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

The interim financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 11 May 2018.

1. **General information**

Thai Rubber Latex Corporation (Thailand) Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office as follows:

|  |  |  |
| --- | --- | --- |
| Head office | : | No. 99/1-3 Moo 13, Bangna-Trad Road, K.M. 7, Tambol Bangkaew, Amphur Bangplee, Samutprakarn, Thailand. |
| Branches at followings | : | No. 29 Moo 2, Tambol Nong Yai, Amphur Nong Yai, Chonburi |
|  | : | No. 35 Moo 4, Tambol Krasom, Amphur Takuatung, Phangnga |
|  | : | No. 198 Moo 7, Tambol Chomsawan, Amphur Maechan, Chiangrai |
|  | : | No. 124 Moo 11, Tambol Banphru, Amphur Hatyai, Songkhla |
|  | : | No. 293/2 Moo 1, Tambol Khunthale, Amphur Mueang, Suratthani |
|  | : | No. 44/5 Moo 8, Kachet - Hatyai Road, Tambol Kachet, Amphur Mueang, Rayong |
|  | : | No. 680 Moo 2, Tambol Nong Yai, Amphur Nong Yai, Chonburi |
|  | : | No. 19/52 Moo 7, Tambol Bang Chalong, Amphur Bangplee, Samutprakan |

The Company was listed on the Stock Exchange of Thailand in July 1991.

The Company’s major shareholders during the financial year were Wongsasuthikul Group (22.06% shareholding) and Woraprateep Group (16.25% shareholding). However, during 2017, the Company issued and offered ordinary shares amounting 1,003.6 million shares to Thai Rubber Latex Group Co., Ltd., a subsidiary, as a part of the business restructuring plan under the regulation of entire business transfer.  The Company expects that the reduction of registered capital will be held within 1 year which will be finished before the period of restriction of sale of ordinary shares (Silent Period) is expired.  Consequently, those newly issued ordinary shares will not be distributed through the Stock Exchange of Thailand and will not exercise the right of voting in the shareholder’s meeting or receive any dividends of the Company.

The principal activities of the Group are comprehensive rubber businesses covering the whole value chain of rubber and latex products, which are the rubber plantation in Thailand, the producer of latex concentrate and latex rubber, latex rubber thread, and latex foam mattress. Details of the Company’s subsidiaries and associates as at 31 March 2018 and 31 December 2017 are given in notes 3, 6 and 7.

1. **Basis of preparation of the interim financial statements**
2. ***Statement of compliance***

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2017) *Interim Financial Reporting;* guidelines promulgated by the Federation of Accounting Professions (FAP); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2017. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2017.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2017 except that the Group/Company has adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2018. The adoption of these new and revised TFRS and change in accounting policy did not have any material effect on the overall accounting policies, methods of computation, financial performance or position of the Group or the Company.

In addition to the above revised TFRS, The FAP has issued TFRS 15 *Revenue from Contracts with Customers* which is effective for annual periods beginning on or after 1 January 2019. The Group/Company has not early adopted this standard in preparing these interim financial statements.

TFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Revenue should be recognised when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled. It replaces existing revenue recognition standards as TAS 18 (revised 2017) *Revenue*.

Management is presently considering the potential impact of adopting and initially applying TFRS 15 on the consolidated and separate financial statements.

1. ***Functional and presentation currency***

The interim financial statements are presented in Thai Baht, which is the Company’s functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand/million unless otherwise stated*.*

1. ***Use of judgements and estimates***

The preparation of interim financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgments made by management in applying the Group’s/Company’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 2017.

*Measurement of fair values*

The Group/Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group’s Audit Committee.

When measuring the fair value of an asset or a liability, the Group/Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

• *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.

• *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or

liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

• *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable

inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group/Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 16 - financial instruments.

*Use of going concern basis of accounting*

Due to the significant fluctuate of latex price in the current period, as at 31 March 2018, the Group’s current liabilities exceeded current assets by Baht 1,308 million (*31 December* *2017: Baht 1,386 million*). Such circumstances indicate the existence of an uncertainty which may cast significant doubt about the Group’s ability to continue as a going. However, the Group incurred a consolidated net profit for the three-month period ended 31 March 2018 and at the same date, the Group has available credit facilities in place *(see note 3)*.

The Group has implemented policies and procedures in an attempt to manage its liquidity risk and other circumstances. The Group and the Company plan to address the liquidity problem by increasing production capacity in certain businesses, restructure of financing plan and Group’s businesses, including sales of the non-performing assets.

The consolidated and separate financial statements have been prepared on a going concern basis, which assumes that the Group and the Company will realise its assets and discharge its liabilities in the normal course of business. Therefore, the financial statements have not included any adjustment of the value of assets to realisable value, or of liabilities to the amounts eventually due, and reclassification of accounts, which may be necessary.

