro Energy Public Company Limited
Statement of financial position (continued)
As at 30 September 2021

(Unit: Thousand Baht)

	<u>30 September 2021</u>	<u>31 December 2020</u>
	(Unaudited but reviewed)	(Audited)
Shareholders' equity		
Share capital		
Registered		
1,000,000,000 ordinary shares of Baht 1 each	<u>1,000,000</u>	<u>1,000,000</u>
Issued and fully paid up		
1,000,000,000 ordinary shares of Baht 1 each	1,000,000	1,000,000
Share premium	188,796	188,796
Capital reserve for share-based payment transactions	556	556
Retained earnings		
Appropriated - statutory reserve	100,000	100,000
Appropriated - general reserve	192,000	192,000
Unappropriated	<u>268,786</u>	<u>317,340</u>
Total shareholders' equity	<u>1,750,138</u>	<u>1,798,692</u>
Total liabilities and shareholders' equity	<u>3,328,857</u>	<u>3,357,975</u>

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

Directors

(Unaudited but reviewed)

Thai Agro Energy Public Company Limited

Statement of comprehensive income

For the three-month and nine-month periods ended 30 September 2021

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

	Note	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
		2021	2020	2021	2020
Profit or loss:					
Revenues					
Sales		465,679	657,396	1,731,600	1,904,493
Other income		26	560	519	1,569
Total revenues		<u>465,705</u>	<u>657,956</u>	<u>1,732,119</u>	<u>1,906,062</u>
Expenses					
Cost of sales		452,717	620,197	1,643,663	1,694,994
Selling and distribution expenses		5,616	4,749	15,239	12,747
Administrative expenses		24,384	14,154	57,840	53,188
Total expenses		<u>482,717</u>	<u>639,100</u>	<u>1,716,742</u>	<u>1,760,929</u>
Operating profit (loss)		<u>(17,012)</u>	<u>18,856</u>	<u>15,377</u>	<u>145,133</u>
Finance income		9	9	33	41
Finance cost		(9,115)	(9,388)	(27,721)	(32,210)
Profit (loss) before income tax		<u>(26,118)</u>	<u>9,477</u>	<u>(12,311)</u>	<u>112,964</u>
Tax incomes (tax expenses)	10	<u>(1,531)</u>	<u>728</u>	<u>(1,244)</u>	<u>(11,790)</u>
Profit (loss) for the period		<u>(27,649)</u>	<u>10,205</u>	<u>(13,555)</u>	<u>101,174</u>
Other comprehensive income					
Other comprehensive income for the period		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u>(27,649)</u>	<u>10,205</u>	<u>(13,555)</u>	<u>101,174</u>
Earnings (loss) per share					
Basic earnings (loss) per share	11				
Profit (loss) (Baht)		<u>(0.028)</u>	<u>0.010</u>	<u>(0.014)</u>	<u>0.101</u>
Weighted average number of ordinary shares					
(Thousand shares)		<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>

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

(Unaudited but reviewed)

Thai Agro Energy Public Company Limited

Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2021

(Unit: Thousand Baht)

	Issued and fully paid up share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings		Unappropriated	Total
				Statutory reserve	Appropriated General reserve		
Balance as at 1 January 2020	1,000,000	188,796	556	100,000	192,000	454,475	1,935,827
Profit for the period	-	-	-	-	-	101,174	101,174
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	101,174	101,174
Dividend paid (Note 12)	-	-	-	-	-	(205,000)	(205,000)
Balance as at 30 September 2020	<u>1,000,000</u>	<u>188,796</u>	<u>556</u>	<u>100,000</u>	<u>192,000</u>	<u>350,649</u>	<u>1,832,001</u>
Balance as at 1 January 2021	1,000,000	188,796	556	100,000	192,000	317,340	1,798,692
Loss for the period	-	-	-	-	-	(13,555)	(13,555)
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	(13,555)	(13,555)
Dividend paid (Note 12)	-	-	-	-	-	(34,999)	(34,999)
Balance as at 30 September 2021	<u>1,000,000</u>	<u>188,796</u>	<u>556</u>	<u>100,000</u>	<u>192,000</u>	<u>268,786</u>	<u>1,750,138</u>

