

**Kulthorn Kirby Public Public Company Limited And Subsidiary**  
**Auditor's Report And Financial Statement**  
**For the year ended December 31, 2025**

## **INDEPENDENT AUDITOR’S REPORT**

**To the Board of Director and shareholders of Kulthorn Kirby Public Company Limited**

### **Disclaimer of Opinion**

I was engaged to audit the accompanying consolidated financial statements of Kulthorn Kirby Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2025, and the related consolidated statements of comprehensive income, consolidated changes in shareholders’ equity and consolidated cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, and have also audited the separate financial statements of Kulthorn Kirby Public Company Limited for the same period (collectively “the financial statements”).

I do not express an opinion on the financial statements referred to above because of the significance of the matter described in the Basis for Disclaimer of Opinion section of my report on the consolidated financial statements of Kulthorn Kirby Public Company Limited and its subsidiaries and the separate financial statements of Kulthorn Kirby Public Company Limited for the year ended December 31, 2025.

### **Basis for Disclaimer of Opinion**

I considered multiple uncertainties collectively and unable to obtain sufficient appropriate audit evidence in issuing this independent auditor’s report, as follows:

#### **1 Use of Going Concern Assumption**

##### **1.1 Lack of Financial Liquidity and Debt Default**

As described in Note 1.2 to the 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 year ended December 31, 2025 of Baht 1,173 million (the Company only: Baht 934 million). As at December 31, 2025, the Group’s total current liabilities exceeded its total current assets by Baht 5,542 million (the Company only: Baht 5,711 million). The Group had deficit of Baht 6,547 million (the Company only: Baht 6,265 million) and capital deficit of Baht 2,715 million (the Company only: Baht 2,946 million).The major current liabilities of the Group consisted of the followings:

- Bank overdraft and short-term loans from financial institutions amounting to Baht 3,551 million (the Company only: Baht 2,150 million),
- Trade and other current payables amounting to Baht 1,539 million (the Company only: Baht 1,860million), and
- Current portion of long-term loans from financial institutions amounting to Baht 1,084 million (the Company only: Baht 1,052 million), most of which became payable on demand because the Group was unable to maintain financial ratios under the credit facility agreements and defaulted on debt repayments as described in Note 18.

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. 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 its product strategy by selecting products with higher margins, reducing production costs and other expenses to improve liquidity, requesting advance payments from customers, and obtaining financial support from the Company's major shareholder.

## 1.2 Filing for Business Rehabilitation and the Progress

On January 9, 2025, the Company filed a petition for business rehabilitation and proposed itself as the planner to the Central Bankruptcy Court under the Bankruptcy Act B.E. 2483 (as amended). Subsequently, on April 25, 2025, the Central Bankruptcy Court ordered the Company to undergo business rehabilitation and appointed the Company as the planner. However, on March 17, 2026, the creditors' meeting, by votes of a majority of creditors representing not less than two-thirds of the total debts of creditors attending and voting at the meeting, resolved not to accept the Company's rehabilitation plan. The Central Bankruptcy Court ordered the cancellation of the business rehabilitation order on April 1, 2026. As a result, the authority of the planner to manage the Company's business and assets ceased, and the Company's board of directors resumed its authority and duties to manage the Company's business and assets, while shareholders resumed their legal rights. Consequently, the automatic stay is no longer available, and creditors may proceed with civil actions, seizure of assets, or bankruptcy actions in the ordinary course. The Company may file a new rehabilitation petition in accordance with legal procedures and processes.

2. Items that I have not been able to obtain sufficient appropriate audit evidence caused by the limitation on situations