1. **Related parties**

For the purposes of these financial statements, parties are considered to be related to the Group/Company if the Group/Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group/Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with subsidiaries and associates are described in notes 6 and 7. Relationship with key management and other related parties were as follows:

|  |  |  |
| --- | --- | --- |
| **Name of entities** | **Country of incorporation/ nationality** | **Nature of relationships** |
| Phoenix Rubber Products Co., Ltd. | Thailand | Directors of related parties |
| Chotchuang Intertrade Co., Ltd. | Thailand | Directors of related parties |
| Other related parties | Thailand | Directors of related parties |
| Key management personnel | Thailand | Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group/Company. |

The pricing policies for particular types of transactions are explained further below:

|  |  |
| --- | --- |
| **Transactions** | **Pricing policies** |
| Sale of goods/raw materials | Market prices |
| Rendering of service | Contractually agreed |
| Purchase of goods/raw materials | Contractually agreed/Market prices less operating expenses at  the agreed rate 1.0 - 5.0 baht per kilogram *(2017: 1.0 - 5.0*  *Baht per kilogram)* |
| Receiving of services | Contractually agreed |
| Other income | Contractually agreed |
| Interest income | Contractually agreed rate |
| Interest expense | Contractually agreed rate |
| Dividend income | Declared rate |

Significant transactions for the three-month periods ended 31 March 2018 and 2017 with related parties were as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | |  | **Separate financial statements** | | |
| ***Three-month period ended 31 March*** | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  | *(in thousand Baht)* | | | | | | |
| **Subsidiaries** |  |  |  |  |  |  |  |
| Sales of goods/raw materials | - |  | - |  | 322,910 |  | 300,086 |
| Purchases of goods/raw materials | - |  | - |  | 37,578 |  | 636,020 |
| Rental and service income | - |  | - |  | - |  | 560 |
| Interest income | - |  | - |  | 13,809 |  | 13,107 |
| Interest expense | - |  | - |  | 333 |  | 12,588 |
| Other income | - |  | - |  | - |  | 1,970 |
| Dividend income | - |  | - |  | 15,569 |  | - |
|  |  |  |  |  |  |  |  |
| **Associate** |  |  |  |  |  |  |  |
| Purchases of raw materials | 475 |  | 1,428 |  | 475 |  | - |
| Interest expense | 79 |  | 79 |  | - |  | - |
|  |  |  |  |  |  |  |  |
| **Key management personnel** |  |  |  |  |  |  |  |
| Key management personnel compensation | 8,117 |  | 7,502 |  | 8,117 |  | 3,684 |
|  |  |  |  |  |  |  |  |
| **Other related parties** |  |  |  |  |  |  |  |
| Sales of goods | 13,283 |  | 7,117 |  | 13,283 |  | 7,117 |
| Purchase of raw materials | 1,435 |  | 1,842 |  | 1,422 |  | - |
| Rental income | 255 |  | 255 |  | 255 |  | 255 |
| Rental expense | - |  | 26 |  | - |  | - |

Balances as at 31 March 2018 and 31 December 2017 with related parties were as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | |  | **Separate financial statements** | | |
|  | 31  March |  | 31 December |  | 31  March |  | 31 December |
|  | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  | *(in thousand Baht)* | | | | | | |
| ***Trade accounts receivable - related parties*** |  |  |  |  |  |  |  |
| Subsidiaries | - |  | - |  | 210,788 |  | 203,082 |
| Other related parties | 18,082 |  | 31,134 |  | 18,082 |  | 31,134 |
| **Total** | **18,802** |  | **31,134** |  | **228,870** |  | **234,216** |
|  |  |  |  |  |  |  |  |
| ***Other receivables - related parties*** |  |  |  |  |  |  |  |
| Subsidiaries | - |  | - |  | 73,611 |  | 61,487 |
| Associate | 1 |  | 1 |  | 1 |  | 1 |
| Other related parties | - |  | 4,918 |  | - |  | 4,912 |
| **Total** | **1** |  | **4,919** |  | **73,612** |  | **66,400** |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***Loans to related parties*** | **Interest rate** | | | **Consolidated financial statements** | | |  | **Separate financial statements** | | |
|  |  |  |  | 31  March |  | 31  December |  | 31  March |  | 31  December |
|  | 2018 |  | 2017 | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  | *(% per annum)* | | | *(in thousand Baht)* | | | | | | |
| ***Short-term loans*** |  |  |  |  |  |  |  |  |  |  |
| **Subsidiaries** |  |  |  |  |  |  |  |  |  |  |
| Thai Rubber Land and  Plantation Co., Ltd. | 3.9 |  | 3.9 | - |  | - |  | 1,428,203 |  | 1,422,203 |
| World Flex Public Company  Limited | - |  | 3.9 | - |  | - |  | - |  | 25,000 |
| **Short-term loans to related parties** | | | | **-** |  | **-** |  | **1,428,203** |  | **1,447,203** |

