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

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements and were approved and authorised for issue by the Board of Directors on 11 August 2021.

1. **General information**

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, latex foam mattress, and rubber gloves.

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

The condensed interim financial statements are presented in the same format as the annual financial statements together with notes to the interim financial statements on a condensed basis (“interim financial statements”) in accordance with Thai Accounting Standard (TAS) No. 34 *Interim Financial Reporting*, guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements do not include all of the financial information required for 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 2020.

The Group/Company has initially applied revised TFRS that are effective for annual periods beginning on or after 1 January 2021, a concentration test on TFRS 3 and disclosed impact from changes in accounting policies in note 3.

1. ***Use of judgements, estimates and accounting policies***

In preparing these interim financial statements, judgements and estimates are made by management in applying the Group’s/Company’s accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that described in the financial statements for the year ended 31 December 2020.

COVID-19 pandemic is still on going, while vaccines for COVID-19 are being rolled out during 2021. Due to uncertainty of the situation in 2020, the Group/Company applied accounting guidance on temporary accounting relief measures for additional accounting options in response to impact from the situation of COVID-19 in preparing the financial statements for the year ended 31 December 2020 by excluding COVID-19 situation regarding impairment of assets, fair value measurement and review the amount of deferred tax assets. As the accounting guidance already expired on 31 December 2020, the Group/Company has assessed the impact and there was no material impact to financial statements. Therefore, the Group/Company did not adjust the value of assets in 2021.

1. ***Use of going concern basis of accounting***

The Group/Company have been affected from the fluctuation in rubber price and economic recession as resulted of COVID-19 situation. As at 30 June 2021, the Group’s/Company’s current liabilities exceeded current assets by Baht 2,154.9 million and Baht 1,350.3 million, respectively *(31 December 2020: Baht 2,736.5 million and Baht 2,111.0 million, respectively)*. These circumstances indicate the existence of a material uncertainty which may cast significant doubt about the Group’s and Company’s ability to continue as a going concern. However, the Group and the Company incurred net profit of Baht 215.8 million and Baht 192.6 million for the six-month period ended 30 June 2021, respectively. The Group and the Company implemented policies and procedures in an attempt to manage their liquidity risk and other circumstances. The Group and the Company plan to address the liquidity problem by focusing on operating profit, finding new customers, increasing sales volume and production capacity, cost reduction, restructuring of financing plan, finding more credit facilities and business restructuring of the Group/Company, including sales of the non-performing assets and cautions on the investing, including obtaining the lenders’ waiver of breaches of the terms of the loan agreements with financial institutions and reschedule of the loan repayment from the financial institution.

The consolidated and separate interim 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 interim 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. **Change in accounting policy**

*Definition of a business and concentration test*

From 1 January 2021, the Group/Company has adopted the amendment to TFRS 3 Definition of a Business which clarifies the definition of a business and provide further guidance on how to determine whether a transaction represents a business combination. In addition, the amendments introduce an optional “concentration test” that permits a simplified assessment of whether an acquired set of activities and assets is an asset rather than a business acquisition, when substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. The Group/Company has applied the amendments prospectively to the transactions for which the acquisition date is on or after 1 January 2021.

In April 2021, the Company acquired Phoenix Rubber Products Company Limited at a cash consideration of Baht 40 million. The principle activity of such company is production and distribution of rubber gloves, and its identifiable assets are mainly buildings and machineries. The transaction was accounted as an acquisition of assets rather than a business combination, given that substantially all of the fair value of the gross assets is concentrated in a group of similar identifiable assets.

1. **Disposals of non-controlling interests**
2. ***Share-based payment to employees and directors of a subsidiary***

On 13 January 2021, World Flex Public Company Limited, a subsidiary, registered to increase its share capital by 14.2 million shares at par value of Baht 1 per shares with the Ministry of Commerce for allocation of shares to the directors, employees of the subsidiary (“ESOP”), and board of directors, totaling to Baht 14.2 million. The carrying amount of the subsidiary’s net assets in the Group’s financial statements was Baht 827.9 million. The Group recognised an increase in non-controlling interests of Baht 36.5 million, a decrease in retained earnings of Baht 4.1 million, a decrease in legal reserve of Baht 0.6 million and a decrease in gain on revaluation of assets of Baht 17.6 million.

