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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 May 2023.

1. **Basis of preparation of the interim financial statements**

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 focus on new activities, events and circumstances to avoid repetition of information previously reported in annual financial statements. 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 2022.

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 2022.

1. **Related parties**

Relationships with subsidiaries, associates, key management personnel and other related parties have no material changes during the three-month period ended 31 March 2023.

Significant transactions for three-month period ended 31 March 2023 and 2022 with related parties were as follows:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***Significant transactions with related parties*** | **Consolidated financial statements** | | | | | |  | | **Separate financial statements** | | | | | |
| ***Three-month period ended 31 March*** | 2023 | |  | 2022 | | |  | | 2023 | |  | | 2022 | |
|  | *(in thousand Baht)* | | | | | | | | | | | | | |
| **Subsidiaries** |  | |  |  | | |  | |  | |  | |  | |
| Sales of goods/raw materials | - | |  | - | | |  | | 280,242 | |  | | 502,755 | |
| Purchase of goods/raw materials | - | |  | - | | |  | | 8,156 | |  | | 7,050 | |
| Interest income | - | |  | - | | |  | | 541 | |  | | 1,637 | |
| Interest expense | - | |  | - | | |  | | 452 | |  | | 452 | |
| Rental income | - | |  | - | | |  | | 360 | |  | | 360 | |
|  |  | |  |  | | |  | |  | |  | |  | |
| **Associate** |  | |  |  | | |  | |  | |  | |  | |
| Purchase of raw materials | 202 | |  | - | | |  | | 202 | |  | | - | |
|  |  | |  |  | | |  | |  | |  | |  | |
| **Key management personnel** |  | |  |  | | |  | |  | |  | |  | |
| Key management personnel compensation | 11,770 | |  | 38,876 | | |  | | 7,465 | |  | | 24,035 | |
|  |  | |  |  | | |  | |  | |  | |  | |
| **Other related parties** |  | |  |  | | |  | |  | |  | |  | |
| Purchase of raw materials | 1,962 | |  | 1,301 | | |  | | 1,962 | |  | | 1,301 | |
|  |  | |  |  | | |  | |  | |  | |  | |
|  |  | |  |  | | |  | |  | |  | |  | |
|  |  | |  |  | | |  | |  | |  | |  | |
|  |  | |  |  | | |  | |  | |  | |  | |
|  |  | |  |  | | |  | |  | |  | |  | |
|  | | **Consolidated financial statements** | | | | | |  | | **Separate financial statements** | | | | | |  |  |  | 1,301 |
|  | | 31  March | | |  | 31 December | |  | | 31  March | |  | | 31 December | |
| ***Balances with related parties as at*** | | 2023 | | |  | 2022 | |  | | 2023 | |  | | 2022 | |
|  | | *(in thousand Baht)* | | | | | | | | | | | | | |
| ***Trade accounts receivable*** | |  | | |  |  | |  | |  | |  | |  | |
| Subsidiaries | | - | | |  | - | |  | | 162,139 | |  | | 185,405 | |
| **Total** | | **-** | | |  | **-** | |  | | **162,139** | |  | | **185,405** | |
|  | |  | | |  |  | |  | |  | |  | |  | |
| ***Other receivables*** | |  | | |  |  | |  | |  | |  | |  | |
| Subsidiaries | | - | | |  | - | |  | | 2,958 | |  | | 1,268 | |
| **Total** | | **-** | | |  | **-** | |  | | **2,958** | |  | | **1,268** | |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Interest rate** | | | **Separate financial statements** | | | | | | |
|  | 31 December |  | 31  March | 31  December |  |  |  |  |  | 31  March |
| ***Loans to*** | 2022 |  | 2023 | 2022 |  | Increase |  | Decrease |  | 2023 |
|  | *(% per annum)* | | | *(in thousand Baht)* | | | | | | |
| Subsidiary | 4.0 |  | 4.0 | 54,890 |  | - |  | - |  | 54,890 |
| **Total** |  |  |  | **54,890** |  |  |  |  |  | **54,890** |
| *Less* allowance for expected credit loss |  |  |  | (25,246) |  | - |  | - |  | (25,246) |
| **Net** |  |  |  | **29,644** |  |  |  |  |  | **29,644** |

