

Kulthorn Kirby Public Company Limited
and its subsidiaries
Review report and consolidated and separate
financial information
For the three-month and nine-month periods ended
30 September 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 September 2024, the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, changes in shareholders' equity and cash flows for the nine-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 nine-month period ended 30 September 2024 of Baht 888 million (the Company only: Baht 644 million). As at 30 September 2024, the Group's total current liabilities exceeded its total current assets by Baht 4,479 million (the Company only: Baht 4,898 million). The Group had retained deficit of Baht 5,155 million (the Company only: Baht 4,555 million) and capital deficit of Baht 1,564 million (the Company only: Baht 1,578 million). The major current liabilities of the Group consisted of the followings:

- Bank overdraft and short-term loans from financial institutions amounting to Baht3,510million (the Company only: Baht2,152million),
- Trade and other payables amounting to Baht 911million (the Company only: Baht 1,306million), and
- Current portion of long-term loans from financial institutions amounting to Baht 1,061million(the Company only: Baht1,052million), 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 10to 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. Moreover, in September 2024, a financial institution filed a foreclosure lawsuit against the Company and its subsidiaries due to a default on long-term loans, covering both principal and interest payments totaling Baht 93.4 million, as disclosed in condensed Note 17 to the interim financial statements.

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 a major shareholder. 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 September 2024 and for the three-month and nine-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: 8 November 2024

Kulthorn Kirby Public Company Limited and its subsidiaries

Statements of financial position

As at 30 September 2024

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	As at	As at	As at	As at	
	<u>Note</u>	<u>30 September 2024</u>	<u>31 December 2023</u>	<u>30 September 2024</u>	<u>31 December 2023</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		68,239	17,348	9,028	3,605
Trade and other receivables	2, 3	342,315	304,491	71,708	51,074
Inventories	4	663,018	812,588	408,891	471,782
Current tax assets		3,539	4,166	1,146	666
VAT receivable		41,593	31,265	32,552	23,267
Other current assets		60,447	63,336	26,036	29,753
Total current assets		<u>1,179,151</u>	<u>1,233,194</u>	<u>549,361</u>	<u>580,147</u>
Non-current assets					
Investments in subsidiaries	5	-	-	1,392,168	1,392,168
Property, plant and equipment	6	3,446,450	3,800,208	2,200,455	2,417,487
Right-of-use assets		12,019	47,643	2,224	3,378
Goodwill on business combination	7	-	-	-	-
Other intangible assets		26,869	33,049	19,077	23,599
Other non-current assets		1,108	2,253	803	803
Total non-current assets		<u>3,486,446</u>	<u>3,883,153</u>	<u>3,614,727</u>	<u>3,837,435</u>
Total assets		<u><u>4,665,597</u></u>	<u><u>5,116,347</u></u>	<u><u>4,164,088</u></u>	<u><u>4,417,582</u></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 September 2024

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	As at	As at	As at	As at	
	<u>Note</u>	<u>30 September 2024</u>	<u>31 December 2023</u>	<u>30 September 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	3,509,900	3,453,166	2,152,047	2,165,983
Trade and other payables	2, 9	910,905	623,313	1,306,449	1,034,075
Short-term loans from related parties	2	-	-	773,237	770,000
Short-term loans from major shareholder	2	156,000	-	156,000	-
Current portion of long-term loans	10	1,061,067	1,065,570	1,051,717	1,054,603
Current portion of lease liabilities		5,186	14,384	1,308	1,473
Dividend payable		888	888	884	884
Other current liabilities		13,813	17,616	6,084	9,986
Total current liabilities		5,657,759	5,174,937	5,447,726	5,037,004
Non-current liabilities					
Long-term loans, net of current portion	10	38,252	43,255	-	-
Lease liabilities, net of current portion		1,466	4,402	944	1,933
Deferred tax liabilities		304,279	353,778	194,538	219,004
Provision for long-term employee benefits		227,665	216,112	99,053	93,502
Total non-current liabilities		571,662	617,547	294,535	314,439
Total liabilities		6,229,421	5,792,484	5,742,261	5,351,443

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 September 2024

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at 30 September 2024 (Unaudited but reviewed)	As at 31 December 2023 (Audited)	As at 30 September 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	(5,275,296)	(4,562,116)	(4,675,373)	(4,128,004)
Other components of shareholders' equity	<u>1,183,574</u>	<u>1,358,081</u>	<u>777,200</u>	<u>874,143</u>
Total shareholders' equity (capital deficit)	<u>(1,563,824)</u>	<u>(676,137)</u>	<u>(1,578,173)</u>	<u>(933,861)</u>
Total liabilities and shareholders' equity	<u>4,665,597</u>	<u>5,116,347</u>	<u>4,164,088</u>	<u>4,417,582</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 September 2024