1. ***Disposal of*** ***investments in a subsidiary***

On 29 March 2021, the Group disposed 38.2% of its interest in Latex Systems Public Company Limited, a subsidiary, in amounted of Baht 1.2 million in cash. The carrying amount of subsidiary’s net liabilities in the Group’s financial statements on the date of the disposal was Baht 121.0 million. The Group recognised a decrease in non-controlling interests of Baht 99.2 million, an increase in retained earnings of Baht 126.8 million, a decrease in legal reserve of Baht 5.2 million and a decrease in gain on revaluation of assets of Baht 22.4 million.

1. **Related parties**

Significant transactions for the three-month and six-month periods ended 30 June with related parties were as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***Significant transactions with related parties*** | **Consolidated financial statements** | | |  | **Separate financial statements** | | |
| ***Three-month period ended 30 June*** | 2021 |  | 2020 |  | 2021 |  | 2020 |
|  | *(in thousand Baht)* | | | | | | |
| **Subsidiaries** |  |  |  |  |  |  |  |
| Sales of goods/raw materials | - |  | - |  | 396,250 |  | 218,546 |
| Purchases of goods/raw materials | - |  | - |  | 12,201 |  | 5,736 |
| Interest income | - |  | - |  | 1,656 |  | 1,547 |
| Interest expense | - |  | - |  | 457 |  | 457 |
| Rental income | - |  | - |  | 836 |  | 253 |
| Commission expense | - |  | - |  | - |  | 140 |
| Dividend income | - |  | - |  | 38,500 |  | - |
|  |  |  |  |  |  |  |  |
| **Associate** |  |  |  |  |  |  |  |
| Purchases of raw materials | 834 |  | 344 |  | 834 |  | 344 |
| Interest expense | 14 |  | 27 |  | - |  | - |
|  |  |  |  |  |  |  |  |
| **Key management personnel** |  |  |  |  |  |  |  |
| Key management personnel compensation | 7,785 |  | 5,903 |  | 7,785 |  | 5,903 |
|  |  |  |  |  |  |  |  |
| **Other related parties** |  |  |  |  |  |  |  |
| Sales of goods | 9,747 |  | 3,698 |  | 9,747 |  | 3,698 |
| Purchases of raw materials | 2,904 |  | 327 |  | 2,904 |  | 327 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | |  | **Separate financial statements** | | |
| ***Six-month period ended 30 June*** | 2021 |  | 2020 |  | 2021 |  | 2020 |
|  | *(in thousand Baht)* | | | | | | |
| **Subsidiaries** |  |  |  |  |  |  |  |
| Sales of goods/raw materials | - |  | - |  | 875,697 |  | 500,081 |
| Purchases of goods/raw materials | - |  | - |  | 17,962 |  | 8,799 |
| Interest income | - |  | - |  | 3,293 |  | 1,547 |
| Interest expense | - |  | - |  | 909 |  | 914 |
| Rental income | - |  | - |  | 1,380 |  | 507 |
| Commission expense | - |  | - |  | - |  | 140 |
| Dividend income | - |  | - |  | 38,500 |  | - |
|  |  |  |  |  |  |  |  |
| **Associate** |  |  |  |  |  |  |  |
| Purchases of raw materials | 1,368 |  | 468 |  | 1,368 |  | 468 |
| Interest expense | 28 |  | 56 |  | - |  | - |
|  |  | | | | | | |
| **Key management personnel** |  |  |  |  |  |  |  |
| Key management personnel compensation | 15,570 |  | 14,074 |  | 15,570 |  | 14,074 |
|  |  |  |  |  |  |  |  |
| **Other related parties** |  |  |  |  |  |  |  |
| Sales of goods | 16,933 |  | 9,267 |  | 16,933 |  | 9,267 |
| Purchases of raw materials | 3,878 |  | 327 |  | 3,878 |  | 327 |

Balances as at 30 June 2021 and 31 December 2020 with related parties were as follows:

|  | **Consolidated financial statements** | | |  | **Separate financial statements** | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 30  June |  | 31 December |  | 30  June |  | 31 December |
|  | 2021 |  | 2020 |  | 2021 |  | 2020 |
|  | *(in thousand Baht)* | | | | | | |
| ***Trade accounts receivables*** |  |  |  |  |  |  |  |
| Subsidiaries | - |  | - |  | 166,076 |  | 140,209 |
| Other related parties | 6,978 |  | 6,305 |  | 6,978 |  | 6,305 |
| **Total** | **6,978** |  | **6,305** |  | **173,054** |  | **146,514** |
|  |  |  |  |  |  |  |  |
| ***Other current receivables*** |  |  |  |  |  |  |  |
| Subsidiaries | - |  | - |  | 34,612 |  | 31,793 |
| Associates | 1 |  | 1 |  | 1 |  | 1 |
| **Total** | **1** |  | **1** |  | **34,613** |  | **31,794** |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Interest rate** | | | **Separate financial statements** | | | | | | |
|  | 31 December |  | 30  June | 31  December |  |  |  |  |  | 30  June |
| ***Loans to*** | 2020 |  | 2021 | 2020 |  | Increase |  | Decrease |  | 2021 |
|  | *(% per annum)* | | | *(in thousand Baht)* | | | | | | |
| Subsidiary | 4.0 |  | 4.0 | 166,000 |  | - |  | - |  | 166,000 |

|  | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 30  June  2021 |  | 31 December 2020 |  | 30  June  2021 |  | 31 December 2020 |
|  | *(in thousand Baht)* | | | | | | |
| ***Trade accounts payables*** |  |  |  |  |  |  |  |
| Subsidiaries | - |  | - |  | 480 |  | 1,446 |
| Associates | 179 |  | 573 |  | 179 |  | 573 |
| Other related parties | 1,070 |  | 1,734 |  | 1,070 |  | 1,734 |
| **Total** | **1,249** |  | **2,307** |  | **1,729** |  | **3,753** |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***Other current payables*** |  |  |  |  |  |  |  |
| Subsidiaries | **-** |  | **-** |  | **533** |  | **610** |

|  | **Interest rate** | | |  | Consolidated financial statements | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***Loans from*** | 31 December 2020 |  | 30  June  2021 |  | 31 December 2020 |  | Increase |  | Decrease |  | 30  June  2021 |
|  | *(% per annum)* | | |  | *(in thousand Baht)* | | | | | | |
| Associate | 4.0 |  | 4.0 |  | 1,600 |  | - |  | (450) |  | 1,150 |

|  | **Interest rate** | | |  | Separate financial statements | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***Loans from*** | 31 December 2020 |  | 30  June  2021 |  | 31 December 2020 |  | Increase |  | Decrease |  | 30  June  2021 |
|  | *(% per annum)* | | |  | *(in thousand Baht)* | | | | | | |
| Subsidiary | 3.9 |  | 3.9 |  | 47,000 |  | - |  | - |  | 47,000 |

As at 30 June 2021, the Group has unutilised credit facilities at the total of Baht 1,504 million and USD 90 million *(31 December 2020: Baht 1,356 million and USD 83 million)* and utilised credit facilities at the total of Baht 4,653 million and USD 30 million *(31 December 2020: Baht 4,986 million and USD 31 million)*, and the Company has issued letter of guarantee to banks to secure credit facilities granted by the banks to its subsidiaries totaling Baht 945 million and USD 15 million *(31 December 2020: Baht 945 million and USD 10 million)*.

1. **Trade and other current receivables**

|  |  | **Consolidated** | | |  | **Separate** | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **financial statements** | | |  | **financial statements** | | |
|  |  | 30 June 2021 |  | 31 December 2020 |  | 30 June  2021 |  | 31 December 2020 |
|  | *Note* | *(in thousand Baht)* | | | | | | |
| Trade accounts receivables - related parties | *5* | 6,978 |  | 6,305 |  | 173,054 |  | 146,514 |
| Trade accounts receivables - other parties |  | 937,645 |  | 1,057,862 |  | 651,194 |  | 818,549 |
| **Trade accounts receivables** |  | **944,623** |  | **1,064,167** |  | **824,248** |  | **965,063** |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Consolidated** | | |  | **Separate** | | |
|  |  | **financial statements** | | |  | **financial statements** | | |
|  |  | 30 June 2021 |  | 31 December 2020 |  | 30 June 2021 |  | 31 December 2020 |
|  | *Note* | *(in thousand Baht)* | | | | | | |
| Other current receivables - related parties | *5* | 1 |  | 1 |  | 34,613 |  | 31,794 |
| Other current receivables - other parties |  | 108,017 |  | 97,846 |  | 34,374 |  | 37,505 |
| **Other current receivables** |  | **108,018** |  | **97,847** |  | **68,987** |  | **69,299** |
| **Total** |  | **1,052,641** |  | **1,162,014** |  | **893,235** |  | **1,034,362** |
|  |  |  |  |  |  |  |  |  |

Aging analyses for trade accounts receivable are as follows;