#### 2.1 Properties, plant and equipment and investment in subsidiaries

As mentioned in the Note no. 13 and no. 11 to the Financial Statements, The Group has properties, plant and equipment in the Statement of Financial Position having book value as at December 31, 2025 of Baht 3,325 million (Company only, Baht 2,309 million) and investment in subsidiaries in the separate financial statements of Baht 777 million). The allowance for impairment of both assets is calculated by the expected recoverable value of the asset based on the value in use which based on future cash flows in accordance with the Group's draft business rehabilitation plan (the original rehabilitation plan). However, the creditors' meeting subsequently resolved not to accept such business rehabilitation plan. The Board of Directors considers that it is appropriate to hire business advisors and financial advisors with specialized expertise in the industries in which the Company operates to advise and improve business management practices and propose debt restructuring with the Group's creditors, especially creditors of financial institutions. The company may consider the necessity of filing another petition for business rehabilitation, in accordance with the time frame and procedures of the relevant laws. The Management has not yet reviewed the allowance for impairment of properties, plant and equipment and investment in subsidiary as the Company is currently in the stage of negotiations and discussions with creditors regarding the revision of certain condition. Accordingly, I was unable to obtain sufficient and appropriate audit evidence to determine the effect, if any, on the amount of adjustment to Properties, plant and equipment and investments in the subsidiary due to the uncertainty of the future outcome incurred from the negotiations and actions of the Company and creditors.

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 including; negotiate debt repayment term, debt restructuring, reduce interest burdens, and obtain additional working capital facilities from financial institution creditors. In terms of operations, the Company plans to restructure its organization in order to reduce various expenses and align its cost structure with the current global trade and economic conditions. The Company must also effectively manage its sales operations by expediting the procurement of additional customer orders and seeking investors or strategic business partners to jointly invest in the production and distribution of the Company's products.

**Emphasis of the matter**

I draw your attention to note no. 36.1 to the financial statements which describes the progress of the circumstances in which a creditor has filed requisition electricity bill payment under the process of the Business Rehabilitation Plan. My opinion remains unchanged in this matter.

**Other Matters**

The consolidated financial Statements of Kulthorn Kirby Public Company Limited and its subsidiaries and the separate financial statements of Kulthorn Kirby Public Company Limited as at December 31, 2024, which are presented as comparative information audited by other auditors whose report express disclaimer of opinion on the consolidated financial statements and separate financial statements for the year ended December 31, 2024, due to various material uncertainties that may be related to each other and the possibility of accumulating an impact on the financial statements that cause substantial doubt about the Group's ability to continue its operation in the report dated on March 28, 2025.

**Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. However, because of the matter described in the Basis of Disclaimer of Opinion paragraph, I was unable to obtain the sufficient audit evidences for expressing my opinion on such financial statements.

I am independent from the Group in accordance with the Code of Ethics defined by Federation of Accounting Professions Professional Accountants relating to auditing consolidated and separate financial statements and I have complied with responsibilities of other Ethics in conformity with these requirements.

**D I A International Audit Co., Ltd.**

(Mr. Apipong Leongnarktongdee)  
C.P.A. (Thailand)  
Registration No. 12199

May 26, 2026

**Kulthorn Kirby Public Company Limited and its subsidiaries**

**Statements of financial position**

**As at December, 31 2025**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2025	2024	2025	2024
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	66,945,476	46,947,815	1,980,788	921,636
Trade and other current receivables	8	221,879,814	261,581,099	8,415,247	31,163,128
Inventories	9	578,085,039	642,880,470	368,442,043	390,484,664
Current tax assets		5,358,146	4,308,726	1,984,819	1,404,381
VAT receivable		12,903,743	32,852,769	11,861,683	22,722,745
Other current assets	10	52,550,395	54,813,625	28,218,909	18,687,860
<b>Total current assets</b>		<b>937,722,613</b>	<b>1,043,384,504</b>	<b>420,903,489</b>	<b>465,384,414</b>
<b>Non-current assets</b>					
Investments in subsidiaries	11	-	-	776,674,640	776,674,640
Investment in a joint venture	12	-	-	-	-
Property, plant and equipment	13	3,324,704,215	3,665,523,794	2,308,850,227	2,613,513,237
Right-of-use assets		9,574,876	9,655,150	574,261	1,905,100
Goodwill on business combination	14	-	-	-	-
Other intangible assets	15	17,844,866	24,341,223	13,126,369	17,633,705
Other non-current assets		9,786,524	11,931,634	803,241	803,241
<b>Total non-current assets</b>		<b>3,361,910,481</b>	<b>3,711,451,801</b>	<b>3,100,028,738</b>	<b>3,410,529,923</b>
<b>Total assets</b>		<b>4,299,633,094</b>	<b>4,754,836,305</b>	<b>3,520,932,227</b>	<b>3,875,914,337</b>