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

		Consolidated financial statements		Separate financial statements	
	<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	648,502	680,182	234,703	238,380
Rental income		6,876	690	8,973	3,113
Other income		2,304	525	3,609	3,431
Gain on exchange		10,305	-	9,627	-
Total revenues		<u>667,987</u>	<u>681,397</u>	<u>256,912</u>	<u>244,924</u>
Expenses					
Cost of sales and services		634,735	629,230	235,638	198,344
Selling and distribution expenses		11,622	13,640	5,028	6,520
Administrative expenses		98,621	103,645	58,152	62,741
Other expenses	13	129,738	188,363	76,682	136,996
Loss on exchange		-	1,834	-	2,247
Total expenses		<u>874,716</u>	<u>936,712</u>	<u>375,500</u>	<u>406,848</u>
Operating loss		<u>(206,729)</u>	<u>(255,315)</u>	<u>(118,588)</u>	<u>(161,924)</u>
Finance cost		(121,445)	(73,408)	(108,422)	(65,496)
Loss before income tax		<u>(328,174)</u>	<u>(328,723)</u>	<u>(227,010)</u>	<u>(227,420)</u>
Income tax		19,336	(17,791)	8,105	(5,309)
Loss for the period		<u>(308,838)</u>	<u>(346,514)</u>	<u>(218,905)</u>	<u>(232,729)</u>
Other comprehensive income:					
Other comprehensive income for the period		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u>(308,838)</u>	<u>(346,514)</u>	<u>(218,905)</u>	<u>(232,729)</u>
Basic loss per share (Baht)					
Loss attributable to equity holders of the Company	11	<u>(0.21)</u>	<u>(0.23)</u>	<u>(0.15)</u>	<u>(0.16)</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 comprehensive income****For the nine-month period ended 30 September 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	2,114,375	2,562,330	825,903	1,013,687
Rental income		15,615	2,066	22,213	9,536
Gain on disposal of investment in indirect subsidiary		-	106,687	-	-
Other income		13,697	7,606	20,054	14,182
Gain on exchange		2,475		2,410	-
Total revenues		<u>2,146,162</u>	<u>2,678,689</u>	<u>870,580</u>	<u>1,037,405</u>
Expenses					
Cost of sales and services		2,042,304	2,620,330	825,941	1,085,022
Selling and distribution expenses		40,178	44,033	20,503	19,997
Administrative expenses		286,438	312,630	161,732	177,604
Other expenses	13	363,119	351,342	218,943	230,548
Loss on exchange		-	5,506	-	7,373
Total expenses		<u>2,732,039</u>	<u>3,333,841</u>	<u>1,227,119</u>	<u>1,520,544</u>
Operating loss		<u>(585,877)</u>	<u>(655,152)</u>	<u>(356,539)</u>	<u>(483,139)</u>
Finance income		29	13	-	2
Finance cost		<u>(351,338)</u>	<u>(203,979)</u>	<u>(312,239)</u>	<u>(181,255)</u>
Loss before income tax		<u>(937,186)</u>	<u>(859,118)</u>	<u>(668,778)</u>	<u>(664,392)</u>
Income tax		49,499	12,850	24,466	8,737
Loss for the period		<u>(887,687)</u>	<u>(846,268)</u>	<u>(644,312)</u>	<u>(655,655)</u>
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		<u>-</u>	<u>3,687</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u>(887,687)</u>	<u>(842,581)</u>	<u>(644,312)</u>	<u>(655,655)</u>
Basic loss per share (Baht)					
Loss attributable to equity holders of the Company	11	<u>(0.59)</u>	<u>(0.56)</u>	<u>(0.43)</u>	<u>(0.44)</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 nine-month period ended 30 September 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			
							Other comprehensive income		Total other components of shareholders' equity	Total shareholders' equity
							Exchange differences on translation of financial statements in foreign currency	Revaluation surplus on assets		
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	-	-	-	-	(846,268)	-	-	-	(846,268)	
Other comprehensive income for the period	-	-	-	-	-	3,687	-	3,687	3,687	
Total comprehensive income for the period	-	-	-	-	(846,268)	3,687	-	3,687	(842,581)	
Transfer revaluation surplus on assets to retained earnings (deficits)	-	-	-	-	273,332	-	(273,332)	(273,332)	-	
Balance as at 30 September 2023	<u>1,500,000</u>	<u>700,000</u>	<u>207,898</u>	<u>120,000</u>	<u>(4,211,511)</u>	<u>-</u>	<u>1,752,353</u>	<u>1,752,353</u>	<u>68,740</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	-	-	-	-	(887,687)	-	-	-	(887,687)	
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	-	(887,687)	-	-	-	(887,687)	
Transfer revaluation surplus on assets to retained earnings (deficits)	-	-	-	-	174,507	-	(174,507)	(174,507)	-	
Balance as at 30 September 2024	<u>1,500,000</u>	<u>700,000</u>	<u>207,898</u>	<u>120,000</u>	<u>(5,275,296)</u>	<u>-</u>	<u>1,183,574</u>	<u>1,183,574</u>	<u>(1,563,824)</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 (continued)

