

Kulthorn Kirby Public Company Limited
and its subsidiaries
Review report and consolidated and separate
financial information
For the three-month and six-month periods ended
30 June 2024

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Kulthorn Kirby Public Company Limited

I have reviewed the accompanying consolidated financial information of Kulthorn Kirby Public Company Limited and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Kulthorn Kirby Public Company Limited for the same periods (collectively "the interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Basis for Disclaimer of Conclusion

As disclosed in condensed Note 1.2 to the interim 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 six-month period ended 30 June 2024 of Baht 579 million (the Company only: Baht 425 million). As at 30 June 2024, the Group's total current liabilities exceeded its total current assets by Baht 4,287 million (the Company only: Baht 4,746 million). The Group had retained deficit of Baht 4,902 million (the Company only: Baht 4,369 million) and capital deficit of Baht 1,255 million (the Company only: Baht 1,359 million). The major current liabilities of the Group consisted of the followings:

- Bank overdraft and short-term loans from financial institutions amounting to Baht 3,492 million (the Company only: Baht 2,160 million),
- Trade and other payables amounting to Baht 813 million (the Company only: Baht 1,252 million), and
- Current portion of long-term loans from financial institutions amounting to Baht 1,064 million (the Company only: Baht 1,055 million), which became payable on demand since the Group was unable to maintain certain financial ratios and failed to meet its debt repayment obligations as stipulated in the Credit Facility Agreement, as described in condensed Note 10 to the interim financial statements.

Up to the present, the Group has suffered from a lack of financial liquidity and working capital, making it difficult to purchase raw materials, cover production expenses necessary to fulfill purchase orders from customers and settle loans and liabilities that will come due. The Group's management has implemented various plans, including negotiations with financial institutions to restructure debts, and to obtain new credit facilities from both financial institutions and directors/ shareholders. In addition, the Group has adjusted the production and distribution strategies and reduced manufacturing costs and other expenses to increase the Group's liquidity. Currently, these plans are still in progress.

These matters involve multiple significant uncertainties, which may have potential interaction and their possible cumulative effect on the financial statements, raising substantial doubt about the ability of the Group to continue as a going concern. These depend on the success of plans to seek additional sources of funds, settle liabilities within due dates and improve business operations of the Group.

Disclaimer of Conclusion

Because of the significance of the matters described in the Basis for Disclaimer of Conclusion section of my report, to consolidated financial information of Kulthorn Kirby Public Company Limited and its subsidiaries, and the separate financial information of Kulthorn Kirby Public Company Limited as at 30 June 2024 and for the three-month and six-month periods then ended, I do not express a conclusion on the interim financial information referred to above.

Natteera Pongpinitpinyo
Certified Public Accountant (Thailand) No. 7362

EY Office Limited
Bangkok: 7 August 2024

Kulthorn Kirby Public Company Limited and its subsidiaries

Statements of financial position

As at 30 June 2024

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	As at	As at	As at	As at	
	<u>Note</u>	<u>30 June 2024</u>	<u>31 December 2023</u>	<u>30 June 2024</u>	<u>31 December 2023</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	
Assets					
Current assets					
Cash and cash equivalents		41,318	17,348	1,511	3,605
Trade and other receivables	2, 3	350,002	304,491	73,702	51,074
Inventories	4	716,498	812,588	462,620	471,782
Current tax assets		2,056	4,166	630	666
VAT receivable		42,740	31,265	35,525	23,267
Other current assets		57,054	63,336	25,648	29,753
Total current assets		<u>1,209,668</u>	<u>1,233,194</u>	<u>599,636</u>	<u>580,147</u>
Non-current assets					
Investments in subsidiaries	5	-	-	1,392,168	1,392,168
Property, plant and equipment	6	3,553,193	3,800,208	2,271,746	2,417,487
Right-of-use assets		35,189	47,643	2,537	3,378
Goodwill on business combination	7	-	-	-	-
Other intangible assets		28,258	33,049	20,520	23,599
Other non-current assets		6,172	2,253	803	803
Total non-current assets		<u>3,622,812</u>	<u>3,883,153</u>	<u>3,687,774</u>	<u>3,837,435</u>
Total assets		<u>4,832,480</u>	<u>5,116,347</u>	<u>4,287,410</u>	<u>4,417,582</u>

The accompanying notes are an integral part of the financial statements.

Kulthorn Kirby Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 30 June 2024

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	As at	As at	As at	As at	
	<u>Note</u>	<u>30 June 2024</u>	<u>31 December 2023</u>	<u>30 June 2024</u>	<u>31 December 2023</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from					
financial institutions	8	3,491,809	3,453,166	2,160,484	2,165,983
Trade and other payables	2, 9	813,358	623,313	1,252,132	1,034,075
Short-term loans from related parties	2	-	-	770,000	770,000
Short-term loans from major shareholder	2	98,000	-	98,000	-
Current portion of long-term loans	10	1,063,802	1,065,570	1,054,603	1,054,603
Current portion of lease liabilities		7,670	14,384	1,286	1,473
Dividend payable		888	888	884	884
Other current liabilities		20,866	17,616	8,284	9,986
Total current liabilities		<u>5,496,393</u>	<u>5,174,937</u>	<u>5,345,673</u>	<u>5,037,004</u>
Non-current liabilities					
Long-term loans, net of current portion	10	40,640	43,255	-	-
Lease liabilities, net of current portion		2,126	4,402	1,279	1,933
Deferred tax liabilities		323,615	353,778	202,643	219,004
Provision for long-term employee benefits		224,692	216,112	97,083	93,502
Total non-current liabilities		<u>591,073</u>	<u>617,547</u>	<u>301,005</u>	<u>314,439</u>
Total liabilities		<u>6,087,466</u>	<u>5,792,484</u>	<u>5,646,678</u>	<u>5,351,443</u>

The accompanying notes are an integral part of the financial statements.