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 December, 31 2025**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2025	2024	2025	2024
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans from					
financial institutions	16	3,550,562,449	3,547,872,481	2,150,078,901	2,148,237,320
Trade and other current payables	17	1,539,284,793	898,522,026	1,860,241,301	1,349,426,185
Short-term loans from related parties	6	-	-	779,237,053	777,237,053
Short-term loans from major shareholder	6	266,000,000	182,000,000	266,000,000	182,000,000
Current portion of long-term loans	18	1,084,096,704	1,061,558,917	1,051,717,149	1,051,717,149
Current portion of lease liabilities		1,849,789	3,393,579	1,894,702	1,330,839
Dividend payable		888,209	888,209	884,167	884,167
Other current liabilities	19	36,885,388	18,023,324	22,221,109	5,641,976
<b>Total current liabilities</b>		<b>6,479,567,332</b>	<b>5,712,258,536</b>	<b>6,132,274,382</b>	<b>5,516,474,689</b>
<b>Non-current liabilities</b>					
Long-term loans, net of current portion	18	3,379,618	35,475,758	-	-
Lease liabilities, net of current portion		5,992,824	1,008,262	38,559	602,422
Deferred tax liabilities	28	327,755,596	371,473,024	249,802,912	283,629,029
Non-current provision for employee benefits	20	198,122,806	218,955,165	84,760,607	101,023,485
<b>Total non-current liabilities</b>		<b>535,250,844</b>	<b>626,912,209</b>	<b>334,602,078</b>	<b>385,254,936</b>
<b>Total liabilities</b>		<b>7,014,818,176</b>	<b>6,339,170,745</b>	<b>6,466,876,460</b>	<b>5,901,729,625</b>

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 December, 31 2025**

(Unit: Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Shareholders' equity</b>					
Share capital					
Registered					
1,500,000,000 ordinary shares of Baht 1 each		<u>1,500,000,000</u>	<u>1,500,000,000</u>	<u>1,500,000,000</u>	<u>1,500,000,000</u>
Issued and fully paid up					
1,500,000,000 ordinary shares of Baht 1 each		1,500,000,000	1,500,000,000	1,500,000,000	1,500,000,000
Share premium		700,000,000	700,000,000	700,000,000	700,000,000
Surplus from business combination					
under common control		207,897,949	207,897,949	-	-
Retained earnings (deficits)					
Appropriated - statutory reserve	22	120,000,000	120,000,000	120,000,000	120,000,000
Unappropriated		(6,546,501,317)	(5,572,597,855)	(6,264,696,473)	(5,479,635,231)
Other components of shareholders' equity		<u>1,303,418,286</u>	<u>1,460,365,466</u>	<u>998,752,240</u>	<u>1,133,819,943</u>
<b>Total shareholders' equity (capital deficit)</b>		<u>(2,715,185,082)</u>	<u>(1,584,334,440)</u>	<u>(2,945,944,233)</u>	<u>(2,025,815,288)</u>
<b>Total liabilities and shareholders' equity</b>		<u>4,299,633,094</u>	<u>4,754,836,305</u>	<u>3,520,932,227</u>	<u>3,875,914,337</u>

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

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Directors  
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**Kulthorn Kirby Public Company Limited and its subsidiaries**

**Statements of comprehensive income**

**For the year ended December, 31 2025**

(Unit: Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Profit or loss:</b>					
<b>Revenues</b>					
Revenue from contracts with customers	6, 23, 28, 30	2,109,403,703	2,633,240,000	759,920,629	959,377,226
Rental income		6,653,900	16,612,733	14,761,228	25,253,620
Gain on exchange		15,414,371	812,140	15,164,323	1,102,408
Other income		10,976,077	20,157,373	9,241,912	22,597,489
<b>Total revenues</b>		<b>2,142,448,051</b>	<b>2,670,822,246</b>	<b>799,088,092</b>	<b>1,008,330,743</b>
<b>Expenses</b>					
Cost of sales and services	6	2,307,401,441	2,507,936,343	1,025,537,777	958,474,588
Selling and distribution expenses		42,184,361	49,331,385	18,544,561	23,359,162
Administrative expenses		262,609,308	371,287,478	201,340,063	205,147,526
Other expenses	24	160,760,380	501,638,931	74,651,110	298,068,594
Loss from a joint venture		122,500	-	-	-
Impairment loss on assets		-	71,718,641	-	-
Impairment loss on investments in subsidiaries	11	-	-	-	615,493,879
<b>Total expenses</b>		<b>2,773,077,990</b>	<b>3,501,912,778</b>	<b>1,320,073,511</b>	<b>2,100,543,749</b>
<b>Operating loss</b>		<b>(630,629,939)</b>	<b>(831,090,532)</b>	<b>(520,985,419)</b>	<b>(1,092,213,006)</b>
Finance income		95,371	73,552	194	394
Finance cost	25	(578,184,923)	(472,622,295)	(447,018,294)	(421,187,329)
<b>Loss before income tax</b>		<b>(1,208,719,491)</b>	<b>(1,303,639,275)</b>	<b>(968,003,519)</b>	<b>(1,513,399,941)</b>
Income tax	27	35,610,093	64,932,091	33,826,117	32,589,476
<b>Loss for the year</b>		<b>(1,173,109,398)</b>	<b>(1,238,707,184)</b>	<b>(934,177,402)</b>	<b>(1,480,810,465)</b>