Movements during the three-month periods ended 31 March 2018 and 2017 of short-term loans to related parties were as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Separate financial statements** | | |
| ***Three-month period ended 31 March*** | 2018 |  | 2017 |
|  | *(in thousand Baht)* | | |
| **Subsidiaries** |  |  |  |
| At 1 January | 1,447,203 |  | 1,390,303 |
| Increase | 6,000 |  | 24,400 |
| Decrease | (25,000) |  | (4,000) |
| **At 31 March** | **1,428,203** |  | **1,410,703** |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | |  | **Separate financial statements** | | |
|  | 31  March |  | 31  December |  | 31  March |  | 31  December |
|  | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  | *(in thousand Baht)* | | | | | | |
| ***Trade accounts payable - related parties*** |  | | | | | | |
| Subsidiaries | - |  | - |  | 19 |  | 355 |
| Associate | - |  | 489 |  | - |  | 489 |
| Other related parties | - |  | 779 |  | - |  | 779 |
| **Total** | **-** |  | **1,268** |  | **19** |  | **1,623** |
|  |  |  |  |  |  |  |  |
| ***Other payables - related parties*** |  |  |  |  |  |  |  |
| Subsidiaries | - |  | - |  | 1,167 |  | 1,109 |
| **Total** | **-** |  | **-** |  | **1,167** |  | **1,109** |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***Short-term loans from***  ***related parties*** | **Interest rate** | | | **Consolidated financial statements** | | |  | **Separate financial statements** | | |
|  |  |  |  | 31  March |  | 31  December |  | 31  March |  | 31  December |
|  | 2018 |  | 2017 | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  | *(% per annum)* | | | *(in thousand Baht)* | | | | | | |
| **Subsidiary** |  |  |  |  |  |  |  |  |  |  |
| Thai Rubber HPNR |  |  |  |  |  |  |  |  |  |  |
| Co., Ltd. | 3.9 |  | 3.9 | - |  | - |  | 37,000 |  | 32,000 |
| **Associate** |  |  |  |  |  |  |  |  |  |  |
| Wang Somboon Rubber Estate Co., Ltd. | 4.0 |  | 4.0 | 8,000 |  | 8,000 |  | - |  | - |
| **Short-term loans from related parties** | | | | **8,000** |  | **8,000** |  | **37,000** |  | **32,000** |

Movements during the three-month periods ended 31 March 2018 and 2017 of borrowings from related parties were as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | |  | **Separate financial statements** | | |
| ***Three-month period ended 31 March*** | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  | *(in thousand Baht)* | | | | | | |
| **Subsidiary** |  |  |  |  |  |  |  |
| At 1 January | - |  | - |  | 32,000 |  | 1,349,300 |
| Increase | - |  | - |  | 5,000 |  | 31,276 |
| Decrease | - |  | - |  | - |  | (70,200) |
| **At 31 March** | **-** |  | **-** |  | **37,000** |  | **1,310,376** |
|  |  |  |  |  |  |  |  |
| **Associate** |  |  |  |  |  |  |  |
| At 1 January | 8,000 |  | 8,000 |  | - |  | - |
| **At 31 March** | **8,000** |  | **8,000** |  | **-** |  | **-** |
|  |  |  |  |  |  |  |  |

As at 31 March 2018, the Group has unutilised credit facilities at the total of Baht 1,412 million and USD 110 million (*31 December 2017: Baht 1,709 million and USD 115 million*) and used credit facilities at the total of Baht 4,552 million and USD 12 million (*31 December 2017: Baht 4,651 million and USD 14 million*), and the Company has issued letter of guarantee to banks to secure credit facilities granted by the banks to its subsidiaries totaling Baht 850 million and USD 25 million (*31 December* *2017: Baht 1,409 million and USD 25 million*).

1. **Trade accounts receivable**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Consolidated financial statements** | | |  | **Separate financial statements** | | |
|  |  | 31  March |  | 31  December |  | 31  March |  | 31  December |
|  | *Note* | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  |  | *(in thousand Baht)* | | | | | | |
| Related parties | *3* | 18,082 |  | 31,134 |  | 228,870 |  | 234,216 |
| Other parties |  | 1,036,660 |  | 1,073,686 |  | 708,458 |  | 724,785 |
| **Total** |  | **1,054,742** |  | **1,104,820** |  | **937,328** |  | **959,001** |
| *Less* allowance for doubtful accounts |  | (133,534) |  | (133,534) |  | (133,534) |  | (133,534) |
| **Net** |  | **921,208** |  | **971,286** |  | **803,794** |  | **825,467** |
|  |  |  |  |  |  |  |  |  |

Aging analysis for trade accounts receivable are as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated** | | |  | **Separate** | | |
|  | **financial statements** | | |  | **financial statements** | | |
|  | 31  March |  | 31  December |  | 31  March |  | 31  December |
|  | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  | *(in thousand Baht)* | | | | | | |
| **Related parties** |  |  |  |  |  |  |  |
| Within credit term | 13,292 |  | 11,924 |  | 212,201 |  | 190,624 |
| Overdue: |  |  |  |  |  |  |  |
| Less than 3 months | 4,790 |  | 15,616 |  | 16,669 |  | 39,998 |
| 3 - 6 months | - |  | 3,594 |  | - |  | 3,594 |
| 6 - 12 months | - |  | - |  | - |  | - |
| Over 12 months | - |  | - |  | - |  | - |
|  | **18,082** |  | **31,134** |  | **228,870** |  | **234,216** |
|  |  |  |  |  |  |  |  |
| **Other parties** |  |  |  |  |  |  |  |
| Within credit term | 743,615 |  | 722,934 |  | 482,408 |  | 466,348 |
| Overdue: |  |  |  |  |  |  |  |
| Less than 3 months | 148,679 |  | 216,836 |  | 92,252 |  | 124,639 |
| 3 - 6 months | 10,479 |  | 264 |  | - |  | 264 |
| 6 - 12 months | 264 |  | - |  | 264 |  | - |
| Over 12 months | 133,623 |  | 133,652 |  | 133,534 |  | 133,534 |
|  | **1,036,660** |  | **1,073,686** |  | **708,458** |  | **724,785** |
| *Less* allowance for doubtful accounts | (133,534) |  | (133,534) |  | (133,534) |  | (133,534) |
|  | **903,126** |  | **940,152** |  | **574,924** |  | **591,251** |
| **Net** | **921,208** |  | **971,286** |  | **803,794** |  | **825,467** |

The normal credit term granted by the Group/Company ranges from 1 day to 180 days.