|  | Consolidated  financial statements | | |  | | Separate  financial statements | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***Balances with related parties as at*** | 31  March  2023 |  | 31 December 2022 | |  | | 31  March  2023 |  | 31 December 2022 | |
|  | *(in thousand Baht)* | | | | | | | | |
| ***Trade accounts payable*** |  | | | | | | | | |
| Associate | - |  | 181 | |  | | - |  | 181 | |
| Other related parties | - |  | 1,172 | |  | | - |  | 1,172 | |
| **Total** | **-** |  | **1,353** | |  | | **-** |  | **1,353** | |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***Other payables*** |  | | | | | | |
| Subsidiaries | **-** |  | **-** |  | **324** |  | **715** |

|  | **Interest rate** | | |  | Separate financial statements | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***Loans from*** | 31 December 2022 |  | 31  March  2023 |  | 31 December 2022 |  | Increase |  | Decrease |  | 31  March  2023 |
|  | *(% per annum)* | | |  | *(in thousand Baht)* | | | | | | |
| Subsidiary | 3.9 |  | 3.9 |  | 47,000 |  | - |  | - |  | 47,000 |

As at 31 March 2023, the Group has unutilised credit facilities at the total of Baht 3,348 million and USD 216 million *(31 December 2022: Baht 3,204 million and USD 106 million)* and the Group has utilised credit facilities at the total of Baht 3,807 million and USD 14 million *(31 December 2022: Baht 3,778 million and USD 24 million)*, and the Company has issued letter of guarantee to banks to secure credit facilities granted by the banks to its subsidiary totaling Baht 100 million *(31 December 2022: Baht 100 million)*.

1. **Trade accounts receivable**

Aging analyses for trade accounts receivable are as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated** | | |  | **Separate** | | |
|  | **financial statements** | | |  | **financial statements** | | |
|  | 31  March 2023 |  | 31 December 2022 |  | 31  March  2023 |  | 31 December 2022 |
|  | *(in thousand Baht)* | | | | | | |
| Within credit terms | 673,123 |  | 702,125 |  | 546,355 |  | 517,351 |
| Overdue |  |  |  |  |  |  |  |
| Less than 3 months | 197,099 |  | 134,906 |  | 144,605 |  | 138,117 |
| 3 - 6 months | 318 |  | 16,553 |  | 17,278 |  | 15,375 |
| 6 - 12 months | 4,480 |  | 261 |  | 24,155 |  | 34,115 |
| Over 12 months | 293,967 |  | 293,803 |  | 159,577 |  | 134,242 |
| **Total** | **1,168,987** |  | **1,147,648** |  | **891,970** |  | **839,200** |
| *Less* allowance for expected credit loss | (293,803) |  | (293,803) |  | (134,242) |  | (134,242) |
| **Net** | **875,184** |  | **853,845** |  | **757,728** |  | **704,958** |
|  |  |  |  |  |  |  |  |
| ***Expected credit loss*** | Consolidated  financial statements | | |  | Separate  financial statements | | |
| ***For the three-month period ended 31 March*** | 2023 |  | 2022 |  | 2023 |  | 2022 |
|  | *(in thousand Baht)* | | | | | | |
| * Reversal | - |  | (147) |  | - |  | - |

1. **Investments in subsidiaries and associate**

*Thaitex CBD Smart Farm Company Limited (“CBD”)*

On 13 March 2023, the extraordinary general meeting of CBD, an indirect subsidiary, approved an increase of registered share capital of Baht 10 million by increasing its registered capital 1 million ordinary shares at Baht 10 per share to a joint capital company (increase registered capital from Baht 40 million to registered capital Baht 50 million). The objective is to support the expansion of the CBD's business.

The Company pledged share certificates of World Flex Public Company Limited, a subsidiary, by 47.4 million shares at carrying value of Baht 69.1 million, as collateral to secure the Company's bank overdrafts, and short term loans.

1. **Property, plant and equipment**

| ***Three-month period ended 31 March 2023*** |  | Consolidated  financial statements |  | Separate financial statements |
| --- | --- | --- | --- | --- |
|  | *(in thousand Baht)* | | |
| Acquisitions - at cost | 74,261 |  | 22,109 |
| Transfer to investment property - at cost | (1,543) |  | (1,543) |
| Disposals - net book value | (22) |  | - |
| Write off - net book value | (385) |  | (385) |
| Write off right-of-use assets - net book value |  | (39) |  | - |

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

## *Disaggregation of revenue*

Revenue from sales of products of the Company is from concentrated and prevulcanized latex.