For the nine-month period ended 30 September 2024

(Unit: Thousand Baht)

	Separate financial statements					Total shareholders' equity
	Issued and fully paid-up share capital	Share premium	Retained earnings (deficits)		Other components of shareholders' equity	
			Appropriated	Unappropriated	Other comprehensive income	
				Revaluation surplus on assets		
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	-	-	-	(655,655)	-	(655,655)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(655,655)	-	(655,655)
Transfer revaluation surplus on assets to retained earnings (deficits)	-	-	-	127,019	(127,019)	-
Balance as at 30 September 2023	<u>1,500,000</u>	<u>700,000</u>	<u>120,000</u>	<u>(3,251,702)</u>	<u>1,052,783</u>	<u>121,081</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	-	-	-	(644,312)	-	(644,312)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(644,312)	-	(644,312)
Transfer revaluation surplus on assets to retained earnings (deficits)	-	-	-	96,943	(96,943)	-
Balance as at 30 September 2024	<u>1,500,000</u>	<u>700,000</u>	<u>120,000</u>	<u>(4,675,373)</u>	<u>777,200</u>	<u>(1,578,173)</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 nine-month period ended 30 September 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	(937,186)	(859,118)	(668,778)	(664,392)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:				
Unrealised loss (gain) on exchange	(3,591)	4,927	(3,319)	5,418
Gain on fair value adjustments of financial instrument	-	(79)	-	-
The reduction of inventory to net realisable value (reversal)	(5,397)	3,239	8,723	18,232
Reversal of allowance for impairment of assets	(290)	-	(422)	-
Allowance for expected credit losses	11,672	4,391	12,902	4,666
Write-off of doubtful accounts	-	11,898	-	-
Depreciation and amortisation	385,573	450,787	219,160	244,157
Amortise right-of-use assets	10,153	10,487	1,044	1,205
Loss on sales of property, plant and equipment	658	1,736	724	-
Loss on write-off of property, plant and equipment	264	208	-	-
Provision for long-term employee benefits	13,710	15,111	5,911	6,807
Write-off of lease liabilities	-	374	-	-
Gain on disposal of investment in indirect subsidiary	-	(106,687)	-	-
Dividend income	(6)	(5)	(6)	(5)
Subsidies income from government grants	(1,375)	(1,375)	(1,375)	(1,375)
Finance income	(29)	(13)	-	(2)
Finance cost	351,338	203,979	312,239	181,255
Loss from operating activities before changes in operating assets and liabilities	(174,506)	(260,140)	(113,197)	(204,034)
Operating assets (increase) decrease				
Trade and other receivables	(51,394)	238,090	(35,661)	132,949
Inventories	154,967	233,255	54,167	105,959
Other current assets	(4,303)	45,260	(5,932)	36,837
Other non-current assets	1,145	(16)	-	67
Operating liabilities increase (decrease)				
Trade and other payables	(18,839)	(54,168)	(18,698)	92,027
Other current liabilities	(2,426)	3,522	(2,527)	3,643