1. **Other receivables**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Consolidated  financial statements | | |  | Separate  financial statements | | |
|  |  | 31  March |  | 31  December |  | 31  March |  | 31  December |
|  | *Note* | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  |  | *(in thousand Baht)* | | | | | | |
| Related parties | *3* | 1 |  | 4,919 |  | 73,612 |  | 66,400 |
| Other parties |  | 152,649 |  | 146,591 |  | 37,465 |  | 32,451 |
| **Total** |  | **152,650** |  | **151,510** |  | **111,077** |  | **98,851** |
| *Less* allowance for doubtful account |  | (43,761) |  | (43,761) |  | - |  | - |
| **Net** |  | **108,889** |  | **107,749** |  | **111,077** |  | **98,851** |

1. **Investments in associates**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated  financial statements | | |  | Separate  financial statements | | |
| ***Three-month period ended 31 March*** | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  | *(in thousand Baht)* | | | | | | |
| At 1 January | 32,304 |  | 31,809 |  | - |  | - |
| Share of losses of associates | (443) |  | (291) |  | - |  | - |
| Share of other comprehensive income  (expense) of associates | (74) |  | 54 |  | - |  | - |
| **At 31 March** | **31,787** |  | **31,572** |  | **-** |  | **-** |

During the three-month period ended 31 March 2018, there were no acquisition and disposal of investments in associates.

Investments in associates as at 31 March 2018 and 31 December 2017 and dividend income from the investments for the three-month periods ended 31 March 2018 and 2017 were as follows:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | **Consolidated financial statements** | | | | | | | | | | | | | | | | | | |
|  | Nature of business | Country of incorporation | Effective  ownership interest | | |  | Paid-up capital | | |  | Cost | | |  | Carrying amount based on equity method | | |  | Dividend income  for the three-month periods ended | | |
|  |  |  | 31  March |  | 31 December |  | 31  March |  | 31 December |  | 31  March |  | 31 December |  | 31  March |  | 31 December |  | 31  March |  | 31  March |
|  |  |  | 2018 |  | 2017 |  | 2018 |  | 2017 |  | 2018 |  | 2017 |  | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  |  |  | *(%)* | | |  | *(in thousand Baht)* | | | | | | | | | | | | | | |
| **Associates** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Wang Somboon Rubber Estate Co., Ltd. | Planting of rubber | Thailand | 48.40 |  | 48.40 |  | 55,300 |  | 55,300 |  | 30,101 |  | 30,101 |  | 31,787 |  | 32,304 |  | - |  | - |
| Rosener-Mautby Meditrade (Thailand) Ltd.(\*) | Production of latex examination gloves | Thailand | 31.50 |  | 31.50 |  | 120,000 |  | 120,000 |  | 37,849 |  | 37,849 |  | - |  | - |  | - |  | - |
| **Total** |  |  |  |  |  |  |  |  |  |  | **67,950** |  | **67,950** |  | **31,787** |  | **32,304** |  | **-** |  | **-** |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Separate financial statements** | | | | | | | | | | | | | | | | | | | | | | |
|  | Effective | | |  |  | | |  |  | | |  |  | | |  |  | | |  | Dividend income  for the three-month | | |
|  | ownership interest | | |  | Paid-up capital | | |  | Cost | | |  | Impairment | | |  | At cost-net | | |  | periods ended | | |
|  | 31  March |  | 31 December |  | 31  March |  | 31 December |  | 31  March |  | 31 December |  | 31  March |  | 31 December |  | 31  March |  | 31 December |  | 31  March |  | 31  March |
|  | 2018 |  | 2017 |  | 2018 |  | 2017 |  | 2018 |  | 2017 |  | 2018 |  | 2017 |  | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  | *(%)* | | |  | *(in thousand Baht)* | | | | | | | | | | | | | | | | | | |
| **Associate** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Rosener-Mautby Meditrade (Thailand) Ltd.(\*) | 31.50 |  | 31.50 |  | 120,000 |  | 120,000 |  | 37,849 |  | 37,849 |  | (37,849) |  | (37,849) |  | - |  | - |  | - |  | - |
| **Total** |  |  |  |  |  |  |  |  | **37,849** |  | **37,849** |  | **(37,849)** |  | **(37,849)** |  | **-** |  | **-** |  | **-** |  | **-** |

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

(\*) The Central Bankruptcy Court has ordered the verdict to be bankrupt since 27 September 2010. The Company recognised share of losses from investment in Rosener-Mautby Meditrade (Thailand) Ltd. until the value of the investment reached zero. Subsequent losses incurred by this associate have not been recognised in the Company’s accounts since the Company has no obligations, whether legal or constructive, to make any payments on behalf of this associate.

