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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 9 November 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 nine-month period ended 30 September 2023.

Significant transactions for nine-month periods ended 30 September 2023 and 2022 with related parties were as follows:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***Significant transactions with related parties*** | **Consolidated financial statements** | | | | | |  | | **Separate financial statements** | | | | | |
| ***Nine-month period ended 30 September*** | 2023 | |  | 2022 | | |  | | 2023 | |  | | 2022 | |
|  | *(in thousand Baht)* | | | | | | | | | | | | | |
| **Subsidiaries** |  | |  |  | | |  | |  | |  | |  | |
| Sales of goods/raw materials | - | |  | - | | |  | | 754,324 | |  | | 1,154,848 | |
| Purchase of goods/raw materials | - | |  | - | | |  | | 31,888 | |  | | 44,147 | |
| Interest income | - | |  | - | | |  | | 1,642 | |  | | 4,729 | |
| Interest expense | - | |  | - | | |  | | 1,371 | |  | | 1,371 | |
| Rental income | - | |  | - | | |  | | 1,080 | |  | | 1,080 | |
| Dividend income | - | |  | - | | |  | | 64,680 | |  | | 75,460 | |
|  |  | |  |  | | |  | |  | |  | |  | |
| **Associates** |  | |  |  | | |  | |  | |  | |  | |
| Sales of goods | - | |  | 2,502 | | |  | | - | |  | | 2,502 | |
| Purchase of raw materials | 2,438 | |  | 3,629 | | |  | | 2,438 | |  | | 3,629 | |
| Interest income | - | |  | 34 | | |  | | - | |  | | - | |
|  |  | |  |  | | |  | |  | |  | |  | |
| **Key management personnel** |  | |  |  | | |  | |  | |  | |  | |
| Key management personnel compensation | 37,912 | |  | 96,905 | | |  | | 25,365 | |  | | 65,005 | |
|  |  | |  |  | | |  | |  | |  | |  | |
| **Other related parties** |  | |  |  | | |  | |  | |  | |  | |
| Purchase of raw materials | 4,839 | |  | 7,843 | | |  | | 4,839 | |  | | 7,843 | |
|  | | **Consolidated financial statements** | | | | | |  | | **Separate financial statements** | | | | | |  |  |  | 1,301 |
|  | | 30  September | | |  | 31 December | |  | | 30  September | |  | | 31 December | |
| ***Balances with related parties as at*** | | 2023 | | |  | 2022 | |  | | 2023 | |  | | 2022 | |
|  | | *(in thousand Baht)* | | | | | | | | | | | | | |
| ***Trade accounts receivable*** | |  | | |  |  | |  | |  | |  | |  | |
| Subsidiaries | | - | | |  | - | |  | | 253,191 | |  | | 185,405 | |
| *Less* allowance for expected credit loss | | - | | |  | - | |  | | (2,376) | |  | | - | |
| **Total** | | **-** | | |  | **-** | |  | | **250,815** | |  | | **185,405** | |
|  | |  | | |  |  | |  | |  | |  | |  | |
| ***Other current receivables*** | |  | | |  |  | |  | |  | |  | |  | |
| Subsidiaries | | - | | |  | - | |  | | 2,561 | |  | | 1,268 | |
| **Total** | | **-** | | |  | **-** | |  | | **2,561** | |  | | **1,268** | |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Interest rate** | | | **Separate financial statements** | | | | | | |
|  | 31 December |  | 30  September | 31  December |  |  |  |  |  | 30  September |
| ***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*** | 30  September  2023 |  | 31 December 2022 | |  | 30  September  2023 |  | 31 December 2022 | |
|  | *(in thousand Baht)* | | | | | | | | |
| ***Trade accounts payable*** |  | | | | | | | | |
| Subsidiary | - |  | - | |  | 316 |  | - |
| Associate | 199 |  | 181 | |  | 199 |  | 181 | |
| Other related parties | 408 |  | 1,172 | |  | 408 |  | 1,172 | |
| **Total** | **607** |  | **1,353** | |  | **923** |  | **1,353** | |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***Other current payables*** |  | | | | | | |
| Subsidiaries | **-** |  | **-** |  | **549** |  | **715** |

|  | **Interest rate** | | |  | Separate financial statements | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***Loans from*** | 31 December 2022 |  | 30  September  2023 |  | 31 December 2022 |  | Increase |  | Decrease |  | 30  September  2023 |
|  | *(% per annum)* | | |  | *(in thousand Baht)* | | | | | | |
| Subsidiary | 3.9 |  | 3.9 |  | 47,000 |  | - |  | - |  | 47,000 |

As at 30 September 2023, the Group has credit facilities granted by the financial institutions at the total of Baht 6,975 million and USD 229 million *(31 December 2022: Baht 6,982 million and USD 130 million)*, the Group has unutilised credit facilities amount of Baht 3,136 million and USD 209 million *(31 December 2022: Baht 3,204 million and USD 106 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)*.