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 nine-month period ended 30 September 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 (continued)				
Cash flows from (used in) operating activities	(95,356)	205,803	(121,848)	167,448
Cash paid for long-term employee benefits	(2,157)	(1,725)	(360)	(417)
Cash received from interest	66	561	-	2
Interest paid	(39,457)	(194,551)	(15,722)	(162,041)
Cash received from tax refund	1,030	17,406	1,030	16,088
Corporate income tax paid	(3,539)	(3,008)	(1,146)	(471)
Net cash flows from (used in) operating activities	(139,413)	24,486	(138,046)	20,609
Cash flows from investing activities				
Proceeds from sales of property, plant and equipment	1,013	282	3,105	-
Acquisition of property, plant and equipment and intangible assets	(1,920)	(9,099)	(1,013)	(7,473)
Decrease in short-term loans to unrelated parties	-	43,347	-	43,347
Decrease in cash from disposal of investment in indirect subsidiary	-	(266,767)	-	-
Dividend income	6	5	6	5
Net cash flows from (used in) investing activities	(901)	(232,232)	2,098	35,879
Cash flows from financing activities				
Increase in bank overdrafts and short-term loans from financial institutions	834,405	5,489,422	41,111	1,656,546
Decrease in bank overdrafts and short-term loans from financial institutions	(777,671)	(5,223,271)	(55,047)	(1,687,378)
Cash received from short-term loan from major shareholder	156,000	-	156,000	13,000
Cash received from long-term loan	-	35,803	-	-
Cash received from long-term loan intercompany	-	-	3,237	-
Repayment of long-term loans	(9,506)	(34,109)	(2,886)	(27,750)
Payment of principal portion of lease liabilities	(12,023)	(14,248)	(1,044)	(1,205)
Net cash flows from (used in) financing activities	191,205	253,597	141,371	(46,787)
Decrease in translation adjustments	-	(10,312)	-	-
Net increase in cash and cash equivalents	50,891	35,539	5,423	9,701
Cash and cash equivalents at beginning of period	17,348	21,436	3,605	4,360
Cash and cash equivalents at end of period	68,239	56,975	9,028	14,061

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 nine-month period ended 30 September 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	-	1,571	-	1,571
Transfer fixed assets to inventories	-	5,170	-	5,170
Transfer right-of-use assets to fixed assets	25,361	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	-	13,800
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 nine-month periods ended 30 September 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 nine-month period ended 30 September 2024 of Baht 888 million (the Company only: Baht 644 million). As at 30 September 2024, the Group’s total current liabilities exceeded its total current assets by Baht 4,479 million (the Company only: Baht 4,898 million). The Group had retained deficit of Baht 5,155 million (the Company only: Baht 4,555 million) and capital deficit of Baht 1,564 million (the Company only: Baht 1,578 million). The major current liabilities of the Group consisted of the bank overdraft and short-term loans from financial institutions amounting to Baht 3,510 million (the Company only: Baht 2,152 million), trade and other payables amounting to Baht 911 million (the Company only: Baht 1,306 million), and current portion of long-term loans from financial institutions amounting to Baht 1,061 million (the Company only: Baht 1,052 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 a major shareholder. 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.

1.6 New financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2025

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2025. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users.

The management of the Group believes that adoption of these amendments will 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

(Unaudited but reviewed)

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 September			
	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	-	-	42,344	44,228
Sales and service income and scrap sales	-	-	9,315	10,831
Other income	-	-	2,540	2,897
Rental income	-	-	2,786	3,059
Interest expenses	-	-	15,145	14,582
Other expenses	-	-	9,656	15,693
<i><u>Transactions with related parties</u></i>				
Sales and service income and scrap sales	140,329	66,500	66,187	32,849
Purchases of goods	1,146	3,612	1,144	3,588
Other expenses	1,830	2,955	369	1,721

(Unit: Thousand Baht)

	For the nine-month period ended 30 September			
	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	-	-	160,348	206,638
Sales and service income and scrap sales	-	-	41,915	45,980
Other income	-	-	7,213	8,249
Rental income	-	-	8,559	9,378
Interest expenses	-	-	44,332	41,467
Other expenses	-	-	43,754	53,888
<i><u>Transactions with related parties</u></i>				
Sales and service income and scrap sales	332,415	240,469	134,075	87,515
Purchases of goods	4,061	10,265	3,929	9,967

(Unaudited but reviewed)

Other expenses	4,941	6,119	997	2,332
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The outstanding balances of the accounts as at 30 September 2024 and 31 December 2023 between the Company and those related parties are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	30	31 December	30	31 December
	September 2024	2023	September 2024	2023
Trade and other receivables - related parties				
(Note 3)				
Subsidiary companies	-	-	36,401	25,287
Related companies (related by common director/ shareholder)	44,049	51,572	1,703	1,435
Total trade and other receivables - related parties	44,049	51,572	38,104	26,722
Trade and other payables - related parties				
(Note 9)				
Subsidiary companies	-	-	704,419	658,282
Related companies (related by common director/ shareholder)	40,620	22,925	25,792	20,738
Total trade and other payables - related parties	40,620	22,925	730,211	679,020