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated** | | |  | **Separate** | | |
|  | **financial statements** | | |  | **financial statements** | | |
|  | 30 June 2021 |  | 31 December 2020 |  | 30 June  2021 |  | 31 December 2020 |
|  | *(in thousand Baht)* | | | | | | |
| Within credit terms | 727,119 |  | 802,227 |  | 619,222 |  | 732,169 |
| Overdue: |  |  |  |  |  |  |  |
| Less than 3 months | 217,335 |  | 261,328 |  | 193,209 |  | 232,886 |
| 3-6 months | 164 |  | 259 |  | 11,789 |  | 8 |
| 6-12 months | 5 |  | 3,554 |  | 28 |  | - |
| Over 12 months | 300,117 |  | 311,259 |  | 134,242 |  | 134,242 |
| **Total** | **1,244,740** |  | **1,378,627** |  | **958,490** |  | **1,099,305** |
| *Less* allowance for expected credit loss | (300,117) |  | (314,460) |  | (134,242) |  | (134,242) |
| **Net** | **944,623** |  | **1,064,167** |  | **824,248** |  | **965,063** |

| ***Expected credit loss*** | **Consolidated**  **financial statements** | | |  | **Separate**  **financial statements** | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***For the three-month period ended 30 June*** | 2021 |  | 2020 |  | 2021 |  | 2020 |
|  | *(in thousand Baht)* | | | | | | |
| * Additions | 1,132 |  | - |  | - |  | - |
| * Reversal | (17,564) |  | - |  | - |  | - |

| ***Expected credit loss*** | **Consolidated**  financial statements | | |  | **Separate**  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***For the six-month period ended***  ***30 June*** | 2021 |  | 2020 |  | 2021 |  | 2020 |
|  | *(in thousand Baht)* | | | | | | |
| * Additions | 3,221 |  | 15,600 |  | - |  | - |
| * Reversal | (17,564) |  | - |  | - |  | - |