1. **Investments in subsidiaries and other long-term investment**

Investments in subsidiaries and other long-term investment as at 31 March 2018 and 31 December 2017 and dividend income from the investments for the three-month periods ended 31 March 2018 and 2017 were as follows:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | **Separate financial statements** | | | | | | | | | | | | | | | | | | | | | | | |
| ***Subsidiaries*** | Nature of business | | Ownership interest | | | Paid-up capital | | | |  | Cost | | |  | Impairment | | |  | At cost-net | | |  | | Dividend income  for the three-month periods ended | | |
|  |  | | 31  March |  | 31 December | 31  March |  | 31  December | |  | 31  March |  | 31  December |  | 31  March |  | 31  December |  | 31  March |  | 31  December |  | | 31  March |  | 31  March |
|  |  | | 2018 |  | 2017 | 2018 |  | 2017 | |  | 2018 |  | 2017 |  | 2018 |  | 2017 |  | 2018 |  | 2017 |  | | 2018 |  | 2017 |
|  |  | | *(%)* | | | *(in thousand Baht)* | | | | | | | | | | | | | | | | | | | | |
| **Direct subsidiaries** |  | |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  |  |  |  |  | |  |  |  |
| Thai Rubber Latex Group Co., Ltd. (\*) (entire business transfer to the parent on 29 December 2017) | Production and  distribution of  products from  natural rubber | | 100.00 |  | 100.00 | 544,000 |  | 544,000 | |  | 544,000 |  | 544,000 |  | - |  | - |  | 544,000 |  | 544,000 |  | | - |  | - |
| World Flex Public Company Limited | Production and  distribution of  rubber thread | | 98.40 |  | 98.40 | 308,000 |  | 308,000 | |  | 443,600 |  | 443,600 |  | - |  | - |  | 443,600 |  | 443,600 |  | | - |  | - |
| Thai Rubber Land and Plantation Co., Ltd. | Planting of rubber | | 100.00 |  | 100.00 | 300,000 |  | 300,000 | |  | 300,000 |  | 300,000 |  | - |  | - |  | 300,000 |  | 300,000 |  | | - |  | - |
| Thai Rubber HPNR Co., Ltd. | Production and  distribution of  products from  natural rubber | | 100.00 |  | 100.00 | 500,000 |  | 500,000 | |  | 500,000 |  | 500,000 |  | - |  | - |  | 500,000 |  | 500,000 |  | | - |  | - |
| Latex Systems Co., Ltd. | Production and  distribution of  foam latex  mattresses and  pillows | | 56.20 |  | 56.20 | 78,809 |  | 78,809 | |  | 53,981 |  | 53,981 |  | - |  | - |  | 53,981 |  | 53,981 |  | | 15,569 |  | - |
|  |  | | **Separate financial statements** | | | | | | | | | | | | | | | | | | | | | | | |
|  | Nature of business | | Ownership interest | | | Paid-up capital | | | |  | Cost | | |  | Impairment | | |  | At cost-net | | |  | | Dividend income  for the three-month periods ended | | |
|  |  | | 31  March |  | 31 December | 31  March |  | 31  December | |  | 31  March |  | 31  December |  | 31  March |  | 31  December |  | 31  March |  | 31  December |  | | 31  March |  | 31  March |
|  |  | | 2018 |  | 2017 | 2018 |  | 2017 | |  | 2018 |  | 2017 |  | 2018 |  | 2017 |  | 2018 |  | 2017 |  | | 2018 |  | 2017 |
|  |  | | *(%)* | | | *(in thousand Baht)* | | | | | | | | | | | | | | | | | | | | |
| Myanmar Thai Rubber Joint Corporation Limited | Production and  distribution of  products from  natural rubber | | 64.00 |  | 64.00 | 107,672 |  | 107,672 | |  | 68,909 |  | 68,909 |  | - |  | - |  | 68,909 |  | 68,909 |  | | - |  | - |
| Shanghai Runmao International  Trading Co., Ltd. | Trading of  products from  natural rubber | 55.00 | |  | 55.00 | 35,399 |  | 35,399 |  | | 19,470 |  | 19,470 |  | - |  | - |  | 19,470 |  | 19,470 | |  | - |  | - |
| **Total** |  |  | |  |  |  |  |  |  | | **1,929,960** |  | **1,929,960** |  | **-** |  | **-** |  | **1,929,960** |  | **1,929,960** | |  | **15,569** |  | **-** |
|  |  |  | |  |  |  |  |  |  | |  |  |  |  |  |  |  |  |  |  |  | |  |  |  |  |

(\*) Thai Rubber Latex Group Co., Ltd., a subsidiary, was registered to dissolve its company on 29 December 2017 in accordance with restructuring plan of the Group. As at 31 March 2018, the said subsidiary is on process of liquidation.

All subsidiaries were incorporated in Thailand, except Myanmar Thai Rubber Joint Corporation Limited and Shanghai Runmao International Trading Co., Ltd., which were incorporated in the Republic of the Union of Myanmar and People’s Republic of China, respectively.