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

**Kulthorn Kirby Public Company Limited and its subsidiaries**

**Statements of comprehensive income (continued)**

**As at December, 31 2025**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2025	2024	2025	2024
<b>Other comprehensive income:</b>					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Remeasurement gain on defined benefit plan	20	42,258,756	-	14,048,457	-
		<u>42,258,756</u>	<u>-</u>	<u>14,048,457</u>	<u>-</u>
Revaluation surplus on assets	13	-	816,167,432	-	486,071,122
Less: Income tax effect	27	-	(163,233,486)	-	(97,214,224)
		<u>-</u>	<u>652,933,946</u>	<u>-</u>	<u>388,856,898</u>
Changes in revaluation surplus on assets arising from impairment loss on assets	13	-	(403,029,808)	-	-
Less: Income tax effect	27	-	80,605,962	-	-
		<u>-</u>	<u>(322,423,846)</u>	<u>-</u>	<u>-</u>
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		<u>42,258,756</u>	<u>330,510,100</u>	<u>14,048,457</u>	<u>388,856,898</u>
<b>Other comprehensive income for the year</b>		<u>42,258,756</u>	<u>330,510,100</u>	<u>14,048,457</u>	<u>388,856,898</u>
<b>Total comprehensive income for the year</b>		<u>(1,130,850,642)</u>	<u>(908,197,084)</u>	<u>(920,128,945)</u>	<u>(1,091,953,567)</u>
<b>Basic loss per share</b>	29				
Loss attributable to equity holders of the Company		<u>(0.78)</u>	<u>(0.83)</u>	<u>(0.62)</u>	<u>(0.99)</u>

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

Kulthorn Kirby Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the year ended 31 December 2025

(Unit: 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		Total shareholders' equity (capital deficit)
					Appropriated	Unappropriated	Revaluation surplus on assets	Total other components of shareholders' equity	
<b>Balance as at January, 1 2024</b>	1,500,000,000	700,000,000	207,897,949	120,000,000	(4,562,116,349)	1,358,081,044	1,358,081,044	(676,137,356)	
Loss for the year	-	-	-	-	(1,238,707,184)	-	-	(1,238,707,184)	
Other comprehensive income for the year	-	-	-	-	-	330,510,100	330,510,100	330,510,100	
Total comprehensive income for the year	-	-	-	-	(1,238,707,184)	330,510,100	330,510,100	(908,197,084)	
Transfer revaluation surplus on assets to retained earnings (Note 21)	-	-	-	-	228,225,678	(228,225,678)	(228,225,678)	-	
<b>Balance as at December, 31 2024</b>	<u>1,500,000,000</u>	<u>700,000,000</u>	<u>207,897,949</u>	<u>120,000,000</u>	<u>(5,572,597,855)</u>	<u>1,460,365,466</u>	<u>1,460,365,466</u>	<u>(1,584,334,440)</u>	
<b>Balance as at January, 1 2025</b>	1,500,000,000	700,000,000	207,897,949	120,000,000	(5,572,597,855)	1,460,365,466	1,460,365,466	(1,584,334,440)	
Loss for the year	-	-	-	-	(1,173,109,398)	-	-	(1,173,109,398)	
Other comprehensive income for the year	-	-	-	-	42,258,756	-	-	42,258,756	
Total comprehensive income for the year	-	-	-	-	(1,130,850,642)	-	-	(1,130,850,642)	
Adjustment to beginning retained earnings									
Transfer revaluation surplus on assets to retained earnings (Note 21)	-	-	-	-	156,947,180	(156,947,180)	(156,947,180)	-	
<b>Balance as at December, 31 2025</b>	<u>1,500,000,000</u>	<u>700,000,000</u>	<u>207,897,949</u>	<u>120,000,000</u>	<u>(6,546,501,317)</u>	<u>1,303,418,286</u>	<u>1,303,418,286</u>	<u>(2,715,185,082)</u>	