1. **Investments in associates**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | **Consolidate financial statements** | | | | | | | | | | | | | | | | | | |
|  | Nature of business | Country of operation | Effective  ownership interest | | |  | Paid-up capital | | |  | Cost | | |  | Carrying amount based on equity method | | |  | Dividend income  for the six-month periods ended | | |
|  |  |  | 30  June |  | 31 December |  | 30  June |  | 31 December |  | 30  June |  | 31  December |  | 30  June |  | 31 December |  | 30  June |  | 30  June |
|  |  |  | 2021 |  | 2020 |  | 2021 |  | 2020 |  | 2021 |  | 2020 |  | 2021 |  | 2020 |  | 2021 |  | 2020 |
|  |  |  | *(%)* | | |  | *(in thousand Baht)* | | | | | | | | | | | | | | |
| **Associates** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Wang Somboon Rubber Estate Co., Ltd. | Planting of rubber | Thailand | 48.4 |  | 48.4 |  | 55,300 |  | 55,300 |  | 30,101 |  | 30,101 |  | 27,462 |  | 28,444 |  | - |  | - |
| Rosener-Mautby Meditrade (Thailand) Ltd.(\*) | Production of latex examination gloves | Thailand | 31.5 |  | 31.5 |  | 120,000 |  | 120,000 |  | 37,849 |  | 37,849 |  | - |  | - |  | - |  | - |
| **Total** |  |  |  |  |  |  |  |  |  |  | **67,950** |  | **67,950** |  | **27,462** |  | **28,444** |  | **-** |  | **-** |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Separate financial statements** | | | | | | | | | | | | | | | | | | | | | | |
|  | Country of | Effective | | |  |  | | |  |  | | |  |  | | |  |  | | |  | Dividend income  for the six-month | | |
|  | operation | ownership interest | | |  | Paid-up capital | | |  | Cost | | |  | Impairment | | |  | At cost-net | | |  | periods ended | | |
|  |  | 30  June |  | 31 December |  | 30  June |  | 31 December |  | 30  June |  | 31 December |  | 30  June |  | 31 December |  | 30  June |  | 31 December |  | 30  June |  | 30  June |
|  |  | 2021 |  | 2020 |  | 2021 |  | 2020 |  | 2021 |  | 2020 |  | 2021 |  | 2020 |  | 2021 |  | 2020 |  | 2021 |  | 2020 |
|  |  | *(%)* | | |  | *(in thousand Baht)* | | | | | | | | | | | | | | | | | | |
| **Associate** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Rosener-Mautby Meditrade (Thailand) Ltd.(\*) | Thailand | 31.5 |  | 31.5 |  | 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**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | **Separate financial statements** | | | | | | | | | | | | | | | | | | | | | |
|  | Nature of business | Country of operation | Ownership interest | | | Paid-up capital | | |  | Cost | | |  | Impairment | | |  | At cost-net | | |  | Dividend income  for the six-month  periods ended | | |
|  |  |  | 30  June |  | 31 December | 30  June |  | 31 December |  | 30  June |  | 31 December |  | 30  June |  | 31 December |  | 30  June |  | 31 December |  | 30  June |  | 30  June |
|  |  |  | 2021 |  | 2020 | 2021 |  | 2020 |  | 2021 |  | 2020 |  | 2021 |  | 2020 |  | 2021 |  | 2020 |  | 2021 |  | 2020 |
|  |  |  | *(%)* | | | *(in thousand Baht)* | | | | | | | | | | | | | | | | | | |
| ***Direct subsidiaries*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| World Flex Public Company  Limited | Production and  distribution of  rubber thread | Thailand | 95.6 |  | 100.0 | 322,200 |  | 308,000 |  | 448,400 |  | 448,400 |  | - |  | - |  | 448,400 |  | 448,400 |  | 38,500 |  | - |
| Thai Rubber Land and Plantation Co., Ltd. | Planting of   rubber | Thailand | 100.0 |  | 100.0 | 1,800,000 |  | 1,800,000 |  | 1,800,000 |  | 1,800,000 |  | - |  | - |  | 1,800,000 |  | 1,800,000 |  | - |  | - |
| Thai Rubber  H P N R  Co., Ltd. | Trading of  products from  natural rubber | Thailand | 100.0 |  | 100.0 | 500,000 |  | 500,000 |  | 500,000 |  | 500,000 |  | - |  | - |  | 500,000 |  | 500,000 |  | - |  | - |
| Latex Systems Public Company Limited | Production and  distribution of  foam latex  mattresses and  pillows | Thailand | 18.0 |  | 56.2 | 158,784 |  | 158,784 |  | 17,405 |  | 54,310 |  | (16,833) |  | (41,000) |  | 572 |  | 13,310 |  | - |  | - |
| Thai Rubber Gloves Company Limited | Production and  distribution of  rubber gloves | Thailand | 100.0 |  | - | 60,000 |  | - |  | 60,000 |  | - |  | - |  | - |  | 60,000 |  | - |  | - |  | - |
| Myanmar Thai Rubber Joint Corporation Limited | Production and  distribution of  products from  natural rubber | Republic of   the Union  Of  Myanmar | 64.0 |  | 64.0 | 107,672 |  | 107,672 |  | 68,910 |  | 68,910 |  | (51,319) |  | (48,980) |  | 17,591 |  | 19,930 |  | - |  | - |
| Shanghai Runmao International Trading Co., Ltd. | Trading of  products from  natural rubber | Republic of   China | 100.0 |  | 100.0 | 35,399 |  | 35,399 |  | 40,834 |  | 40,834 |  | - |  | - |  | 40,834 |  | 40,834 |  | - |  | - |
| **Total** |  |  |  |  |  |  |  |  |  | **2,935,549** |  | **2,912,454** |  | **(68,152)** |  | **(89,980)** |  | **2,867,397** |  | **2,822,474** |  | **38,500** |  | **-** |

On 8 January 2021, Thai Rubber Gloves Company Limited, a subsidiary, was established to engage in production and distribution of rubber gloves business with registered capital of Baht 1.0 million (ordinary shares of 10,000 shares at Baht 100 per share). The Company paid up the total interest of 100% of the issued share capital, amounting to Baht 1.0 million. At the extraordinary meeting of the shareholder of the subsidiary held on 15 March 2021, the shareholders approved an increase in the registered share capital from Baht 1.0 million to Baht 60.0 million by issuing 590,000 ordinary shares at Baht 100 per share. The Company additionally invested in such subsidiary totaling Baht 59.0 million, paid up the total interest of 100% of the issued share capital. The subsidiary registered the increase in share capital with the Ministry of Commerce on 26 March 2021.