Kulthorn Kirby Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 30 June 2024

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at 30 June 2024 (Unaudited but reviewed)	As at 31 December 2023 (Audited)	As at 30 June 2024 (Unaudited but reviewed)	As at 31 December 2023 (Audited)
Liabilities and shareholders' equity (continued)				
Shareholders' equity				
Share capital				
Registered				
1,500,000,000 ordinary shares of Baht 1 each	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,500,000</u>
Issued and fully paid up				
1,500,000,000 ordinary shares of Baht 1 each	1,500,000	1,500,000	1,500,000	1,500,000
Share premium	700,000	700,000	700,000	700,000
Surplus from business combination				
under common control	207,898	207,898	-	-
Retained earnings (deficits)				
Appropriated - statutory reserve	120,000	120,000	120,000	120,000
Unappropriated	(5,022,387)	(4,562,116)	(4,488,640)	(4,128,004)
Other components of shareholders' equity	<u>1,239,503</u>	<u>1,358,081</u>	<u>809,372</u>	<u>874,143</u>
Total shareholders' equity (capital deficit)	<u>(1,254,986)</u>	<u>(676,137)</u>	<u>(1,359,268)</u>	<u>(933,861)</u>
Total liabilities and shareholders' equity	<u><u>4,832,480</u></u>	<u><u>5,116,347</u></u>	<u><u>4,287,410</u></u>	<u><u>4,417,582</u></u>

The accompanying notes are an integral part of the financial statements.

Directors

(Unaudited but reviewed)

Kulthorn Kirby Public Company Limited and its subsidiaries

Statements of comprehensive income

For the three-month period ended 30 June 2024

(Unit: Thousand Baht except loss per share expressed in Baht)

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Profit or loss:					
Revenues					
Revenue from contracts with customers	12	789,096	832,325	353,933	345,416
Rental income		4,369	688	6,520	3,112
Other income		9,878	2,704	3,520	3,528
Total revenues		803,343	835,717	363,973	352,056
Expenses					
Cost of sales and services		753,320	856,326	356,514	403,163
Selling and distribution expenses		15,822	13,407	9,098	5,370
Administrative expenses		75,793	87,834	46,257	53,598
Other expenses	13	124,061	123,234	70,905	51,056
Loss on exchange		1,788	2,339	1,833	2,779
Total expenses		970,784	1,083,140	484,607	515,966
Operating loss		(167,441)	(247,423)	(120,634)	(163,910)
Finance income		29	13	-	2
Finance cost		(120,421)	(68,042)	(108,222)	(60,733)
Loss before income tax		(287,833)	(315,452)	(228,856)	(224,641)
Income tax		15,817	538	8,283	2,939
Loss for the period		(272,016)	(314,914)	(220,573)	(221,702)
Other comprehensive income:					
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		(272,016)	(314,914)	(220,573)	(221,702)
Basic loss per share (Baht)					
Loss attributable to equity holders of the Company	11	(0.18)	(0.21)	(0.15)	(0.15)

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Kulthorn Kirby Public Company Limited and its subsidiaries**Statements of comprehensive income****For the six-month period ended 30 June 2024**

(Unit: Thousand Baht except loss per share expressed in Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Profit or loss:					
Revenues					
Revenue from contracts with customers	12	1,465,873	1,882,148	591,200	775,307
Rental income		8,739	1,376	13,240	6,423
Gain on disposal of investment in indirect subsidiary		-	106,685	-	-
Other income		11,393	7,083	16,445	10,751
Total revenues		1,486,005	1,997,292	620,885	792,481
Expenses					
Cost of sales and services		1,407,569	1,991,100	590,303	886,678
Selling and distribution expenses		28,556	30,393	15,475	13,477
Administrative expenses		187,817	206,234	103,580	114,863
Other expenses	13	233,381	165,730	142,261	93,552
Loss on exchange		7,830	3,672	7,217	5,126
Total expenses		1,865,153	2,397,129	858,836	1,113,696
Operating loss		(379,148)	(399,837)	(237,951)	(321,215)
Finance income		29	13	-	2
Finance cost		(229,893)	(130,571)	(203,817)	(115,759)
Loss before income tax		(609,012)	(530,395)	(441,768)	(436,972)
Income tax		30,163	30,641	16,361	14,046
Loss for the period		(578,849)	(499,754)	(425,407)	(422,926)
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of financial statements in foreign currency recycled to profit or loss due to loss of control		-	3,687	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		-	3,687	-	-
Other comprehensive income for the period		-	3,687	-	-
Total comprehensive income for the period		(578,849)	(496,067)	(425,407)	(422,926)
Basic loss per share (Baht)					
Loss attributable to equity holders of the Company	11	(0.39)	(0.33)	(0.28)	(0.28)

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Kulthorn Kirby Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2024

(Unit: Thousand Baht)