In the following table, revenue from sales of products of the Group is disaggregated by primary geographical market and is recognised at a point in time.

|  |  | Consolidated financial statements | | | | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Concentrated and | | |  |  | | |  |  | | |  |  |  | | |
|  |  | prevulcanized latex | | |  | Latex products | | |  | Rubber plantation | | |  |  | Total | | |
| ***Three-month period ended 31 March*** |  | 2023 |  | 2022 |  | 2023 |  | 2022 |  | 2023 |  | 2022 |  |  | 2023 |  | 2022 |
|  |  | *(in million Baht)* | | | | | | | | | | | | | | | |
| ***Information about reportable segments*** |  |  | | | | | | | | | | | | | | | |
| External revenues |  | 1,197 |  | 1,397 |  | 737 |  | 1,241 |  | 4 |  | 1 |  |  | 1,938 |  | 2,639 |
| Inter-segment revenue |  | 280 |  | 503 |  | - |  | - |  | 8 |  | 7 |  |  | 288 |  | 510 |
| **Total revenue** |  | **1,477** |  | **1,900** |  | **737** |  | **1,241** |  | **12** |  | **8** |  |  | **2,226** |  | **3,149** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ***Disaggregation of revenue*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Primary geographical markets** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Thailand |  | 691 |  | 778 |  | 38 |  | 98 |  | 4 |  | 1 |  |  | 733 |  | 877 |
| People Republic of China |  | 322 |  | 201 |  | 512 |  | 872 |  | - |  | - |  |  | 834 |  | 1,073 |
| Malaysia |  | 76 |  | 158 |  | 7 |  | 5 |  | - |  | - |  |  | 83 |  | 163 |
| Others |  | 108 |  | 260 |  | 180 |  | 266 |  | - |  | - |  |  | 288 |  | 526 |
| **Total revenue** |  | **1,197** |  | **1,397** |  | **737** |  | **1,241** |  | **4** |  | **1** |  |  | **1,938** |  | **2,639** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Segment profit (loss) before income tax |  | (6) |  | 90 |  | (78) |  | 108 |  | (14) |  | (8) |  |  | (98) |  | 190 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Segment assets as at 31 March/  31 December |  | 2,941 |  | 3,056 |  | 3,720 |  | 3,817 |  | 2,195 |  | 2,204 |  |  | 8,856 |  | 9,077 |
| Segment liabilities as at 31 March/  31 December |  | 3,079 |  | 3,198 |  | 1,542 |  | 1,546 |  | 167 |  | 177 |  |  | 4,788 |  | 4,921 |

| ***Reconciliation of reportable segment profit or loss*** |  | **Consolidated**  financial statements | | |
| --- | --- | --- | --- | --- |
| ***For the three-month period ended 31 March*** |  | 2023 |  | 2022 |
|  |  | *(in million Baht)* | | |
| Reportable segments |  | (96) |  | 142 |
| Elimination of inter-segment transactions |  | (1) |  | 2 |
| Unallocated amounts |  |  |  |  |
| - Share of loss of investments in associates |  | (1) |  | - |
| Total |  | **(98)** |  | **144** |

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, but does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

|  | **Consolidated financial statements** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Carrying amount** |  | **Fair value** | | | | |
| ***At 31 March 2023*** | Financial instruments measured at FVTPL |  | Level 2 |  | Level 3 |  | Total |
|  | *(in thousand Baht)* | | | | | | |
| ***Financial assets*** |  |  |  |  |  |  |  |
| Other financial assets |  |  |  |  |  |  |  |
| Forward exchange contract | 7,033 |  | 7,033 |  | - |  | 7,033 |
| Non-current investments  in financial assets | 6,850 |  | - |  | 6,850 |  | 6,850 |
| **Total other financial assets** | **13,883** |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |  |  |  |
| Other financial liabilities |  |  |  |  |  |  |  |
| Forward exchange contract | (4,715) |  | (4,715) |  | - |  | (4,715) |
| **Total other financial liabilities** | **(4,715)** |  |  |  |  |  |  |