On 13 January 2021, World Flex Public Company Limited, a subsidiary, registered to increase its share capital by 14.2 million shares at par value of Baht 1 per shares with the Ministry of Commerce for allocation of shares to the directors, employees of the subsidiary (“ESOP”), and board of directors for Baht 14.2 million, resulting to decrease its ownership interest from 100% to 95.6%, whilst retaining control over the subsidiary *(see note 4(a)).*

On 29 March 2021, the Company sold 38.2% of its interest in Latex Systems Public Company Limited, a subsidiary in amounted of Baht 1.2 million in cash, resulting to decrease its ownership interest from 56.2% to 18.0%, whilst retaining control over the subsidiary *(see note 4(b)).*

***Testing for CGUs containing investments***

During 2021, the Company's management foresee that the investment in Latex Systems Public Company Limited and Myanmar Thai Rubber Joint Corporation Limited was impaired. As a result, the Company set up allowance for impairment loss of investments in said subsidiaries amounting to Baht 16.8 million and Baht 2.3 million, respectively, in the statement of comprehensive income of the separate financial statements for the six-month period ended 30 June 2021.

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.

None of subsidiaries 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 six-month period ended 30 June 2021 were as follows:

|  | Consolidated financial statements | | |  | Separate financial  statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Acquisitions  and  transfers in  - at cost |  | Disposals  and transfers out - net book value |  | Acquisitions  and  transfers in  - at cost |  | Disposals  and  transfers out - net book value |
|  | *(in thousand Baht)* | | | | | | |
| Land | 179,218 |  | - |  | - |  | - |
| Building and building improvement | 119,258 |  | (38,857) |  | 21,089 |  | (17,730) |
| Machinery | 72,336 |  | (2,693) |  | 22,270 |  | - |
| Office and other equipment | 46,209 |  | (2,036) |  | 999 |  | - |
| Vehicles | 2,618 |  | (35) |  | - |  | - |
| Other fixed assets | 1,812 |  | - |  | 1,812 |  | - |
| Assets under construction and  installation | 315,699 |  | (289,455) |  | 43,703 |  | (45,108) |
| **Total** | **737,150** |  | **(333,076)** |  | **89,873** |  | **(62,838)** |

1. **Long-term borrowings**

During May 2021, the Company entered into the new repayment schedule from the financial institution in response to its request for the extended period of the long-term loan which would mature on 30 September 2021 to the new maturity date by 30 June 2026.

During June 2021, a subsidiary has long-term loan agreement with a local financial institution of Baht 400 million. However, the subsidiary is not be able to drawdown such loan as in the collateral assessing process. The subsidiary believes that the banking assessment process will be finished and expected to drawdown by Quarter 3 2021.

1. **Segments information and disaggregation of revenue**

## *Disaggregation of revenue*

Revenue from sales of products of the Company is from concentrated and prevulcanized latex and is recognised at a point in time.

In the following table, revenue from sales of products of the Group is disaggregated by primary geographical market.

|  |  | Consolidated financial statements | | | | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Concentrated and | | |  |  | | |  |  | | |  |  |  | | |
|  |  | prevulcanized latex | | |  | Latex products | | |  | Rubber plantation | | |  |  | Total | | |
| ***Six-month period ended 30 June*** |  | 2021 |  | 2020 |  | 2021 |  | 2020 |  | 2021 |  | 2020 |  |  | 2021 |  | 2020 |
|  |  | *(in million Baht)* | | | | | | | | | | | | | | | |
| ***Information about reportable segments*** |  |  | | | | | | | | | | | | | | | |
| External revenue |  | 2,609 |  | 1,757 |  | 1,886 |  | 1,189 |  | 2 |  | 2 |  |  | 4,497 |  | 2,948 |
| Inter-segment revenue |  | 875 |  | 500 |  | 1 |  | - |  | 18 |  | 8 |  |  | 894 |  | 508 |
| **Total revenue** |  | **3,484** |  | **2,257** |  | **1,887** |  | **1,189** |  | **20** |  | **10** |  |  | **5,391** |  | **3,456** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ***Disaggregation of revenue*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Primary geographical markets** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Thailand |  | 1,518 |  | 1,126 |  | 232 |  | 44 |  | 2 |  | 2 |  |  | 1,752 |  | 1,172 |
| PRC |  | 264 |  | 139 |  | 1,253 |  | 812 |  | - |  | - |  |  | 1,517 |  | 951 |
| Malaysia |  | 349 |  | 221 |  | 7 |  | - |  | - |  | - |  |  | 356 |  | 221 |
| Others |  | 478 |  | 271 |  | 394 |  | 333 |  | - |  | - |  |  | 872 |  | 604 |
| **Total revenue** |  | **2,609** |  | **1,757** |  | **1,886** |  | **1,189** |  | **2** |  | **2** |  |  | **4,497** |  | **2,948** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Major products** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Concentrated and prevulcanized latex |  | 2,609 |  | 1,757 |  | - |  | - |  | - |  | - |  |  | 2,609 |  | 1,757 |
| Latex products |  | - |  | - |  | 1,886 |  | 1,189 |  | - |  | - |  |  | 1,886 |  | 1,189 |
| Rubber latex |  | - |  | - |  | - |  | - |  | 2 |  | 2 |  |  | 2 |  | 2 |
| **Total revenue** |  | **2,609** |  | **1,757** |  | **1,886** |  | **1,189** |  | **2** |  | **2** |  |  | **4,497** |  | **2,948** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Timing of revenue recognition** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| At a point in time |  | **2,609** |  | **1,757** |  | **1,886** |  | **1,189** |  | **2** |  | **2** |  |  | **4,497** |  | **2,948** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Segment profit (loss) before income tax |  | 223 |  | 72 |  | 83 |  | (65) |  | (11) |  | (15) |  |  | 295 |  | (8) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Reportable segment assets as at  30 June/31 December |  | 3,166 |  | 3,535 |  | 2,971 |  | 2,549 |  | 2,177 |  | 2,181 |  |  | 8,314 |  | 8,265 |
| Reportable segment liabilities as at  30 June/31 December |  | 3,475 |  | 4,302 |  | 2,154 |  | 1,498 |  | 166 |  | 160 |  |  | 5,795 |  | 5,960 |