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Separate and consilidated financial statements** | | | | | | | | | | | | | | | | | | | | | |
|  | Nature of business | Ownership interest | | | Authorised share capital | | |  | Cost | | |  | Impairment | | |  | At cost-net | | |  | Dividend income  for the three-month periods ended | | |
|  |  | 31  March |  | 31 December | 31  March |  | 31  December |  | 31  March |  | 31  December |  | 31  March |  | 31  December |  | 31  March |  | 31  December |  | 31  March |  | 31  March |
|  |  | 2018 |  | 2017 | 2018 |  | 2017 |  | 2018 |  | 2017 |  | 2018 |  | 2017 |  | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  |  | *(%)* | | | *(in thousand Baht)* | | | | | | | | | | | | | | | | | | |
| **Other long-term investment** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Thai Rubber Joint Venture Co., Ltd. | Trading of products  from natural  rubber | 16.67 |  | 16.67 | 1,200,000 |  | 1,200,000 |  | 100,000 |  | 100,000 |  | - |  | - |  | 100,000 |  | 100,000 |  | - |  | - |
| **Total** |  |  |  |  |  |  |  |  | **100,000** |  | **100,000** |  | **-** |  | **-** |  | **100,000** |  | **100,000** |  | **-** |  | **-** |

During 2017, the Company entered into the memorandum of understanding with Rubber Authority of Thailand and other rubber business companies to set up a company, Thai Rubber Joint Venture Co., Ltd., for the resolution to stabilise price with the objective to engage in the domestic and international trade of rubber. The said company was registered and established in July 2017 with authorised share capital of Baht 1,200 million whereby the Company invested of Baht 200 million (representing of 16.67% shareholding). As at 31 March 2018, the Company had partially paid-up capital amounting to Baht 100 million.

During the three-month period ended 31 March 2018, there were no acquisition and disposal of investments in subsidiaries and other long-term investment.

None of the Group/Company’s subsidiaries and other long-term investment are publicly listed and consequently do not have published price quotation.

1. **Property, plant and equipment**

Acquisitions, disposals and transfers of property, plant and equipment during the three-month periods ended 31 March 2018 and 2017 were as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Consolidated  financial statements | | |  | Separate  financial statements | | |
| ***Three-month period ended 31 March*** |  | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  |  | *(in thousand Baht)* | | | | | | |
| Net book value at 1 January |  | 3,343,089 |  | 3,318,133 |  | 1,145,343 |  | 267,835 |
| Acquisitions - at cost |  | 45,400 |  | 119,757 |  | 11,962 |  | 650 |
| Transfers in - out, disposals and written off - net book value |  | (1,737) |  | (62,311) |  | - |  | (16) |
| Depreciation for the period |  | (55,290) |  | (47,591) |  | (23,708) |  | (4,048) |
| **Net book value at 31 March** |  | **3,331,462** |  | **3,327,988** |  | **1,133,597** |  | **264,421** |

1. **Rubber plantation development costs**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **Consolidated financial statements** | | |
| ***Three-month period ended 31 March*** |  | 2018 |  | 2017 |
|  |  | *(in thousand Baht)* | | |
| At 1 January |  | 877,437 |  | 851,210 |
| Additions |  | 6,390 |  | 12,766 |
| Amortisation |  | (1,356) |  | (1,563) |
| **At 31 March** |  | **882,471** |  | **862,413** |

1. **Interest-bearing liabilities**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated** | | |  | **Separate** | | |
|  | **financial statements** | | |  | **financial statements** | | |
|  | 31  March |  | 31  December |  | 31  March |  | 31  December |
|  | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  | *(in thousand Baht)* | | | | | | |
| ***Current*** |  |  |  |  |  |  |  |
| Bank overdrafts - secured | 3,752 |  | 16,308 |  | 3,029 |  | 15,649 |
| Short-term borrowings from financial institutions - secured | 3,340,838 |  | 3,386,453 |  | 2,751,564 |  | 2,891,676 |
| **Bank overdrafts and short-term borrowings from financial institutions** | **3,344,590** |  | **3,402,761** |  | **2,754,593** |  | **2,907,325** |
| Short-term borrowings from related parties - unsecured | 8,000 |  | 8,000 |  | 37,000 |  | 32,000 |
| Current portion of long-term borrowings from financial institutions - secured | 115,000 |  | 108,750 |  | 65,000 |  | 58,750 |
| Current portion of finance lease liabilities | 76,316 |  | 74,805 |  | 74,712 |  | 73,160 |
| **Total current interest-bearing liabilities** | **3,543,906** |  | **3,594,316** |  | **2,931,305** |  | **3,071,235** |
|  |  |  |  |  |  |  |  |
| ***Non-current*** |  |  |  |  |  |  |  |
| Long-term borrowings from financial  institutions - secured | 1,092,500 |  | 1,123,750 |  | 880,000 |  | 898,750 |
| Finance lease liabilities | 75,524 |  | 90,643 |  | 72,119 |  | 86,827 |
| **Total non-current interest-bearing liabilities** | **1,168,024** |  | **1,214,393** |  | **952,119** |  | **985,577** |
| **Total interest-bearing liabilities** | **4,711,930** |  | **4,808,709** |  | **3,883,424** |  | **4,056,812** |

Loans from financial institutions of the Group/Company are secured by the mortgage by land and premises thereon, plants and machinery, and also guaranteed by the Group/Company. Moreover, the Group and the Company must be in compliance with the debt covenants and maintain the required financial ratios and other terms as stated in the agreements such as maintaining the debt to equity ratio.