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

(Unaudited but reviewed)

Thai Agro Energy Public Company Limited

Statement of cash flows

For the nine-month period ended 30 September 2021

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Profit (loss) before tax	(12,311)	112,964
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:		
Depreciation and amortisation	127,694	132,173
Gain on disposals of equipment	-	(363)
Unrealised gain on change in value of other current financial assets	(3)	(7)
Provision for long-term employee benefits	850	1,314
Finance income	(33)	(41)
Finance cost	<u>27,723</u>	<u>32,214</u>
Profit from operating activities before changes in operating assets and liabilities	143,920	278,254
Operating assets (increase) decrease		
Trade and other receivables	(11,900)	(26,172)
Inventories	(200,706)	135,269
Advance payments for purchase of goods	181,176	522,497
Other current assets	7,474	46,569
Other non-current financial assets	(27)	-
Operating liabilities increase (decrease)		
Trade and other payables	(81,566)	(81,071)
Other current liabilities	7,604	4,850
Employee benefit paid	<u>(720)</u>	<u>-</u>
Cash from operating activities	45,255	880,196
Interest income	24	35
Interest expenses	(27,223)	(33,093)
Cash paid for income tax	<u>-</u>	<u>(13,547)</u>
Net cash from operating activities	<u>18,056</u>	<u>833,591</u>

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

(Unaudited but reviewed)

Thai Agro Energy Public Company Limited

Statement of cash flows (continued)

For the nine-month period ended 30 September 2021

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
Cash flows from investing activities		
Acquisitions of Mangium sprout and planting cost	(4,279)	(3,197)
Acquisitions of property, plant and equipment	(71,293)	(131,827)
Acquisitions of intangible assets	(1,153)	(68)
Proceeds from disposals of equipment	-	935
Net cash used in investing activities	<u>(76,725)</u>	<u>(134,157)</u>
Cash flows from financing activities		
Net decrease in short-term loans from financial institutions	(327,492)	(428,619)
Cash received from long-term loans from financial institution	499,365	-
Cash paid for long-term loans from financial institution	(72,000)	(72,000)
Cash paid for principal portion of lease liabilities	(5,256)	(5,491)
Cash paid for interest expense of lease liabilities	(456)	(433)
Cash paid for dividend	<u>(34,709)</u>	<u>(203,931)</u>
Net cash from (used in) financing activities	<u>59,452</u>	<u>(710,474)</u>
Net increase (decrease) in cash and cash equivalents	783	(11,040)
Cash and cash equivalents at beginning of period	<u>26,502</u>	<u>25,441</u>
Cash and cash equivalents at end of period	<u><u>27,285</u></u>	<u><u>14,401</u></u>
 Supplementary cash flows information		
Non-cash related transactions from investing activities		
Account payables from purchases of plant and equipment and intangible assets	768	1,267
Acquisitions of right-of-use assets under lease agreements	-	6,350
Transfer right-of-use asset to equipment	-	572

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

Thai Agro Energy Public Company Limited

Notes to interim financial statements

For the three-month and nine-month periods ended 30 September 2021

1. General information

1.1 Corporate information

Thai Agro Energy Public Company Limited ("the Company") was incorporated as a limited company and domiciled in Thailand and was transformed to be a public limited company under Thai laws on 18 October 2007. Its parent company is Lanna Resources Public Co., Ltd., which is a public limited company incorporated in Thailand. The Company operates in Thailand and is principally engaged in production and distribution of ethanol for fuel. The registered office of the Company is at 888/114, Ploenchit Road, Lumpini, Pathumwan, Bangkok.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Company'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.