|  | **Separate financial statements** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Carrying amount** |  | **Fair value** | | | | |
| ***At 31 March 2023*** | Financial instruments measured at FVTPL |  | Level 2 |  | Level 3 |  | Total |
|  | *(in thousand Baht)* | | | | | | |
| ***Financial assets*** |  |  |  |  |  |  |  |
| Other financial assets |  |  |  |  |  |  |  |
| Forward exchange contract | 1,186 |  | 1,186 |  | - |  | 1,186 |
| Non-current investments  in financial assets | 5,100 |  | - |  | 5,100 |  | 5,100 |
| **Total other financial assets** | **6,286** |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |  |  |  |
| Other financial liabilities |  |  |  |  |  |  |  |
| Forward exchange contract | (4,715) |  | (4,715) |  | - |  | (4,715) |
| **Total other financial liabilities** | **(4,715)** |  |  |  |  |  |  |

|  | **Consolidated financial statements** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Carrying amount** |  | **Fair value** | | | | |
| ***At 31 December 2022*** | Financial instruments measured at FVTPL |  | Level 2 |  | Level 3 |  | Total |
|  | *(in thousand Baht)* | | | | | | |
| ***Financial assets*** |  |  |  |  |  |  |  |
| Other financial assets |  |  |  |  |  |  |  |
| Forward exchange contract | 12,235 |  | 12,235 |  | - |  | 12,235 |
| Non-current investments  in financial assets | 6,850 |  | - |  | 6,850 |  | 6,850 |
| **Total other financial assets** | **19,085** |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |  |  |  |
| Other financial liabilities |  |  |  |  |  |  |  |
| Forward exchange contract | (666) |  | (666) |  | - |  | (666) |
| **Total other financial**  **liabilities** | **(666)** |  |  |  |  |  |  |

|  | **Separate financial statements** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Carrying amount** |  | **Fair value** | | | | |
| ***At 31 December 2022*** | Financial instruments measured at FVTPL |  | Level 2 |  | Level 3 |  | Total |
|  | *(in thousand Baht)* | | | | | | |
| ***Financial assets*** |  |  |  |  |  |  |  |
| Other financial assets |  |  |  |  |  |  |  |
| Forward exchange contract | 6,986 |  | 6,986 |  | - |  | 6,986 |
| Non-current investments  in financial assets | 5,100 |  | - |  | 5,100 |  | 5,100 |
| **Total other financial assets** | **12,086** |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |  |  |  |
| Other financial liabilities |  |  |  |  |  |  |  |
| Forward exchange contract | (238) |  | (238) |  | - |  | (238) |
| **Total other financial liabilities** | **(238)** |  |  |  |  |  |  |

**Financial instruments measured at fair value**

| **Type** |  | **Valuation technique** |
| --- | --- | --- |
| Forward exchange contracts |  | Determined using quoted forward exchange rates at the reporting date |
| Non-current investments in financial assets measured at FVTPL |  | The latest net asset value as of the reporting date |

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

| ***At 31 March 2023*** | Consolidated financial statements |  | Separate financial statements |
| --- | --- | --- | --- |
|  | *(in million Baht)* | | |
| ***Capital commitments*** |  |  |  |
| Building and building improvement | 8 |  | - |
| Machineries and equipments | 43 |  | 43 |
| **Total** | **51** |  | **43** |

***Bank guarantees***

As at 31 March 2023, there were outstanding bank guarantees of approximately Baht 17 million and Baht 8 million, respectively *(31 December 2022: Baht 17 million and Baht 8 million, respectively)*, issued by the banks on behalf of the Group and the Company, respectively, in respect of certain performance obligation as required in the normal course of their businesses.

1. **Event after the reporting period**

At the annual general meeting of the shareholders of the Company held on 26 April 2023, the shareholders approved the payment of the dividend from operation of 2022 of Baht 0.12 per share totaling to Baht 98 million, and the dividends will be paid to the shareholders on 26 May 2023. In addition, the Company’s shareholders approved the issuance and offering bill of exchange and/or debenture and/or other debt instruments in total of not exceeding Baht 1,500 million expiring in 5 years from the date of issuance.