| ***Reconciliation of reportable segment profit or loss*** | Consolidated  financial statements | | |
| --- | --- | --- | --- |
| ***For the six-month period ended 30 June*** | 2021 |  | 2020 |
|  | *(in million Baht)* | | |
| Reportable segments | 320 |  | (10) |
| Elimination of inter-segment transactions | (24) |  | 3 |
| Unallocated amounts: |  |  |  |
| - Share of loss of investments in associates | (1) |  | (1) |
| **Total** | **295** |  | **(8)** |

1. **Financial instruments**

***Carrying amounts and fair values***

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy 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 | | | | |
| ***At 30 June 2021*** | Financial instruments measured at FVTPL |  | | Level 2 |  | Level 3 |  | Total |
|  | *(in thousand Baht)* | | | | | | | |
| ***Financial assets*** |  |  | |  |  |  |  |  |
| Other financial assets: |  |  | |  |  |  |  |  |
| Other derivatives assets | 453 |  | | 453 |  | - |  | 453 |
| Non-current investments  in financial assets | 50,000 |  | | - |  | 50,000 |  | 50,000 |
| **Total other financial assets** | **50,453** |  | |  |  |  |  |  |
|  |  |  | |  |  |  |  |  |
| ***Financial liabilities*** |  |  | |  |  |  |  |  |
| Other financial liabilities: |  |  | |  |  |  |  |  |
| Other derivatives liabilities | (22,688) |  | | (22,688) |  | - |  | (22,688) |
| **Total other financial**  **liabilities** | **(22,688)** |  | |  |  |  |  |  |

|  | **Separated financial statements** | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Carrying amount | |  | Fair value | | | | |
| ***At 30 June 2021*** | Financial instruments measured at FVTPL |  | | Level 2 |  | Level 3 |  | Total |
|  | *(in thousand Baht)* | | | | | | | |
| ***Financial assets*** |  |  | |  |  |  |  |  |
| Other financial assets: |  |  | |  |  |  |  |  |
| Non-current investments  in financial assets | 50,000 |  | | - |  | 50,000 |  | 50,000 |
| **Total other financial assets** | **50,000** |  | |  |  |  |  |  |
|  |  |  | |  |  |  |  |  |
| ***Financial liabilities*** |  |  | |  |  |  |  |  |
| Other financial liabilities: |  |  | |  |  |  |  |  |
| Other derivatives liabilities | (12,183) |  | | (12,183) |  | - |  | (12,183) |
| **Total other financial**  **liabilities** | **(12,183)** |  | |  |  |  |  |  |