1.3 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.

These 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.

These 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 interim financial statements.

1.4 New financial reporting standards**a) Financial reporting standards that became effective in the current period**

During the period, the Company 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 Company'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 a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. 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, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements.

2. Significant accounting policies

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

3. Related party transactions

During the periods, the Company 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 between the Company and those related parties.

(Unit: Thousand Baht)					
	For the three-month periods ended 30 September		For the nine-month periods ended 30 September		Pricing policy
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
<u>Transactions with parent company</u>					
Dividend paid	5,100	28,050	17,850	104,550	Declared rate
<u>Transactions with related company</u>					
Purchase of goods	-	6,967	1,204	12,255	Market price

(Unaudited but reviewed)

The outstanding balances of the accounts as at 30 September 2021 and 31 December 2020 between the Company and related parties are as follows:

	(Unit: Thousand Baht)	
	30 September 2021	31 December 2020
<u>Trade payables - related party (Note 8)</u>		
Related company (Related by common share holder)	-	399
Total trade payables - related party	-	399

Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2021 and 2020, the Company had employee benefit expenses payable to its directors and management as below.

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Short-term employee benefits	4,608	5,274	15,175	21,090
Post-employment benefits	143	342	429	1,026
Total	4,751	5,616	15,604	22,116

4. Trade and other receivables

	(Unit: Thousand Baht)	
	30 September 2021	31 December 2020
Trade receivables	181,989	169,915
Other receivables	8,999	9,164
Total trade and other receivables	190,988	179,079

The outstanding balances of trade receivables as at 30 September 2021 amounting to Baht 182.0 million (31 December 2020: Baht 169.9 million) are undue trade receivables.

5. Property, plant and equipment

Movements in the property, plant and equipment account during the nine-month period ended 30 September 2021 are summarised below.

	(Unit: Thousand Baht)
Net book value as at 1 January 2021	2,784,448
Acquisitions during the period - at cost	69,516
Depreciation for the period	(121,191)
Net book value as at 30 September 2021	<u>2,732,773</u>

As at 30 September 2021, the Company had an outstanding balance of the construction of Wastewater Evaporation Plant amounting to Baht 386.2 million (31 December 2020: Baht 381.8 million). The construction has been financed with a loan from a financial institution. Borrowing costs amounting to Baht 3.3 million were capitalised during the nine-month period ended 30 September 2021 (31 December 2020: Baht 7.3 million). The weighted average rate of 2.2 - 2.3 percent per annum eligible for capitalisation (31 December 2020: 2.3 - 3.1 percent per annum).

The Company has mortgaged part of its land and construction thereon and machinery with net book value as at 30 September 2021 amounting to approximately Baht 1,358.9 million (31 December 2020: Baht 1,414.0 million) as collateral for short-term and long-term loans and credit facilities granted by a commercial bank as discussed in Note 7 and 9.

6. Right-of-use assets

Movements of right-of-use assets for the nine-month period ended 30 September 2021 are summarised below.

	(Unit: Thousand Baht)
Net book value as at 1 January 2021	33,306
Depreciation for the period	(6,013)
Net book value as at 30 September 2021	<u>27,293</u>

(Unaudited but reviewed)

7. Short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate (percent per annum)			
	30 September	31 December	30 September	31 December
	2021	2020	2021	2020
Promissory notes	2.63 - 2.75	2.67 - 2.75	587,838	588,405
Trust receipts	-	2.24 - 2.68	-	326,925
Total			587,838	915,330

Movements in short-term loans from financial institutions during the nine-month period ended 30 September 2021 are summarised below.

(Unit: Thousand Baht)

Balance as at 1 January 2021	915,330
Add: Increase during the period	2,155,259
Less: Repayment during the period	(2,482,751)
Balance as at 30 September 2021	587,838

Credit facilities from a financial institution are secured by the mortgage of part of the Company's land and construction thereon and machinery as discussed in Note 5.