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

Kulthorn Kirby Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the year ended December, 31 2025

(Unit: Baht)

	<b>Separate financial statements</b>					
	Issued and fully paid-up share capital	Share premium	Retained earnings (deficits)		Other components of shareholders' equity	Total shareholders' equity (capital deficit)
			Appropriated	Unappropriated	Other comprehensive income	
					Revaluation surplus on assets	
<b>Balance as at January, 1 2024</b>	1,500,000,000	700,000,000	120,000,000	(4,128,004,484)	874,142,763	(933,861,721)
Loss for the year	-	-	-	(1,480,810,465)	-	(1,480,810,465)
Other comprehensive income for the year	-	-	-	-	388,856,898	388,856,898
Total comprehensive income for the year	-	-	-	(1,480,810,465)	388,856,898	(1,091,953,567)
Transfer revaluation surplus on assets to retained earnings (Note 21)	-	-	-	129,179,718	(129,179,718)	-
<b>Balance as at December, 31 2024</b>	<u>1,500,000,000</u>	<u>700,000,000</u>	<u>120,000,000</u>	<u>(5,479,635,231)</u>	<u>1,133,819,943</u>	<u>(2,025,815,288)</u>
<b>Balance as at January, 1 2025</b>	1,500,000,000	700,000,000	120,000,000	(5,479,635,231)	1,133,819,943	(2,025,815,288)
Loss for the year	-	-	-	(934,177,402)	-	(934,177,402)
Other comprehensive income for the year	-	-	-	14,048,457	-	14,048,457
Total comprehensive income for the year	-	-	-	(920,128,945)	-	(920,128,945)
Transfer revaluation surplus on assets to retained earnings (Note 21)	-	-	-	135,067,703	(135,067,703)	-
<b>Balance as at December, 31 2025</b>	<u>1,500,000,000</u>	<u>700,000,000</u>	<u>120,000,000</u>	<u>(6,264,696,473)</u>	<u>998,752,240</u>	<u>(2,945,944,233)</u>

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

**Kulthorn Kirby Public Company Limited and its subsidiaries**

**Cash flow statements**

**For the year ended December, 31 2025**

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Cash flows from operating activities</b>				
Loss before tax	(1,208,719,491)	(1,303,639,275)	(968,003,519)	(1,513,399,941)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	398,812,600	512,398,731	310,460,883	291,469,018
Amortise right-of-use assets	80,273	12,516,964	1,330,839	1,362,716
Allowance for expected credit losses	11,224,671	918,191	21,892,095	9,241,254
The reduction of inventory to net realisable value (reversal)	17,505,093	(16,344,046)	29,024,848	792,517
Allowance for impairment loss on assets	-	(1,292,938)	-	(421,995)
Allowance for impairment loss on investments in subsidiaries	-	-	-	615,493,879
Allowance for impairment loss on assets	-	71,718,641	-	-
Loss on asset revaluation	-	2,397,015	-	2,397,015
Loss on sales of property, plant and equipment	(146,142)	651,039	(194,392)	717,509
Loss on write-off property, plant and equipment	-	396,481	-	117
Loss (gain) on write-off of lease liabilities	-	(2)	-	(2)
Write-off withholding tax	-	1,280,931	-	-
Provision for employee benefits	17,423,021	10,651,445	7,700,264	7,881,537
Subsidies income from government grants	(1,020,827)	(1,833,565)	(1,020,827)	(1,833,565)
Unrealised loss (gain) on exchange	(3,331,452)	(3,238,619)	(3,216,560)	(3,115,815)
Dividend income	(5,037)	(6,215)	(5,037)	(6,214)
Finance income	(95,372)	(73,552)	(194)	(394)
Finance cost	578,054,380	472,622,295	446,927,133	421,187,329
Loss from operating activities before changes in operating assets and liabilities	(190,218,283)	(240,876,479)	(155,104,467)	(168,235,035)