Short-term loans from related parties

During the nine-month period ended 30 September 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 September
2024	during the period	during the period	2024	
Short-term loans from subsidiaries				
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	3,237	-	33,237
Total	770,000	3,237	-	773,237

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated/separate financial statements			
	Balance as at		Balance as at	
	1 January	Increase	Decrease	30 September
	2024	during the period	during the period	2024
<u>Short-term loans from related party</u>				
Major shareholder	-	156,000	-	156,000
Total	-	156,000	-	156,000

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 Baht 58 million in the third quarter of 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 nine-month periods ended 30 September 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 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Short-term employee benefits	7,257	8,855	3,134	4,572
Post-employment benefits	420	1,356	95	953
Total	7,677	10,211	3,229	5,525

(Unit: Thousand Baht)

	For the nine-month period ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Short-term employee benefits	23,605	28,598	11,245	13,963
Post-employment benefits	1,406	3,371	437	2,126
Total	25,011	31,969	11,682	16,089

Guarantee obligations with related parties

The Group has outstanding guarantee obligations with its related parties, as described in Note15.2.

3. Trade and other receivables

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

	(Unit: Thousand Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	30		30	
	September 2024	31 December 2023	September 2024	31 December 2023
<u>Trade receivables - related parties</u>				
Not yet due	37,776	42,590	5,369	2,124
Overdue				
Less than 3 months	5,000	8,451	5,186	3,060
3 - 6 months	383	207	436	220
6 - 12 months	890	324	954	327
Total	44,049	51,572	11,945	5,731
Less: Allowance for expected credit losses	-	-	(1,167)	(425)
Total trade receivables - related parties	44,049	51,572	10,778	5,306
<u>Trade receivables - unrelated parties</u>				
Not yet due	238,014	200,210	25,324	19,484
Overdue				
Less than 3 months	51,387	51,991	151	4,002
3 - 6 months	10,419	990	10,419	617
6 - 12 months	5,460	-	5,052	-
Over 12 months	17,375	12,647	7,305	2,550
Total	322,655	265,838	48,251	26,653
Less: Allowance for expected credit losses	(25,437)	(13,765)	(14,794)	(2,634)
Total trade receivables - unrelated parties	297,218	252,073	33,457	24,019
Total trade receivables - net	341,267	303,645	44,235	29,325
<u>Other receivables</u>				
Other receivables - related parties	-	-	27,326	21,416
Other receivables - unrelated parties	1,048	846	147	333
Total other receivables	1,048	846	27,473	21,749
Total trade and other receivables - net	342,315	304,491	71,708	51,074

4. Reduction of inventory to net realisable value

Movements in the reduction of inventory to net realisable value account during the nine-month period ended 30 September 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 (reversal)	(5,397)	8,723
Balance as at 30 September 2024	<u>169,685</u>	<u>126,681</u>

5. Investments in subsidiaries

As at 30 September 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 September	31 December	30 September	31 December	30 September	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					<u>3,629,879</u>	<u>3,629,879</u>
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 received dividend during the nine-month period ended 30 September 2024 and 2023.

6. Property, plant and equipment

Movements of the property, plant and equipment account during the nine-month period ended 30 September 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	1,920	1,013
Transfer to intangible assets	(702)	-
Disposal/write-off during the period - net book value at disposal/write-off date	(1,935)	(3,829)
Depreciation for the period	(378,691)	(214,638)
Transfer from right-of-use	25,360	-
Reverse allowance for impairment	290	422
Net book value as at 30 September 2024	<u>3,446,450</u>	<u>2,200,455</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 September 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	
		30 September20 24	31 December202 3	30 September20 24	31 December202 3
Bank overdrafts	7.55 - 7.59	193,757	173,197	41,111	54,762
Short-term loans	6.10 - 18.00	1,109,715	1,110,000	834,715	835,000
Trust receipts	6.10 - 18.00	1,314,106	1,338,147	561,099	561,099
Packing credit	6.09-15.00	892,322	831,822	715,122	715,122
Total		3,509,900	3,453,166	2,152,047	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. In August 2024, the Company executed the Fifth amendment agreement to the debt restructuring agreements to defer the first installment to be on or before 25 August 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	
	30	31	30	31
	September20	December20	September20	December20
	24	23	24	23
Trade payables - related parties	8,678	8,654	623,184	622,782
Trade payables - unrelated parties	276,066	279,930	95,900	104,264
Other payables - related parties	30,538	14,271	39,556	25,596
Other payables - unrelated parties	153,074	204,576	122,466	165,682
Accrued interest expenses to related parties	1,404	-	67,471	30,642
Accrued interest expenses to unrelated parties	348,071	37,593	295,160	35,472
Accrued expenses - unrelated parties	93,074	78,289	62,712	49,637
Total trade and other payables	910,905	623,313	1,306,449	1,034,075

