



บริษัท กุลธอร์นบี้ จำกัด (มหาชน)

KULTHORN KIRBY PUBLIC COMPANY LIMITED

ทะเบียนเลขที่ 0107537002150
126 ซอยฉลองกรุง 31 แขวงลำปลาทิว
เขตลาดกระบัง กรุงเทพฯ 10520
Tel : (662) 326-0831, 739-4893
Fax : (662) 326-0837, 739-4892
E-mail : kkc@kalthorn.com, kkc@loxinfo.co.th
www.kalthorn.com

126 SOI CHALONG KRUNG 31, CHALONG KRUNG ROAD, KHWAENG LAM PLA THIO, KHET LAT KRABANG, BANGKOK 10520 THAILAND

LEADING MANUFACTURER IN HERMETIC COMPRESSOR FOR REFRIGERATION & AIR CONDITIONING SINCE 1980

14 November 2023

Subject: Clarification of the Auditor's Report in case of disclaimer of conclusion on the financial statements for the nine-month period ended 30 September 2023

To: The President
The Stock Exchange of Thailand

Kulthorn Kirby Public Company Limited has submitted the financial statements for the three-month and nine-month periods then ended 30 September 2023 of the Company, which the auditor has reviewed and certified the financial statements. Without giving basis for disclaimer of conclusion because considering the situation that affects the uncertainty to the Company's continuing operations.

As disclosed in Note 1.2 to the interim consolidated financial statements, regarding the Group's ability to continue its operations as a going concern, the Group has sustained operating losses for a number of consecutive years. The Group had net loss from operation in the consolidated statements of comprehensive income for the nine-month period ended 30 September 2023 of Baht 846 million (the Company only: Baht 656 million). As of 30 September 2023, the Group's total current liabilities exceeded its total current assets by Baht 3,758 million (the Company only: Baht 4,322 million) and the Group had deficit of Baht 4,092 million (the Company only: Baht 3,132 million). The major current liabilities of the Group consisted of the bank overdraft and short-term loans from financial institutions amounting to Baht 3,500 million (the Company only: Baht 2,166 million), trade and other payables amounting to Baht 576 million (the Company only: Baht 979 million), and current portion of long-term loans from financial institutions amounting to Baht 1,066 million (the Company only: Baht 1,055 million), which became payable on demand since the Group was unable to maintain certain financial ratios as specified in the Credit Facility Agreement, as described in Note 11 to the interim consolidated financial statements. In addition, the Group's equity was less than 50% of paid-up capital, which causes the Company's securities will be marked with "C" (Caution) sign.

Management approach.

The Group's management has implemented various plans, including negotiating with financial institutions to obtain additional working capital, planning to dispose of or rent out assets that are not core assets in its operations, selling lease agreements to Real Estate investment trust (REIT). In addition, the Group is considering adjusting the production and distribution strategies and reducing manufacturing costs and other expenses to increase the Group's liquidity. Currently, these plans are still in progress.

The Company would like to clarify that the auditor's lack of opinion on the Company's financial statements for the nine-month period ended 30 September 2023, it was not caused by the scope limitation by the management but from the impact of material uncertainties in accordance with the aforementioned circumstances.

Yours Sincerely,
Kulthorn Kirby Public Company Limited

(Mr. Sutee Simakulthorn)

Executive Vice President Finance