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

**Kulthorn Kirby Public Company Limited and its subsidiaries**

**Cash flow statements (continued)**

**For the year ended December, 31 2025**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Operating assets (increase) decrease				
Trade and other current receivables	28,465,430	41,301,740	821,331	10,956,794
Inventories	47,290,338	186,051,814	(6,982,228)	80,504,326
Other current assets	19,308,985	9,676,724	(2,261,097)	11,244,835
Other non-current assets	(10,040,435)	(9,678,716)	-	(13)
Operating liabilities increase (decrease)				
Trade and other current payables	101,500,558	(146,998,477)	80,882,342	(82,353,701)
Other current liabilities	19,882,890	2,241,379	24,157,008	(2,510,948)
Cash flows from (used in) operating activities	16,189,483	(158,282,015)	(58,487,111)	(150,393,742)
Cash paid for employee benefits	(11,401,000)	(7,808,612)	(5,577,000)	(360,000)
Interest received	95,371	73,552	194	394
Tax refund received	18,968,141	1,424,125	5,263,952	1,030,454
Interest paid	(62,303,917)	(47,768,026)	(25,572,438)	(20,654,119)
Corporate income tax paid	(4,928,741)	(4,308,727)	(1,318,917)	(1,404,381)
<b>Net cash flows from (used in) operating activities</b>	<b>(43,380,663)</b>	<b>(216,669,703)</b>	<b>(85,691,320)</b>	<b>(171,781,394)</b>
<b>Cash flows from investing activities</b>				
Acquisition of property, plant and equipment and intangible assets	(17,473,163)	(5,398,373)	(1,290,537)	(1,263,437)
Proceeds from sales of property, plant and equipment and intangible assets	274,063	1,019,741	194,392	3,111,675
Dividend income	5,037	6,215	5,037	6,215
<b>Net cash flows from (used in) investing activities</b>	<b>(17,194,063)</b>	<b>(4,372,417)</b>	<b>(1,091,108)</b>	<b>1,854,453</b>
<b>Cash flows from financing activities</b>				
Increase in bank overdrafts and short-term loans from financial institutions	88,861,269	984,641,750	27,151,025	55,400,178
Decrease in bank overdrafts and short-term loans from financial institutions	(86,171,301)	(889,935,151)	(25,309,445)	(73,145,933)
Increase in short-term loans from related parties	84,000,000	182,000,000	84,000,000	182,000,000
Decrease in short-term loans from related parties	-	-	-	(12,000,000)
Cash received from short-term loan from related parties	-	-	2,000,000	19,237,053
Repayment of long-term loans	(4,497,550)	(11,790,394)	-	(2,885,371)
Payment of principal portion of lease liabilities	(1,620,031)	(14,273,990)	-	(1,362,715)
<b>Net cash flows from (used in) financing activities</b>	<b>80,572,387</b>	<b>250,642,215</b>	<b>87,841,580</b>	<b>167,243,212</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>19,997,661</b>	<b>29,600,095</b>	<b>1,059,152</b>	<b>(2,683,729)</b>
Cash and cash equivalents at beginning of year	46,947,815	17,347,720	921,636	3,605,365
<b>Cash and cash equivalents at end of year</b>	<b>66,945,476</b>	<b>46,947,815</b>	<b>1,980,788</b>	<b>921,636</b>
	-	-	-	-

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

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

For the year ended December, 31 2025

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Supplement cash flows information</b>				
1) Non-cash related transaction for investing activities				
Revaluation surplus on assets	-	816,167	-	486,071
Decrease in revaluation assets due to impairment loss	-	(403,029,808)	-	-
Transfer fixed assets to intangible assets	-	702,009	-	-
Transfer right-of-use assets to fixed assets	-	25,360,594	-	-
Transfer to other liabilities - accrued employee benefits	12,223,000	-	4,523,794	-
2) Non-cash related transaction for financing activities				
Dividend payable	884,167	884,167	884,167	884,167