10. Long-term loans

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September20	December	September20	December
	24	2023	24	2023
Long-term loans	1,099,319	1,108,825	1,051,717	1,054,603
Less: Current portion	(1,061,067)	(1,065,570)	(1,051,717)	(1,054,603)
Long-term loans, net of current portion	38,252	43,255	-	-

Movement of long-term loans during the nine-month period ended 30 September 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	(9,506)	(2,886)
Balance as at 30 September 2024	1,099,319	1,051,717

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 September 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 September 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 September			
	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	632,457	638,251	234,302	237,256
Service income	9,951	18,068	340	883
Income from scrap sales	6,094	23,863	61	241
Total revenue from contracts with customers				
- recognised at a point in time	<u>648,502</u>	<u>680,182</u>	<u>234,703</u>	<u>238,380</u>

(Unit: Thousand Baht)

	For the nine-month period ended 30 September			
	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	2,073,982	2,487,229	822,891	1,009,524
Service income	31,775	45,435	2,149	3,023
Income from scrap sales	8,618	29,666	863	1,140
Total revenue from contracts with customers				
- recognised at a point in time	<u>2,114,375</u>	<u>2,562,330</u>	<u>825,903</u>	<u>1,013,687</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 September 2024 of Baht 130 million (2023: Baht 188million), the Company only: Baht 77million (2023: Baht 137million), and for the nine-month period ended 30 September 2024 of Baht 363million (2023: Baht 351million),the Companyonly: Baht 219million (2023: Baht 231million)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 nine-month periods ended 30 September 2024 and 2023, respectively.

(Unit: Million Baht)

	For the three-month period ended 30 September												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	284	318	154	158	87	93	123	111	648	680	-	-	648	680
Inter-segment	19	27	13	11	28	45	18	13	78	96	(78)	(96)	-	-
Total revenue	303	345	167	169	115	138	141	124	726	776	(78)	(96)	648	680
Operating results														
Segment gross profit(loss)	2	41	(3)	6	4	-	8	-	11	47	3	4	14	51
Other income													9	2
Gain (loss) on exchange													10	(2)
Selling and distribution expenses													(12)	(14)
Administrative expenses													(98)	(104)
Other expenses													(130)	(188)
Finance cost													(121)	(73)
Loss before income tax													(328)	(328)
Income tax													19	(18)
Loss for the period													(309)	(346)

(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month period ended 30 September

	Compressors and parts		Enameled wire		Steel sheet		Steel coil center		Total Segments		Adjustments and eliminations		Consolidated financial statements	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Revenue													
External customers	956	1,188	486	557	301	443	371	374	2,114	2,562	-	-	2,114	2,562
Inter-segment	75	89	30	47	124	180	59	68	288	384	(288)	(384)	-	-
Total revenue	1,031	1,277	516	604	425	623	430	442	2,402	2,946	(288)	(384)	2,114	2,562
Operating results														
Segment gross profit(loss)	(9)	(83)	18	12	20	16	32	(16)	61	(71)	11	13	72	(58)
Gain on disposal of investment in indirect subsidiary													-	107
Other income													29	10
Gain (loss) on exchange													2	(6)
Selling and distribution expenses													(40)	(44)
Administrative expenses													(286)	(313)
Other expenses													(363)	(351)
Finance cost													(351)	(204)
Loss before income tax													(937)	(859)
Income tax													49	13
Loss for the period													(888)	(846)

15. Commitment and contingent liabilities

15.1 Capital commitments

As at 30 September 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 September 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. Litigations

In September 2024, a financial institution filed a foreclosure lawsuit against the Company and its subsidiaries due to a default on long-term loans, covering both principal and interest payments since September 2023. The amount claimed in the lawsuit consists of principal of Baht 86.8 million, interest of Baht 6.3 million, and litigation costs of Baht 0.3 million, totaling Baht 93.4 million. Subsequently, in October 2024, the Group filed a testimony with the Civil Court. The Court has scheduled a hearing to determine the issues in dispute on 19 November 2024.

18. Approval of interim financial statements

These interim financial statements have been authorised for issue by the Company's authorised directors on 8 November 2024.