Separate financial statements						
					Other components of shareholders' equity	
					Other comprehensive income	
	Issued and fully paid-up share capital	Share premium	Retained earnings (deficits)		Revaluation surplus on assets	Total shareholders' equity
			Appropriated	Unappropriated		
Balance as at 1 January 2023	1,500,000	700,000	120,000	(2,723,066)	1,179,802	776,736
Loss for the period	-	-	-	(422,926)	-	(422,926)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(422,926)	-	(422,926)
Transfer revaluation surplus on assets to retained earnings (deficits)	-	-	-	84,228	(84,228)	-
Balance as at 30 June 2023	<u>1,500,000</u>	<u>700,000</u>	<u>120,000</u>	<u>(3,061,764)</u>	<u>1,095,574</u>	<u>353,810</u>
Balance as at 1 January 2024	1,500,000	700,000	120,000	(4,128,004)	874,143	(933,861)
Loss for the period	-	-	-	(425,407)	-	(425,407)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(425,407)	-	(425,407)
Transfer revaluation surplus on assets to retained earnings (deficits)	-	-	-	64,771	(64,771)	-
Balance as at 30 June 2024	<u>1,500,000</u>	<u>700,000</u>	<u>120,000</u>	<u>(4,488,640)</u>	<u>809,372</u>	<u>(1,359,268)</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Kulthorn Kirby Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the six-month period ended 30 June 2024

(Unit: Thousand Baht)

Consolidated financial statements

	Issued and fully paid-up share capital		Share premium	Surplus from business combination under common control	Retained earnings (deficits)		Other components of shareholders' equity		
					Appropriated	Unappropriated	Exchange differences on translation of financial statements in foreign currency	Revaluation surplus on assets	Total other components of shareholders' equity
Balance as at 1 January 2023	1,500,000	700,000	207,898	120,000	(3,638,575)	(3,687)	2,025,685	2,021,998	911,321
Loss for the period	-	-	-	-	(499,754)	-	-	-	(499,754)
Other comprehensive income for the period	-	-	-	-	-	3,687	-	3,687	3,687
Total comprehensive income for the period	-	-	-	-	(499,754)	3,687	-	3,687	(496,067)
Transfer revaluation surplus on assets to retained earnings (deficits)	-	-	-	-	194,723	-	(194,723)	(194,723)	-
Balance as at 30 June 2023	<u>1,500,000</u>	<u>700,000</u>	<u>207,898</u>	<u>120,000</u>	<u>(3,943,606)</u>	<u>-</u>	<u>1,830,962</u>	<u>1,830,962</u>	<u>415,254</u>
Balance as at 1 January 2024	1,500,000	700,000	207,898	120,000	(4,562,116)	-	1,358,081	1,358,081	(676,137)
Loss for the period	-	-	-	-	(578,849)	-	-	-	(578,849)
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(578,849)	-	-	-	(578,849)
Transfer revaluation surplus on assets to retained earnings (deficits)	-	-	-	-	118,578	-	(118,578)	(118,578)	-
Balance as at 30 June 2024	<u>1,500,000</u>	<u>700,000</u>	<u>207,898</u>	<u>120,000</u>	<u>(5,022,387)</u>	<u>-</u>	<u>1,239,503</u>	<u>1,239,503</u>	<u>(1,254,986)</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Kulthorn Kirby Public Company Limited and its subsidiaries

Cash flow statements

For the six-month period ended 30 June 2024

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Cash flows from operating activities				
Loss before tax	(609,012)	(530,395)	(441,768)	(436,972)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:				
Unrealised loss (gain) on exchange	(786)	3,875	(807)	4,426
Gain on fair value adjustments of financial instrument	-	(79)	-	-
The reduction of inventory to net realisable value (reversal)	(3,687)	7,190	8,646	16,634
Reversal of allowance for impairment of assets	(233)	-	(422)	-
Allowance for expected credit losses	3,451	3,884	4,567	3,670
Write-off of doubtful accounts	-	11,898	-	-
Depreciation and amortisation	257,503	301,775	146,380	163,188
Amortise right-of-use assets	6,998	6,989	731	796
Loss on sales of property, plant and equipment	707	1,738	853	-
Loss on write-off of property, plant and equipment	132	72	-	-
Loss from termination of lease contracts	3	-	3	-
Provision for long-term employee benefits	9,141	10,074	3,941	4,538
Write-off of lease liabilities	-	374	-	-
Gain on disposal of investment in indirect subsidiary	-	(106,687)	-	-
Dividend income	(2)	(2)	(2)	(2)
Subsidies income from government grants	(917)	(917)	(917)	(917)
Finance income	(29)	(13)	-	(2)
Finance cost	<u>229,893</u>	<u>130,571</u>	<u>203,816</u>	<u>115,758</u>
Loss from operating activities before changes in operating assets and liabilities	(106,838)	(159,653)	(74,979)	(128,883)
Operating assets (increase) decrease				
Trade and other receivables	(49,304)	179,462	(27,857)	111,282
Inventories	99,777	202,092	516	103,495
Other current assets	(2,056)	46,632	(8,517)	38,415
Other non-current assets	(3,919)	(25)	-	67
Operating liabilities increase (decrease)				
Trade and other payables	(9,924)	(40,977)	29,489	73,246
Other current liabilities	<u>4,167</u>	<u>4,772</u>	<u>(785)</u>	<u>3,723</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Kulthorn Kirby Public Company Limited and its subsidiaries**Cash flow statements (continued)**