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

## **Kulthorn Kirby Public Company Limited and its subsidiaries**

### **Notes to financial statements**

#### **For the year ended December, 31 2025**

## **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 Basis 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 year ended December, 31 2025 presented net loss from operations of Baht 1,173 million (the Company only: Baht 934 million). As at December, 31 2025, the Group's total current liabilities exceeded its total current assets by Baht 5,542 million (the Company only: Baht 5,711 million), the Group had accumulated deficit of Baht 6,547 million (the Company only: Baht 6,265 million), and capital deficit of Baht 2,715 million (the Company only: Baht 2,946 million). The Group's major current liabilities comprised bank overdrafts and short-term loans from financial institutions of Baht 3,551 million (the Company only: Baht 2,150 million), trade and other current payables of Baht 1,539 million (the Company only: Baht 1,860 million), and current portion of long-term loans from financial institutions of Baht 1,084 million (the Company only: Baht 1,052 million), most of which became payable on demand because the Group was unable to maintain financial ratios under the credit facility agreements and defaulted on debt repayments as described in Note 18.

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. 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 its product strategy by selecting products with higher margins, reducing production costs and other expenses to improve liquidity, requesting advance payments from customers, and obtaining financial support from the Company's major shareholder.

On January, 9 2025, the Company, filed a petition for business rehabilitation and proposed itself as the planner to the Central Bankruptcy Court under the Bankruptcy Act B.E. 2483 (as amended)

On April, 25 2025, the Central Bankruptcy Court ordered the Company to undergo business rehabilitation and appointed the Company as the planner. Subsequently, on June, 4 2025, the Central Bankruptcy Court permitted the Company to enter into borrowing transactions with Simakulthorn Holding Co.,Ltd. (the major shareholder) in a credit line not exceeding Baht 100 million, under the supervision of the official receiver.

On November, 4 2025, the Company submitted the rehabilitation plan to the official receiver for a creditors' meeting and for approval by the creditors' meeting and the Central Bankruptcy Court.

Subsequently, on March, 17 2026, the creditors' meeting, by votes of a majority of creditors representing not less than two-thirds of the total debts of creditors attending and voting at the meeting, resolved not to accept the Company's rehabilitation plan. The Central Bankruptcy Court ordered the cancellation of the business rehabilitation order on April, 1 2026. As a result, the authority of the planner to manage the Company's business and assets ceased, and the Company's board of directors resumed its authority and duties to manage the Company's business and assets, while shareholders resumed their legal rights. Consequently, the automatic stay is no longer available, and creditors may proceed with civil actions, seizure of assets, or bankruptcy actions in the ordinary course. The Company may file a new rehabilitation petition in accordance with legal procedures and processes.

The Company's board of directors will consider plans and appoint specialist advisors to identify appropriate approaches to negotiations with each creditor and proceed with the Company's filing of a new rehabilitation petition in accordance with applicable legal procedures and processes.

The Group's ability to continue as a going concern depends on the success of all measures, including accelerating customer orders, obtaining working capital funding, finding business partners or alliances to jointly manufacture and sell products, restructuring the organisation to reduce expenses in various areas to suit current circumstances, and negotiating with creditors and filing a new rehabilitation petition.

Management believes that the preparation of the financial statements on a going concern basis remains appropriate because the Company can continue operations for at least 12 months from the date of the statement of financial position. Accordingly, the financial statements do not include adjustments to asset values at expected selling price, liabilities at the amounts expected to be repaid, or reclassifications that may be necessary should the Group be unable to continue as a going concern.

If the going concern basis is not appropriate and the consolidated and separate financial statements are required to be prepared on a liquidation basis, the carrying amounts of assets and liabilities may differ significantly from the amounts currently recorded. In such circumstances, accounting adjustments may be necessary to reflect the fact that assets may have to be disposed of other than in the normal course of business and at values that may differ significantly from those currently presented.

## **2. Basis of preparation**

**2.1** The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

## 2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Kulthorn Kirby Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Subsidiary companies	Nature of business	Country of incorporation	Percentage of shareholding	
			2025 Percent	2024 Percent
<u>Subsidiaries held by the Company</u>				
Kulthorn Kirby Foundry Company Limited	Manufacturing and sales of iron castings for compressor parts and automotives parts	Thailand	100	100
Kulthorn Premier Company Limited	Manufacturing and sales of hermetic compressors for compressor parts	Thailand	100	100
Kulthorn Steel Company Limited	Slitting of electrical steel for compressor	Thailand	100	100
Kulthorn Materials and Controls Company Limited	Manufacturing and sales of enameled copper wires and thermostat used in air conditioners and refrigerators	Thailand	100	100
Kulthorn Research and Development Company Limited	Provision of services with respect to technology research and development for products and manufacturing	Thailand	100	100
<u>Subsidiaries held by Kulthorn Materials and Controls Company Limited</u>				
Kulthorn Metal Products Company Limited	Generating and distribution of electricity by solar rooftop and sale of electricity	Thailand	100	100

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, from the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated into Baht using the exchange rate prevailing at the end of reporting period, and revenues and expenses are translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.