As at 30 September 2021, the short-term credit facilities of the Company which have not yet been drawn down amounted to Baht 1,172.2 million (31 December 2020: Baht 1,144.7 million).

8. Trade and other payables

(Unit: Thousand Baht)

	30 September 2021	31 December 2020
Trade payables - related party	-	399
Trade payables - unrelated parties	29,437	104,807
Other payables - unrelated parties	9,059	16,539
Dividend payables - unrelated parties	3,401	3,111
Total trade and other payables	41,897	124,856

9. Long-term loans

(Unit: Thousand Baht)

No.	Credit facilities (Million Baht)	Interest rate (percent per annum)	Repayment schedule	30 September 2021	31 December 2020
1	418.0	3M THBFIX reference rate + 1.95	The loan is repayable within 6 years and is repayable the first installment in the last day of the eighteenth month since the Company withdrew the loan (8 June 2018). The principal is payable in 10 semi-annually installments of Baht 42 million during the first to ninth installment, remaining balance is repayable in the tenth installment and interest is repayable every 3 months.	238,569	280,502
2	300.0	3M THBFIX reference rate + 1.95	The loan is repayable within 5 years and is repayable the first installment in the last day of the sixth month since the Company withdrew the loan (15 November 2018). The principal is repayable in 10 semi-annually installments of Baht 30 million each and interest is repayable every 3 months.	149,836	179,779
3	500.0	3M BAYBIBOR + 2.22	The loan is repayable within 5 years and is repayable the first installment in the last day of the sixth month since the Company withdrew the loan (16 August 2021). The principal is repayable in 10 semi-annually installments of Baht 50 million each and interest is repayable every 3 months.	499,381	-
Total				887,786	460,281
Less: Current portion				(887,786)	(143,834)
Long-term loans, net of current portion				-	316,447

Movements in the long-term loans account during the nine-month period ended 30 September 2021 are summarised below.

(Unit: Thousand Baht)

Balance as at 1 January 2021	460,281
Add: Additional loan during the period	499,365
Amortisation of transaction costs during the period	140
Less: Repayment during the period	(72,000)
Balance as at 30 September 2021	887,786

The loans are secured by the mortgage of a part of the Company's land and construction thereon and machinery as discussed in Note 5.

As at 30 September 2021, the Company could not maintain certain financial ratio as specified in the loan agreement. However, the Company had negotiated with the bank, and had obtained a waiver letter for the condition to maintain certain financial ratios for the period ended 30 September 2021 from that bank on 27 October 2021. As at 30 September 2021, the Company classified the whole amount of loan as current portion of long-term loan since the Company received the waiver letter from the bank after the end of the reporting period.

As at 30 September 2021, the long-term credit facilities of the Company which have not yet been drawn down amounted to Baht 11.2 million (31 December 2020: Baht 11.2 million).

10. Income tax

Interim corporate income tax is calculated on profit (loss) before income tax for the periods, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and nine-month periods ended 30 September 2021 and 2020 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Current income tax:				
Interim corporate income tax charge	-	(484)	-	4,529
Adjustment in respect of income tax of previous year	-	-	-	7,248
Deferred tax:				
Relating to origination and reversal of temporary differences	<u>1,531</u>	<u>(244)</u>	<u>1,244</u>	<u>13</u>
Income tax reported in the profit or loss	<u><u>1,531</u></u>	<u><u>(728)</u></u>	<u><u>1,244</u></u>	<u><u>11,790</u></u>