The Group/Company sold building and machine and leased them back under finance lease agreements. The finance lease liability was repayable in monthly instalments commencing from January 2015 to November 2022. Under the lease agreements, the Group/Company must comply with conditions covering the lease assets.

1. **Trade accounts payable**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Consolidated  financial statements | | |  | Separate  financial statements | | |
|  |  | 31  March |  | 31  December |  | 31  March |  | 31  December |
|  | *Note* | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  |  | *(in thousand Baht)* | | | | | | |
| Related parties | *3* | - |  | 1,268 |  | 19 |  | 1,623 |
| Other parties |  | 209,078 |  | 203,495 |  | 22,133 |  | 45,322 |
| **Total** |  | **209,078** |  | **204,763** |  | **22,152** |  | **46,945** |

1. **Other payables**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Consolidated  financial statements | | |  | Separate  financial statements | | |
|  |  | 31  March |  | 31  December |  | 31  March |  | 31  December |
|  | *Note* | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  |  | *(in thousand Baht)* | | | | | | |
| Related parties | *3* | - |  | - |  | 1,167 |  | 1,109 |
| Other parties |  | 105,080 |  | 154,780 |  | 39,402 |  | 49,271 |
| **Total** |  | **105,080** |  | **154,780** |  | **40,569** |  | **50,380** |

1. **Segments information**

The Group’s has three reportable segments, as described below, which are the Group’s strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the principal reportable segments, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group’s principal reportable segments.

Segment 1 Concentrated and prevulcanized latex

Segment 2 Latex products

Segment 3 Rubber plantation

There are varying levels of integration between the Segment 1, Segment 2 and Segment 3 reportable segments. This integration includes sales of finished goods and fixed assets. Inter-segment pricing is determined on an arm’s length basis.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group’s CODM. Segment profit (loss) before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

## ***Information about reportable segments***

## Revenue and results, based on business segments, in the interim financial statement for the three-month periods ended 31 March 2018 and 2017 were as follows:

|  |  | Consolidated financial statement | | | | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Concentrated and | | |  |  | | |  |  | | |  |  |  | | |
|  |  | prevulcanized latex | | |  | Latex products | | |  | Rubber plantation | | |  |  | Total | | |
| ***Three-month periods ended 31 March*** |  | 2018 |  | 2017 |  | 2018 |  | 2017 |  | 2018 |  | 2017 |  |  | 2018 |  | 2017 |
|  |  | *(in million Baht)* | | | | | | | | | | | | | | | |
| External revenue |  | 1,359 |  | 2,419 |  | 777 |  | 603 |  | - |  | 2 |  |  | 2,136 |  | 3,024 |
| Inter-segment revenue |  | 356 |  | 1,027 |  | - |  | - |  | 5 |  | 11 |  |  | 361 |  | 1,038 |
| Total revenue |  | **1,715** |  | **3,446** |  | **777** |  | **603** |  | **5** |  | **13** |  |  | **2,497** |  | **4,062** |
| Segment profit (loss)  before income tax |  | 24 |  | 94 |  | 133 |  | 34 |  | (21) |  | (13) |  |  | 136 |  | 115 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Segment assets |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| As at 31 March/ 31 December |  | 3,204 |  | 3,445 |  | 2,390 |  | 2,195 |  | 2,361 |  | 2,368 |  |  | 7,955 |  | 8,008 |
| Segment liabilities |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| As at 31 March/ 31 December |  | 4,062 |  | 4,342 |  | 1,200 |  | 1,088 |  | 139 |  | 139 |  |  | 5,401 |  | 5,569 |

1. **Other income**

|  |  | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***Three-month period ended 31 March*** | *Note* | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  |  | *(in thousand Baht)* | | | | | | |
| Net gain on foreign exchange |  | 9,970 |  | 2,283 |  | - |  | - |
| Interest income |  | 41 |  | 302 |  | 13,816 |  | 13,376 |
| Dividend income | *7* | - |  | - |  | 15,569 |  | - |
| Others |  | 10,961 |  | 6,841 |  | 3,631 |  | 3,201 |
| **Total** |  | **20,972** |  | **9,426** |  | **33,016** |  | **16,577** |

1. **Earnings per share**

The calculation of basic earnings per share for the three-month periods ended 31 March 2018 and 2017 were based on the profit or loss for the periods attributable to owners of parent and the weighted average number of ordinary shares outstanding during the periods as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated** | | |  | **Separate** | | |
|  | **financial statements** | | |  | **financial statements** | | |
| ***Three-month period ended 31 March*** | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  | *(in thousand Baht/thousand shares)* | | | | | | |
| **Profit attributable to owners of**  **parent (basic)** | **87,775** |  | **103,766** |  | **42,569** |  | **17,509** |
| **Number of ordinary shares issued** | **1,685,080** |  | **681,480** |  | **1,685,080** |  | **681,480** |
| **Number of ordinary shares outstanding**  **(basic)** | **681,480** |  | **681,480** |  | **681,480** |  | **681,480** |
|  |  |  |  |  |  |  |  |
| **Basic earnings per share *(in Baht)*** | **0.13** |  | **0.15** |  | **0.06** |  | **0.03** |

The increase of ordinary shares from business restructuring in 2017 will not hold any voting rights in shareholder meetings and will not receive any dividend. Therefore, the new issued and paid-up share capital from business restructuring amounted 1,003.6 million shares is excluded from the calculation of earnings per share. Earnings per share calculated by the previous amount of 681,479,688 shares.