For the six-month period ended 30 June 2024

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Cash flows from operating activities (continued)				
Cash flows from (used in) operating activities	(68,097)	232,303	(82,133)	201,345
Cash paid for long-term employee benefits	(561)	(1,725)	(360)	(417)
Cash received from interest	29	561	-	2
Interest paid	(28,798)	(112,582)	(13,779)	(94,389)
Cash received from tax refund	1,030	-	1,030	-
Corporate income tax paid	(2,056)	(2,098)	(630)	(274)
Net cash flows from (used in) operating activities	<u>(98,453)</u>	<u>116,459</u>	<u>(95,872)</u>	<u>106,267</u>
Cash flows from investing activities				
Proceeds from sales of property, plant and equipment	807	280	2,976	-
Acquisition of property, plant and equipment and intangible assets	(1,764)	(7,011)	(967)	(5,401)
Decrease in cash from disposal of investment in indirect subsidiary	-	(266,767)	-	-
Dividend income	2	2	2	2
Net cash flows from (used in) investing activities	<u>(955)</u>	<u>(273,496)</u>	<u>2,011</u>	<u>(5,399)</u>
Cash flows from financing activities				
Increase in bank overdrafts and short-term loans from financial institutions	657,517	3,849,837	49,548	1,092,581
Decrease in bank overdrafts and short-term loans from financial institutions	(618,874)	(3,648,689)	(55,047)	(1,141,693)
Cash received from short-term loan from major shareholder	98,000	-	98,000	-
Cash received from long-term loan	-	35,803	-	-
Repayment of long-term loans	(4,383)	(19,395)	-	(15,160)
Payment of principal portion of lease liabilities	(8,882)	(9,705)	(734)	(796)
Net cash flows from (used in) financing activities	<u>123,378</u>	<u>207,851</u>	<u>91,767</u>	<u>(65,068)</u>
Decrease in translation adjustments	<u>-</u>	<u>(14,849)</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	23,970	35,965	(2,094)	35,800
Cash and cash equivalents at beginning of period	17,348	21,436	3,605	4,360
Cash and cash equivalents at end of period	<u>41,318</u>	<u>57,401</u>	<u>1,511</u>	<u>40,160</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Kulthorn Kirby Public Company Limited and its subsidiaries

Cash flow statements (continued)

For the six-month period ended 30 June 2024

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Supplemental disclosures of cash flows information				
1) Non-cash related transactions for investing activities				
Other payable from acquisitions of fixed assets	-	485	-	485
Other receivables from sales of fixed assets	-	-	-	2,350
Transfer fixed assets to inventories	-	5,152	-	5,152
Transfer right-of-use assets to fixed assets	5,345	2,470	-	-
Transfer short-term loan to related party				
to short-term loan to unrelated party	-	60,885	-	60,885
Offset short-term loans to unrelated party				
with trade and other payables	-	9,128	-	9,128
Offset other receivables from sales of fixed assets				
with trade and other payables	-	5	-	11,450
Increase in right-of-use assets	-	560	-	-
2) Non-cash related transactions for financing activities				
Dividend payable	888	888	884	884

The accompanying notes are an integral part of the financial statements.

Kulthorn Kirby Public Company Limited and its subsidiaries
Condensed notes to interim financial statements
For the three-month and six-month periods ended 30 June 2024

1. General information

1.1 Corporate information

Kulthorn Kirby Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of hermetic compressors. The registered address of the Company is 126 Soi Chalongkrung 31, Chalongkrung Road, Khwaeng Lamplatew, Khet Latkrabang, Bangkok.

1.2 Fundamental accounting assumptions

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 six-month period ended 30 June 2024 of Baht 579 million (the Company only: Baht 425 million). As at 30 June 2024, the Group’s total current liabilities exceeded its total current assets by Baht 4,287 million (the Company only: Baht 4,746 million). The Group had retained deficit of Baht 4,902 million (the Company only: Baht 4,369 million) and capital deficit of Baht 1,255 million (the Company only: Baht 1,359 million). The major current liabilities of the Group consisted of the bank overdraft and short-term loans from financial institutions amounting to Baht 3,492 million (the Company only: Baht 2,160 million), trade and other payables amounting to Baht 813 million (the Company only: Baht 1,252 million), and current portion of long-term loans from financial institutions amounting to Baht 1,064 million (the Company only: Baht 1,055 million), which became payable on demand since the Group was unable to maintain certain financial ratios and failed to meet its debts repayment obligations as stipulated in the Credit Facility Agreement, as described in Note 10.

Up to the present, the Group has suffered from a lack of financial liquidity and working capital, making it difficult to purchase raw materials, cover production expenses necessary to fulfill purchase orders from customers and settle loans and liabilities that will come due. The Group’s management has implemented various plans, including negotiations with financial institutions to restructure debts, and to obtain new credit facilities from both financial institutions and directors/shareholders. In addition, the Group has adjusted the production and distribution strategies and reduced manufacturing costs and other expenses to increase the Group’s liquidity. In July 2024, the Company temporarily suspended its operations periodically, based on the level of production each week, in order to reduce costs of the Company. Currently, these plans are still in progress and the Group’s ability to continue as a going concern depends on the success of the plans. However, the Group’s management believes that the Group will be able to continue as a going concern. Management has therefore decided to prepare the Group’s financial statements under the going concern basis. Accordingly, such financial statements do not include any adjustments relating to the value of assets at expected sale price and the amount of liabilities to be repaid, as well as reclassifications, which may be necessary should the Group be unable to continue its operations as a going concern.