11. Earnings (loss) per share

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

12. Dividend paid

Dividends	Approved by	Total Dividends (Thousand Baht)	Dividend per share (Baht)	Paid on
<u>2021</u>				
Final dividends in respect of operation income from BOI promoted operation for the period from 1 July 2020 to 31 December 2020	Annual General Meeting of the shareholders on 22 April 2021	25,000	0.025	21 May 2021
Interim dividends in respect of operation income from BOI promoted operation for the period from 1 January 2021 to 30 June 2021	Board of Directors Meeting on 19 August 2021	9,999	0.010	17 September 2021
Total		<u>34,999</u>	<u>0.035</u>	
<u>2020</u>				
Interim dividends in respect of operation income from BOI promoted operation for the period from 1 July 2019 to 31 December 2019	Board of Directors Meeting on 9 April 2020	150,000	0.150	8 May 2020
Interim dividends in respect of operation income from BOI promoted operation for the period from 1 January 2020 to 30 June 2020	Board of Directors Meeting on 20 August 2020	55,000	0.055	18 September 2020
Total		<u>205,000</u>	<u>0.205</u>	

13. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Company is organised into business units based on its products and recognised revenue at the point in time. The Company has two reportable segments, which consist of ethanol segment and soil conditioner segment. However, at present the operation of soil conditioner segment is insignificant.

14. Commitments and contingent liabilities**14.1 Capital commitments**

As at 30 September 2021, the Company had capital commitments of approximately Baht 11.2 million relating to the construction of Vinasse Evaporation Plant and other projects (31 December 2020: Baht 13.7 million).

14.2 Lease and service commitments

- a) The Company has entered into several leases of low-value assets, short-term lease agreements and other services. As at 30 September 2021 and 31 December 2020, the Company had future lease and other service payments as below.

	(Unit: Million Baht)	
	30 September 2021	31 December 2020
Payable:		
In up to 1 year	3.0	1.9
In over 1 year and up to 5 years	0.2	0.3

- b) The Company entered into a power supply agreement with the Provincial Electricity Authority for a period of one year and being automatically renewed for every one-year period. The Company shall pay power supply at the rate as stipulated in the agreement.

14.3 Guarantees

As at 30 September 2021, there were outstanding bank guarantees of approximately Baht 5.0 million issued by the bank on behalf of the Company to guarantee contracted performance under the agreement for using of electric to the Provincial Electricity Authority (31 December 2020: Baht 5.0 million).

15. Litigation

On September 2011, a company sued the Company for its alleged non-compliance with the cassava chip purchase agreement, claiming a compensation for damage of Baht 186.9 million. The Company submitted the testimony and countersued that company, claiming a compensation for damage of Baht 82.4 million. Both parties defended in three courts. The case had been finished on 17 April 2019 by the Supreme Court affirmed the judgment of the Civil Court and the Appeal Court to order that company to make payments for purchases of cassava chip that the Company paid in advance of Baht 6.9 million which together with interest expense of 7.5 percent per annum, calculated from 8 November 2011 (the countersue date) until completion of payment. Now the execution of judgment is in process.

In addition, on 18 May 2018, the Company sued that company for bankruptcy case. The Bankruptcy court passed the judgment on 29 May 2019 that the case was thrown out as that company has the right to claim with a debtor which is a government agency then that company has not become insolvent yet. The Company has already made attachment of the claim.

On 13 August 2019, the Company received partial payment of Baht 0.2 million. However, the Company recorded allowance for impairment in advance paid to that company for a whole amount.

16. Financial Instrument

16.1 Fair value of financial instrument

Most of the Company's financial instruments are classified as short-term or have interest rates that are close to market rate. Therefore, the carrying amounts of these financial instruments is estimated to approximate their fair value.

16.2 Fair value hierarchy

As at 30 September 2021 and 31 December 2020, the Company had the financial asset that was measured at fair value using different levels of inputs as follows:

	(Unit: Thousand Baht)			
	As at 30 September 2021		As at 31 December 2020	
	Level 2	Total	Level 2	Total
Financial asset measured at fair value				
Investment in open-end fund	1,068	1,068	1,065	1,065

During the period, there was no transfers within the fair value hierarchy.

17. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's authorised directors on 8 November 2021.