1. **Financial instruments**

## ***Carrying amount and fair values***

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

|  |  |  | **Consolidated financial statements** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Carrying amount |  | Fair value | | | | | | |
|  |  |  | Level 1 |  | Level 2 |  | Level 3 |  | Total |
|  | *(in thousand Baht)* | | | | | | | | |
| **31 March 2018** |  |  |  |  |  |  |  |  |  |
| ***Current*** |  |  |  |  |  |  |  |  |  |
| Forward exchange contract | - |  | - |  | 22,440 |  | - |  | 22,440 |
|  |  |  |  |  |  |  |  |  |  |
| **31 December 2017** |  |  |  |  |  |  |  |  |  |
| ***Current*** |  |  |  |  |  |  |  |  |  |
| Forward exchange contract | - |  | - |  | 9,657 |  | - |  | 9,657 |

As at 31 March 2018 and 31 December 2017, the fair value of financial assets and liabilities, except forward exchange contract, do not differ significantly from amounts recorded in the statement of financial position.

***Measurement of fair value***

The Group/Company determines Level 2 fair values for non-derivative financial assets and liabilities using a discounted cash flow technique, which uses contractual cash flows and a market-related discounted rate.

Level 2 fair values for other derivative financial instruments are based on broker quotes. Those quotes are tested for reasonableness by discounting expected future cash flows using market interest rate for a similar instrument at the measurement date. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group/Company and counterparty when appropriate.

1. **Commitments with non-related parties**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated** | | |  | **Separate** | | |
|  | **financial statements** | | |  | **financial statements** | | |
|  | 31  March |  | 31  December |  | 31  March |  | 31  December |
|  | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  | *(in million Baht)* | | | | | | |
| ***Capital commitments*** |  |  |  |  |  |  |  |
| *Contracted but not provided for*: |  |  |  |  |  |  |  |
| Machinery, buildings and construction in progress | 73 |  | 42 |  | - |  | 4 |
| **Total** | **73** |  | **42** |  | **-** |  | **4** |
|  |  |  |  |  |  |  |  |
| ***Non-cancellable operating lease commitments:*** |  |  |  |  |  |  |  |
| Within 1 year | 13 |  | 12 |  | - |  | - |
| More than one year but not over 5 years | 5 |  | 6 |  | - |  | - |
| **Total** | **18** |  | **18** |  | **-** |  | **-** |
| ***Other commitments:*** |  |  |  |  |  |  |  |
| Bank guarantees | 15 |  | 14 |  | 11 |  | 10 |
| Forward exchange contract - buy | 3 |  | - |  | - |  | - |
| Forward exchange contract - sell | 379 |  | 468 |  | 17 |  | 13 |
| **Total** | **397** |  | **482** |  | **28** |  | **23** |

As at 31 March 2018 and 31 December 2017, the Group and the Company had the following commitments:

* + - The Group has entered into forward exchange contracts to sell USD 11.6 million *(31 December 2017: USD 14.2 million)* at the forward rate of Baht 31.2 - 33.1 per USD *(31 December 2017: 32.5 - 34.1 Baht per USD)*. These contracts are due between 30 April 2018 to 18 January 2019   
      *(31 December 2017: 5 January 2018 to 4 January 2019)*. The Company has entered into forward exchange contracts to sell USD 0.5 million *(31 December 2017: USD 0.4 miliion)* at the forward rate of Baht 31.2 - 33.0 per USD *(31 December 2017: 32.6 - 33.2 Baht per USD)*. These contracts are due between 17 May 2018 to 19 September 2018 *(31 December 2017: 23 February 2018 to   
      20 June 2018)*.
    - On 31 March 2018, a subsidiary has entered into forward exchange contracts to buy USD 0.1 million at the forward rate of Baht 31.4 per USD. The contracts are due on 31 May 2018 *(31 December 2017: Nil)*.
    - On 31 March 2018, a subsidiary had outstanding commitments of approximately Baht 73.4 million *(31 December 2017: Baht 42.4 million)*, in respect of construction and installation contract of machinery and tools.
    - A subsidiary had outstanding commitments of approximately Baht 17.8 million *(31 December 2017: Baht 17.5 million)*, in respect of factory, warehouse, and the house rental for staff.

**Bank guarantees**

As at 31 March 2018, there were outstanding bank guarantees of approximately Baht 15 million and Baht 11 million *(31 December 2017: Baht 14 million and 10 million, respectively)* issued by the banks on behalf of the Group and the Company, respectively, as required in the normal course of their businesses.

1. **Events after the reporting period**

At the annual general meeting of the shareholders of the Company held on 20 April 2018, the shareholders approved the payment of the dividends of Baht 0.04 per share, amounting Baht 27.3 million from the operations profit in 2017. The dividends are scheduled for payment in May 2018.

At the annual general meeting of the shareholders held on 20 April 2018, the shareholders approved the plan to the initial public offering (IPO) of Latex System Co., Ltd. (“LS”), a subsidiary, and list on Market for Alternative Investment (“MAI”). LS will issue and increase their authorised share capital to public and Thai Rubber Latex Corporation (Thailand) Public Company Limited by holding proportion (Pre-emptive Right).