1.3 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company presenting condensed interim financial statements. The Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements and has presented notes to the interim financial statements on a condensed basis.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events, and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language interim financial statements.

1.4 Basis of consolidation

The interim consolidated financial statements included the financial statements of Kulthorn Kirby Public Company Limited and its subsidiaries ("the Group") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2023, with no change in shareholding structure of subsidiaries during the current period.

1.5 Accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2023.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2024, do not have any significant impact on the Group's financial statements.

2. Related party transactions

During the period, the Group had significant business transactions with related parties mainly in respect of sales and purchases of goods. Such transactions, which have been concluded on commercial terms and bases agreed upon in the ordinary course of businesses between the Group and those related parties. There were no significant changes in the transfer pricing policy of transactions with related parties during the current period.

Significant business transactions with related parties are summarised below.

(Unit: Thousand Baht)

	For the three-month period ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<i><u>Transactions with subsidiaries</u></i>				
<i>(eliminated from the consolidated financial statements)</i>				
Purchases of goods	-	-	55,227	61,696
Sales and service income and scrap sales	-	-	21,092	16,102
Other income	-	-	2,486	2,443
Rental income	-	-	2,787	3,060
Interest expenses	-	-	14,672	13,790
Other expenses	-	-	18,397	23,342
<i><u>Transactions with related parties</u></i>				
Sales and service income and scrap sales	96,004	76,729	37,950	23,150
Purchases of goods	1,729	2,542	1,624	2,403
Other expenses	1,468	1,261	338	236

(Unit: Thousand Baht)

	For the six-month period ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<i><u>Transactions with subsidiaries</u></i>				
<i>(eliminated from the consolidated financial statements)</i>				
Purchases of goods	-	-	118,004	162,410
Sales and service income and scrap sales	-	-	32,600	35,149
Other income	-	-	4,673	5,352
Rental income	-	-	5,773	6,319
Interest expenses	-	-	29,187	26,885
Other expenses	-	-	34,098	38,195
<i><u>Transactions with related parties</u></i>				
Sales and service income and scrap sales	192,087	173,969	67,888	54,666
Purchases of goods	2,915	6,653	2,785	6,379
Other expenses	3,111	3,164	628	611

(Unaudited but reviewed)

The outstanding balances of the accounts as at 30 June 2024 and 31 December 2023 between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December		31 December	
	30 June 2024	2023	30 June 2024	2023
<u>Trade and other receivables - related parties</u>				
(Note 3)				
Subsidiary companies	-	-	50,045	25,287
Related companies (related by common director/ shareholder)	62,855	51,572	1,748	1,435
Total trade and other receivables - related parties	62,855	51,572	51,793	26,722
<u>Trade and other payables - related parties</u>				
(Note 9)				
Subsidiary companies	-	-	712,269	658,282
Related companies (related by common director/ shareholder)	54,224	22,925	42,827	20,738
Total trade and other payables - related parties	54,224	22,925	755,096	679,020

Short-term loans from related parties

During the six-month period ended 30 June 2024, short-term loans from related parties had the following movements:

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at			Balance as at
	1 January	Increase	Decrease	30 June
	2024	during the period	during the period	2024
<u>Short-term loans from subsidiaries</u>				
Kulthorn Premier Co., Ltd.	461,000	-	-	461,000
Kulthorn Kirby Foundry Co., Ltd.	155,000	-	-	155,000
Kulthorn Steel Co., Ltd.	124,000	-	-	124,000
Kulthorn Materials and Controls Co., Ltd.	30,000	-	-	30,000
Total	770,000	-	-	770,000

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated/separate financial statements			
	Balance as at		Balance as at	
	1 January	Increase	Decrease	30 June
	2024	during the period	during the period	2024
<u>Short-term loans from related party</u>				
Major shareholder	-	98,000	-	98,000
Total	-	98,000	-	98,000

During the period, the Company entered into a loan agreement with a major shareholder to obtain credit facilities totaling Baht 200 million. The Company drew down Baht 98 million of this loan in the first quarter of 2024, and an additional Baht 20 million in July 2024. The remaining balance is available for withdrawal upon the borrower's request. These loans mature one year from the date of each withdrawal. The loan carries an interest rate of THOR + 2.5% per annum, with interest accruing from 19 July 2024. Interest payments are scheduled annually.

Directors and management's remuneration

During the three-month and six-month periods ended 30 June 2024 and 2023, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	For the three-month period ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Short-term employee benefits	8,094	8,887	3,963	4,381
Post-employment benefits	495	1,373	171	954
Total	8,589	10,260	4,134	5,335

(Unit: Thousand Baht)

	For the six-month period ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Short-term employee benefits	16,348	19,743	8,111	9,391
Post-employment benefits	986	2,015	342	1,173
Total	17,334	21,758	8,453	10,564

Guarantee obligations with related parties

The Group has outstanding guarantee obligations with its related parties, as described in Note 15.2.