The Group and the Company have pledged their property, plant and machinery which had a net book value of Baht 2,804.7 million and Baht 752.3 million, respectively *(31 December 2022: Baht 2,497.3 million and Baht 690.4 million, respectively)*, as collateral to secure the Group’s and the Company’s bank overdrafts, trusted receipts, short-term and long-term loans.

The Group and the Company have pledged investment properties amounting to approximately Baht 631.7 million and Baht 208.9 million, respectively *(31 December 2022: Baht 629.1 million and Baht 206.3 million, respectively)* as collateral against credit facilities from a financial institution.

The Company pledged share certificates of World Flex Public Company Limited, a subsidiary, by 87 million shares at carrying value of Baht 127 million, as collateral to secure the Company's bank overdrafts, and short term loans.

1. **Trade accounts receivable**

Aging analyses for trade accounts receivable are as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated** | | |  | **Separate** | | |
|  | **financial statements** | | |  | **financial statements** | | |
|  | 30  September  2023 |  | 31 December 2022 |  | 30  September  2023 |  | 31 December 2022 |
|  | *(in thousand Baht)* | | | | | | |
| Within credit terms | 636,823 |  | 702,125 |  | 497,630 |  | 517,351 |
| Overdue |  |  |  |  |  |  |  |
| Less than 3 months | 92,286 |  | 134,906 |  | 91,017 |  | 138,117 |
| 3 - 6 months | 26 |  | 16,553 |  | 17,163 |  | 15,375 |
| 6 - 12 months | 4,793 |  | 261 |  | 30,583 |  | 34,115 |
| Over 12 months | 294,090 |  | 293,803 |  | 183,732 |  | 134,242 |
| **Total** | **1,028,018** |  | **1,147,648** |  | **820,125** |  | **839,200** |
| *Less* allowance for expected credit loss | (293,803) |  | (293,803) |  | (136,618) |  | (134,242) |
| **Net** | **734,215** |  | **853,845** |  | **683,507** |  | **704,958** |
|  |  |  |  |  |  |  |  |

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.

1. **Property, plant and equipment**

| ***Nine-month period ended 30 September 2023*** |  | Consolidated  financial statements |  | Separate financial statements |
| --- | --- | --- | --- | --- |
|  | *(in thousand Baht)* | | |
| Acquisitions - at cost | 203,617 |  | 111,604 |
| Transfer to investment property - at cost | (2,638) |  | (2,638) |
| Disposals - net book value | (1,400) |  | - |
| Write off - net book value | (6,962) |  | (403) |
| Write off right-off-use assets - net book value |  | (1,002) |  | - |
|  |  |  |  |  |

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 | | |  | Plantations | | |  |  | Total | | | |
| ***Nine-month period ended 30 September*** |  | 2023 |  | 2022 |  | 2023 |  | 2022 |  | 2023 |  | 2022 |  | 2023 | |  | 2022 |
|  |  | *(in million Baht)* | | | | | | | | | | | | | | | | |
| ***Information about reportable segments*** |  |  | | | | | | | | | | | | | | | | |
| External revenues |  | 2,555 |  | 4,113 |  | 2,235 |  | 3,073 |  | 18 |  | 13 |  | 4,808 | |  | 7,199 |
| Inter-segment revenue |  | 754 |  | 1,155 |  | 1 |  | - |  | 32 |  | 44 |  | 787 | |  | 1,199 |
| **Total revenue** |  | **3,309** |  | **5,268** |  | **2,236** |  | **3,073** |  | **50** |  | **57** |  | **5,595** | |  | **8,398** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | |  |  |
| ***Disaggregation of revenue*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  | |  |  |
| **Primary geographical markets** |  |  |  |  |  |  |  |  |  |  |  |  |  |  | |  |  |
| Thailand |  | 1,565 |  | 2,159 |  | 143 |  | 179 |  | 18 |  | 13 |  | 1,726 | |  | 2,351 |
| PRC |  | 355 |  | 687 |  | 1,581 |  | 2,164 |  | - |  | - |  | 1,936 | |  | 2,851 |
| Malaysia |  | 258 |  | 468 |  | - |  | 6 |  | - |  | - |  | 258 | |  | 474 |
| Others |  | 377 |  | 799 |  | 511 |  | 724 |  | - |  | - |  | 888 | |  | 1,523 |
| **Total revenue** |  | **2,555** |  | **4,113** |  | **2,235** |  | **3,073** |  | **18** |  | **13** |  | **4,808** | |  | **7,199** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | |  |  |
| Segment profit (loss) before income tax |  | (98) |  | 268 |  | (216) |  | 122 |  | (41) |  | (9) |  | (355) | |  | 381 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | |  |  |
| Segment assets as at 30 September/  31 December |  | 2,778 |  | 3,056 |  | 3,551 |  | 3,720 |  | 2,171 |  | 2,197 |  | 8,500 | |  | 9,077 |
| Segment liabilities as at 30 September/  31 December |  | 3,133 |  | 3,198 |  | 1,509 |  | 1,542 |  | 176 |  | 167 |  | 4,818 | |  | 4,921 |