|  | **Consolidated financial statements** | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Carrying amount | |  | Fair value | | | | |
| ***At 31 December 2020*** | Financial instruments measured at FVTPL |  | | Level 2 |  | Level 3 |  | Total |
|  | *(in thousand Baht)* | | | | | | | |
| ***Financial assets*** |  |  | |  |  |  |  |  |
| Other financial assets: |  |  | |  |  |  |  |  |
| Other derivatives assets | 21,542 |  | | 21,542 |  | - |  | 21,542 |
| Non-current investments  in financial assets | 70,000 |  | | - |  | 70,000 |  | 70,000 |
| **Total other financial assets** | **91,542** |  | |  |  |  |  |  |
|  |  |  | |  |  |  |  |  |
| ***Financial liabilities*** |  |  | |  |  |  |  |  |
| Other financial liabilities: |  |  | |  |  |  |  |  |
| Other derivatives liabilities | (1,882) |  | | (1,882) |  | - |  | (1,882) |
| **Total other financial**  **liabilities** | **(1,882)** |  | |  |  |  |  |  |

|  | **Separated financial statements** | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Carrying amount | |  | Fair value | | | | |
| ***At 31 December 2020*** | Financial instruments measured at FVTPL |  | | Level 2 |  | Level 3 |  | Total |
|  | *(in thousand Baht)* | | | | | | | |
| ***Financial assets*** |  |  | |  |  |  |  |  |
| Other financial assets: |  |  | |  |  |  |  |  |
| Other derivatives assets | 14,818 |  | | 14,818 |  | - |  | 14,818 |
| Non-current investments  in financial assets | 70,000 |  | | - |  | 70,000 |  | 70,000 |
| **Total other financial assets** | **84,818** |  | |  |  |  |  |  |
|  |  | | | | | | | |
|  |  | | | | | | | |
| ***Financial liabilities*** |  |  | |  |  |  |  |  |
| Other financial liabilities: |  |  | |  |  |  |  |  |
| Other derivatives liabilities | (440) |  | | (440) |  | - |  | (440) |
| **Total other financial**  **liabilities** | **(440)** |  | |  |  |  |  |  |

**Financial instruments measured at fair value**

| **Type** |  | **Valuation technique** |
| --- | --- | --- |
| Forward exchange contracts |  | Determined using quoted forward exchange rates at the reporting date |
| Other non-marketable equity instrument measured at FVTPL |  | The latest net asset value as of the reporting date |

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

| ***At 30 June 2021*** | Consolidated financial statements |  | Separate financial statements |
| --- | --- | --- | --- |
|  | *(in million Baht)* | | |
| ***Capital commitments*** |  |  |  |
| Buildings and other constructions | 87 |  |  |
| Assets under construction | 24 |  | - |
| **Total** | **111** |  | **-** |

**Bank guarantees**

As at 30 June 2021, there were outstanding bank guarantees of approximately Baht 15 million and Baht 8 million, respectively *(31 December 2020: Baht 14 million and Baht 8 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 Extraordinary General Meeting of Shareholders No. 1/2021 held on 30 July 2021, the meeting resolved as follows:

1. Approve the increase of the Company's registered capital by the amount of Baht 340.7 million from the original registered capital of Baht 681.5 million to Baht 1,022.2 million by issuing new ordinary shares in the amount not exceeding 340,739,842 shares with a par value of Baht 1.00 per share for:

* offering and allocation of newly issued ordinary shares to the existing shareholders in proportion to their respective shareholding (Right Offering) at the allocation ratio of 5 existing ordinary shares to 1 newly issued ordinary share in the amount not exceeding 136,295,937 shares with a par value of Baht 1.0 per share with an offering price of Baht 2.2 per share, representing a total value of Baht 300.0 million, whereby the fraction of shares are to be discarded.
* issuance and allocation of the warrants to purchase ordinary shares of the Company No. 2 (“TRUBB-W2”) allocated to the existing shareholders of the Company who subscribe and pay for the newly issued ordinary shares in proportion to their respective shareholding in the amount not exceeding 136,295,937 unit at no cost.
* allocation of the newly issued ordinary shares under a general mandate in the amount not exceeding 68,147,968 shares with a par value of Baht 1.0 per share, representing not more than 10% of the paid-up capital of the Company to allocate to a specific investor (Private Placement).

1. Approve the increase of World Flex Public Company Limited (“WFX”)’s, a subsidiary, registered capital as follows:

* allocation WFX’s newly issued ordinary shares offered to the Company’s shareholders according to the shareholding proportion (Pre-emptive Rights) not exceeding 11,360,000 shares.
* allocation WFX’s newly issued ordinary shares offered to directors, management and/or employees of WFX, not exceeding 14,200,000 shares.
* allocation WFX’s newly issued ordinary shares for Initial Public Offering (IPO), approximately, 116,440,000 shares.