3. Trade and other receivables

The outstanding balance of trade accounts receivable as at 30 June 2024 and 31 December 2023 categorised by their aging from due dates are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
<u>Trade receivables - related parties</u>				
Not yet due	54,906	42,590	9,410	2,124
Overdue				
Less than 3 months	7,059	8,451	5,041	3,060
3 - 6 months	197	207	197	220
6 - 12 months	693	324	2,022	327
Total	62,855	51,572	16,670	5,731
Less: Allowance for expected credit losses	-	-	(991)	(425)
Total trade receivables - related parties	62,855	51,572	15,679	5,306
<u>Trade receivables - unrelated parties</u>				
Not yet due	209,307	200,210	2,238	19,484
Overdue				
Less than 3 months	66,927	51,991	11,949	4,002
3 - 6 months	12,896	990	11,365	617
6 - 12 months	155	-	-	-
Over 12 months	13,264	12,647	2,747	2,550
Total	302,549	265,838	28,299	26,653
Less: Allowance for expected credit losses	(17,216)	(13,765)	(6,635)	(2,634)
Total trade receivables - unrelated parties	285,333	252,073	21,664	24,019
Total trade receivables - net	348,188	303,645	37,343	29,325
<u>Other receivables</u>				
Other receivables - related parties	-	-	36,114	21,416
Other receivables - unrelated parties	1,814	846	245	333
Total other receivables	1,814	846	36,359	21,749
Total trade and other receivables - net	350,002	304,491	73,702	51,074

4. Reduction of inventory to net realisable value

Movements in the reduction of inventory to net realisable value account during this six-month period ended 30 June 2024 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2024	175,082	117,958
Reduction of inventory to net realisable value during the period	(3,687)	8,646
Balance as at 30 June 2024	<u>171,395</u>	<u>126,604</u>

5. Investments in subsidiaries

As at 30 June 2024 and 31 December 2023, the Company has long-term investments in ordinary share of the following companies:

Company's name	Paid-up capital		Shareholding percentage		Cost	
	30 June	31 December	30 June	31 December	30 June	31 December
	2024	2023	2024	2023	2024	2023
			(%)	(%)		
Kulthorn Kirby Foundry Company Limited	575,000	575,000	100	100	739,999	739,999
Kulthorn Premier Company Limited	1,260,000	1,260,000	100	100	1,936,751	1,936,751
Kulthorn Steel Company Limited	400,000	400,000	100	100	399,999	399,999
kulthorn Materials and Controls Company Limited	650,000	650,000	100	100	540,630	540,630
Kulthorn Research and Development Company Limited	12,500	12,500	100	100	12,500	12,500
Total					3,629,879	3,629,879
Less: Allowance for impairment loss on investments in subsidiaries					<u>(2,237,711)</u>	<u>(2,237,711)</u>
Total investments in subsidiaries - net					<u>1,392,168</u>	<u>1,392,168</u>

The company did not receive dividend during the six-month period ended 30 June 2024 and 2023.

6. Property, plant and equipment

Movements of the property, plant and equipment account during the six-month period ended 30 June 2024 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2024	3,800,208	2,417,487
Acquisitions during the period - at cost	1,764	967
Disposal/write-off during the period - net book value at disposal/write-off date	(1,646)	(3,829)
Depreciation for the period	(252,711)	(143,301)
Transfer from right-of-use	5,345	-
Reverse allowance for impairment	233	422
Net book value as at 30 June 2024	<u>3,553,193</u>	<u>2,271,746</u>

The Group pledged their land and buildings thereon with financial institutions as collateral to secure loans as discussed in Note 10.

In addition, the Group entered into negative pledge memorandums, which are part of the short-term credit facility agreements with 3 financial institutions. Under these memorandums, the Company and its subsidiaries are not allowed to dispose, transfer, mortgage or provide any lien on their land and buildings thereon and machinery, except to use as collateral for the syndicated loans to pay off the debts to those financial institutions as described in Note 8.

During the year 2023, the Group has mortgaged machinery to secure the short-term credit facilities as described in Note 8.

7. Goodwill on business combination

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	30 June 2024	31 December 2023
Goodwill on business combination	37,620	37,620
Less: Accumulated impairment loss	(37,620)	(37,620)
Net book value	<u>-</u>	<u>-</u>

8. Bank overdrafts and short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate (percent per annum)	Consolidated financial statements		Separate financial statements	
		31 December202		31 December202	
		30 June2024	3	30 June2024	3
Bank overdrafts	7.55 - 7.59	182,001	173,197	49,548	54,762
Short-term loans	5.62 - 18.00	1,109,715	1,110,000	834,715	835,000
Trust receipts	6.09 - 15.00	1,307,771	1,338,147	561,099	561,099
Packing credit	6.10-15.00	892,322	831,822	715,122	715,122
Total		3,491,809	3,453,166	2,160,484	2,165,983

The Group entered into negative pledge memorandums, which are part of the short-term credit facility agreements with 3 financial institutions. Under the agreements, the Group is required to comply with certain conditions including maintaining interest bearing debt to EBITDA plus extraordinary item and non-cash items ratio not exceeding 5:1 for the consolidated financial statements and debt to equity ratio for the consolidated financial statements not exceeding 2.75:1. The Group is not allowed to dispose, transfer, mortgage or provide any lien on their assets, both existing and to be acquired in the future, except to use as collateral for the syndicated loan to pay off the debt to those financial institutions.

In June 2023, the Group executed the Fifth Amendment Agreement to the Credit Facility Agreement. This amendment involved the mortgage of machinery to secure the short-term credit facilities with two financial institutions.

During the year 2023, the Company executed the Second and Third amendment agreement to the debt restructuring agreements with a financial institution to convert the outstanding principal and interest obligations under the promissory notes that were due totaling Baht 60 million into 6 monthly installment payments and the loan is subject to interest at a prime rate per annum. The first installment was on 30 November 2023. In March 2024, the Company executed the Fourth amendment agreement to the debt restructuring agreements to defer the first installment to be on or before 25 April 2024 while maintaining terms and interest rate.