| ***Reconciliation of reportable segment profit or loss*** |  | **Consolidated**  financial statements | | |
| --- | --- | --- | --- | --- |
| ***Nine-month period ended 30 September*** |  | 2023 |  | 2022 |
|  |  | *(in million Baht)* | | |
| Reportable segments |  | (288) |  | 433 |
| Elimination of inter-segment transactions |  | (66) |  | (51) |
| Unallocated amounts |  |  |  |  |
| - Share of loss of investments in associates |  | (1) |  | (1) |
| Total |  | **(355)** |  | **381** |

1. **Dividends**

|  | Approval date | Payment schedule | Dividend rate per share |  | Amount |
| --- | --- | --- | --- | --- | --- |
|  |  |  | *(Baht)* |  | *(in million Baht)* |
| ***2023*** |  |  |  |  |  |
| 2022 Annual dividend | 26 April 2023 | May 2023 | 0.12 |  | 98.13 |
|  |  |  |  |  |  |
| ***2022*** |  |  |  |  |  |
| 2021 Annual dividend | 26 April 2022 | May 2022 | 0.15 |  | 122.67 |

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 30 September 2023*** | Financial instruments measured at FVTPL |  | Level 2 |  | Level 3 |  | Total |
|  | *(in thousand Baht)* | | | | | | |
| ***Financial assets*** |  |  |  |  |  |  |  |
| Other financial assets |  |  |  |  |  |  |  |
| Forward exchange contract | 15 |  | 15 |  | - |  | 15 |
| Non-current investments  in financial assets | 6,537 |  | - |  | 6,537 |  | 6,537 |
| **Total other financial assets** | **6,552** |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |  |  |  |
| Other financial liabilities |  |  |  |  |  |  |  |
| Forward exchange contract | (31,057) |  | (31,057) |  | - |  | (31,057) |
| **Total other financial liabilities** | **(31,057)** |  |  |  |  |  |  |

|  | **Separate financial statements** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Carrying amount** |  | **Fair value** | | | | |
| ***At 30 September 2023*** | Financial instruments measured at FVTPL |  | Level 2 |  | Level 3 |  | Total |
|  | *(in thousand Baht)* | | | | | | |
| ***Financial assets*** |  |  |  |  |  |  |  |
| Other financial assets |  |  |  |  |  |  |  |
| Non-current investments  in financial assets | 5,100 |  | - |  | 5,100 |  | 5,100 |
| **Total other financial assets** | **5,100** |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |  |  |  |
| Other financial liabilities |  |  |  |  |  |  |  |
| Forward exchange contract | (10,709) |  | (10,709) |  | - |  | (10,709) |
| **Total other financial liabilities** | **(10,709)** |  |  |  |  |  |  |

|  | **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 30 September 2023*** | Consolidated financial statements |  | Separate financial statements |
| --- | --- | --- | --- |
|  | *(in million Baht)* | | |
| ***Capital commitments*** |  |  |  |
| Building and building improvement | 7 |  | 5 |
| Machineries | 22 |  | 22 |
| **Total** | **29** |  | **27** |
|  |  |  |  |
| **Other commitments** |  |  |  |
| Purchase orders for goods and supplies | 39 |  | - |
| **Total** | **39** |  | **-** |

***Bank guarantees***

As at 30 September 2023, there were outstanding bank guarantees of approximately Baht 17 million and Baht 8 million *(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.