On 1 March 2024, the Company was formally notified by a financial institution that the overdraft facility of Baht 25 million would be temporarily suspended, effective 8 March 2024. This action was taken because the Company has failed to meet its debts repayment obligations as stipulated in the loan agreement and has yet to propose a viable solution for settling its outstanding debts.

(Unaudited but reviewed)

9. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December20		31 December20	
	30 June2024	23	30 June2024	23
Trade payables - related parties	9,033	8,654	648,342	622,782
Trade payables - unrelated parties	267,163	279,930	103,873	104,264
Other payables - related parties	45,191	14,271	55,832	25,596
Other payables - unrelated parties	157,208	204,576	120,769	165,682
Accrued interest expenses to related parties	-	-	50,922	30,642
Accrued interest expenses to unrelated parties	238,688	37,593	205,229	35,472
Accrued expenses - unrelated parties	96,075	78,289	67,165	49,637
Total trade and other payables	813,358	623,313	1,252,132	1,034,075

10. Long-term loans

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December		31 December	
	30 June2024	2023	30 June2024	2023
Long-term loans	1,104,442	1,108,825	1,054,603	1,054,603
Less: Current portion	(1,063,802)	(1,065,570)	(1,054,603)	(1,054,603)
Long-term loans, net of current portion	40,640	43,255	-	-

Movement of long-term loans during the six-month period ended 30 June 2024 are summarised below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial	financial
	statements	statements
Balance as at 1 January 2024	1,108,825	1,054,603
Less: Repayment during the period	(4,383)	-
Balance as at 30 June 2024	1,104,442	1,054,603

In December 2016, the Group entered into a Credit Facility Agreement with three financial institutions to obtain long-term syndicated loans facility amounting to Baht 2,000 million.

During the year 2020, the Group entered into the Second Amendment Agreement to the Credit Facility Agreement to extend the repayment period of the outstanding principal for one year, starting from 31 March 2020.

Subsequently, in March 2021, the Group received a waiver letter from three financial institutions, approving an extension of the principal repayment period for additional one year, starting from 31 March 2021. The Group executed the Third Amendment Agreement to the Credit Facility Agreement for such loan repayment extension with the three financial institutions on 30 April 2021.

In March 2022, the Group received a waiver letter from three financial institutions, approving an extension of the principal repayment period for additional one year, starting from 31 March 2022. The Group executed the Fourth Amendment Agreement to the Credit Facility Agreement for such loan repayment extension with the three financial institutions on 29 April 2022.

In June 2023, the Group received a waiver letter from three financial institutions, approving an extension of the principle repayment period for an additional 9 months, starting from 31 March 2023 for the principal amount from the two financial institutions. The Group is required to start the repayment on 31 December 2023 with total amount of Baht 360 million. After that, the Group has to repay Baht 90 million on a quarterly basis, starting from 31 March 2024. The Group signed the Fifth Amendment Agreement to the Credit Facility Agreement, which allowed them to extend the repayment period with all three financial institutions on 29 June 2023.

The loan is subject to interest at the rate with reference to the average MLR charged by the bank for prime large customers from four financial institutions, minus 1.5% per annum (Average MLR-1.5% per annum). Interest is to be paid on a monthly basis.

Under the loan agreement, the Group has to comply with certain conditions including maintaining interest bearing debt to EBITDA plus extraordinary item and non-cash items ratio for the consolidated financial statements not exceeding 5:1 and debt to equity ratio for the consolidated financial statements not exceeding 2.75:1, based on the financial statements as at 30 June and 31 December.

As at 31 December 2023 and 30 June 2024 the Group was unable to maintain interest bearing debt to EBITDA plus extraordinary item and non-cash items ratio and debt to equity ratio, as specified in the Credit Facility Agreement. Moreover, as at 31 December 2023 and 30 June 2024, the Company was unable to repay long-term loans including interest when they were due, resulting in the long-term loans becoming payable on demand. The Group therefore classified total balance of loan as current portion due within one year. The classification of such liabilities to current liabilities is in accordance with Thai Financial Reporting Standards.

On 1 March 2024, the Company received a dunning letter from a financial institution urging the Company to repay the debts and contact with the bank due to the Company's failure to adhere to the terms of the loan agreement. The Company is currently engaged in negotiations with the financial institutions to defer the repayment of both principal and interest.

The above long-term loans from financial institutions are secured by mortgage of the Group's properties and plant thereon.

In addition, during the year 2021, the Company entered into debt restructuring agreements with a financial institution to convert the outstanding principal and interest obligations under the promissory notes that were due totaling Baht 40 million into 24 monthly installment payments. The debt is divided into 2 parts whereby the first half totaling Baht 20 million shall be paid in the first installment on 20 January 2021 and the latter half totaling Baht 20 million shall be paid in the first installment on 20 October 2021. The loan is subject to interest at a prime rate - 1.5% per annum.

During the year 2022, Kulthorn Steel Co., Ltd. (a subsidiary) entered into machines sales and leaseback agreement with a financial institution, which was deemed to be a financing transaction and is not true sell. The agreement has principle of Baht 29.6 million and monthly repayment for 60 periods. The first payment was in July 2022 and it is subject to interest at 3.25% per annum.

On 23 February 2023, Kulthorn Premier Co., Ltd. (a subsidiary) entered into a long-term loan agreement with a financial institution to obtain loan amounting to Baht 35.8 million. The agreement term of such loan is 10 years and is secured by mortgage of the subsidiary's land thereon.

11. Loss per share

Basic loss per share is calculated by dividing loss for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

12. Revenue from contracts with customers

(Unit: Thousand Baht)

	For the three-month period ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Type of goods or service:				
Sales of goods	786,122	825,443	352,436	344,083
Service income	2,032	2,784	730	1,074
Income from scrap sales	942	4,098	767	259
Total revenue from contracts with customers				
- recognised at a point in time	<u>789,096</u>	<u>832,325</u>	<u>353,933</u>	<u>345,416</u>

(Unit: Thousand Baht)

	For the six-month period ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Type of goods or service:				
Sales of goods	1,441,525	1,848,978	588,589	772,268
Service income	21,824	27,367	1,809	2,140
Income from scrap sales	2,524	5,803	802	899
Total revenue from contracts with customers				
- recognised at a point in time	<u>1,465,873</u>	<u>1,882,148</u>	<u>591,200</u>	<u>775,307</u>

13. Other expenses

During the period, the Group has suffered from a lack of financial liquidity and working capital for purchasing raw materials for productions as described in note 1.2. As a result, the Group could not produce according to normal capacity. Therefore, in order to present the production cost accurately and reasonably, the Group has allocated the idle fixed overheads cost for the three-month period ended 30 June 2024 of Baht 124 million (2023: Baht 123 million), the Company only: Baht 71 million (2023: Baht 51 million), and for the six-month period ended 30 June 2024 of Baht 233 million (2023: Baht 166 million), the Company only: Baht 142 million (2023: Baht 94 million) from production cost and recognised such idle conversion as other expenses in the statement of comprehensive income.

(Unaudited but reviewed)

14. Segment information

The Group is organised into business units based on its products and services. During the current period, the Group has not changed the organisation of their reportable segments.

The following tables present revenue and profit (loss) information regarding the Group's operating segments for the three-month and six-month periods ended 30 June 2024 and 2023, respectively.

(Unit: Million Baht)

	For the three-month period ended 30 June												Consolidated	
	Compressors and parts		Enameled wire		Steel sheet		Steel coil center		Total Segments		Adjustments and eliminations		financial statements	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Revenue														
External customers	379	399	171	165	112	148	127	120	789	832	-	-	789	832
Inter-segment	38	31	8	15	46	59	23	22	115	127	(115)	(127)	-	-
Total revenue	417	430	179	180	158	207	150	142	904	959	(115)	(127)	789	832
Operating results														
Segment gross profit(loss)	7	(32)	14	2	5	13	13	(8)	39	(25)	(3)	(127)	36	(24)
Other income													14	3
Loss on exchange													(2)	(2)
Selling and distribution expenses													(16)	(14)
Administrative expenses													(76)	(88)
Other expenses													(124)	(123)
Finance cost													(120)	(68)
Loss before income tax													(288)	(316)
Income tax													16	1
Loss for the period													(272)	(315)

(Unaudited but reviewed)

(Unit: Million Baht)

For the six-month period ended 30 June

	Compressors and parts		Enameled wire		Steel sheet		Steel coil center		Total Segments		Adjustments and eliminations		Consolidated financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	Revenue													
External customers	672	870	332	399	214	350	248	263	1,466	1,882	-	-	1,466	1,882
Inter-segment	56	62	17	36	96	135	41	55	210	288	(210)	(288)	-	-
Total revenue	728	932	349	435	310	485	289	318	1,676	2,170	(210)	(288)	1,466	1,882
Operating results														
Segment gross profit(loss)	(11)	(124)	21	6	16	16	24	(16)	50	(118)	8	9	58	(109)
Gain on disposal of investment in indirect subsidiary													-	107
Other income													20	8
Loss on exchange													(8)	(4)
Selling and distribution expenses													(28)	(30)
Administrative expenses													(188)	(206)
Other expenses													(233)	(166)
Finance cost													(230)	(131)
Loss before income tax													(609)	(531)
Income tax													30	31
Loss for the period													(579)	(500)

15. Commitment and contingent liabilities

15.1 Capital commitments

As at 30 June 2024, the Group has capital commitments of approximately Baht 12.4 million (31 December 2023: Baht 10.8 million) (the Company only: Baht 11.9 million, 31 December 2023: Baht 10.3 million), relating to the construction of factory building and purchase and installation of machinery.

15.2 Guarantees

As at 30 June 2024, there were outstanding bank guarantees of approximately Baht 48 million (31 December 2023: Baht 50 million), the Company only: Baht 17 million (31 December 2023: Baht 17 million) issued by the banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business of the Group. These include letter of guarantee to guarantee electricity usage amounting to Baht 38 million (31 December 2023: Baht 40 million), the Company only: Baht 7 million (31 December 2023: Baht 7 million) and to guarantee import duty, natural gas agreements and others amounting to Baht 9.9 million (31 December 2023: Baht 9.9 million), the Company only: Baht 9.7 million (31 December 2023: Baht 9.7 million).

16. Financial Instrument

16.1 Fair value of financial instrument

Most of the Group's financial instruments are classified as short-term or have interest rates that are close to market rate. Therefore, the carrying amounts of these financial instruments is estimated to approximate their fair value.

17. Approval of interim financial statements

These interim financial statements have been authorised for issue by the Company's authorised directors on 7 August 2024.