2.3 The separate financial statements present investments in subsidiaries under the cost method.

### 3. New financial reporting standards

#### 3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after January, 1 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 of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

#### 3.2 Financial reporting standards that will become effective for fiscal years beginning on or after January, 1 2026

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after January, 1 2026. 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 of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

### 4. Accounting policies

#### 4.1 Revenue and expense recognition

##### *Sales of goods*

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

##### *Rendering of services*

Service revenue is recognised at a point in time upon completion of the service.

##### *Interest income*

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial asset subsequently becomes credit-impaired, in which case it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

### *Finance cost*

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

### *Dividends*

Dividends are recognised when the right to receive the dividends is established.

## **4.2 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

## **4.3 Inventories**

Finished goods, work in process and raw materials are valued at the lower of cost (under the first-in, first-out method) and net realisable value. Cost of finished goods and work in process includes cost of materials, labour and overheads.

## **4.4 Investments in subsidiaries**

Investments in the subsidiaries are accounted for in the separate financial statements using the cost method.

## **4.5 Property, plant and equipment and depreciation**

Land is stated at revalued amount. Buildings and equipment are stated at cost or revalued amount less accumulated depreciation and allowance for loss on impairment of assets (if any).

Land, buildings and machineries are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Group's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of "Revaluation surplus". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Group's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Revaluation surplus" in respect of the same asset.

Depreciation of plant and equipment is calculated by reference to their costs or the revalued amount, on the straight-line basis over the following estimated useful lives:

Land improvement and plant	-	10, 20, 30, 35, 40, 45	years
Machineries	-	5 - 10, 13 - 15, 18 - 20, 25	years
Plant equipment	-	5	years
Furniture, fixtures and office equipment	-	3, 5, 10	years
Motor vehicles	-	2, 3, 5, 6, 9, 10	years

Depreciation is included in determining income.

No depreciation is provided for land and construction in progress and machine under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

#### **4.6 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### 4.7 Investments in associates

Associates are entities over which the Group has significant influence but not control or joint control. Investments in associates are presented in the separate financial statements using the cost method less allowance for impairment (if any).

#### 4.8 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	3 and 10 years

#### 4.9 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

#### 4.10 Warranty reserve

Warranty reserve is estimated by reference to actual warranty expenses incurred and calculated at a percentage of cost of sales and quantities of products under warranty.

#### 4.11 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### **The Group as a lessee**

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

##### ***Right-of-use assets***

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land and land improvement	3, 20 years
Machinery and equipment	2 - 5 years
Office equipment	3 - 5 years
Motor vehicles	4 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

### ***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

### ***Short-term leases and leases of low-value assets***

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

### **The Group as a lessor**

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

## **4.12 Related party transactions**

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

#### **4.13 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

#### **4.14 Impairment of non-financial assets**

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill and intangible assets with indefinite useful lives. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss. However, in cases where property, plant and equipment were previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

#### **4.15 Employee benefits**

##### **Short-term employee benefits**

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

##### **Post-employment benefits and other long-term employee benefits**

###### *Defined contribution plans*

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

###### *Defined benefit plans and other long-term employee benefits*

The Group has obligations in respect of the severance payments they must make to employees upon retirement under labor law and other employee benefit plan. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the Projected Unit Credit Method.

Actuarial gain and loss arising from defined benefit plans are recognised immediately in other comprehensive income.

Actuarial gain and loss arising from other long-term benefits are recognised immediately in profit and loss.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

#### **4.16 Government grants**

Government grants are recognised when there is reasonable assurance that the grants will be received and that the Company will comply with the conditions attaching to them. Government grants related to assets are presented as deferred income and are recognised in profit or loss on a systematic basis over the useful life of the assets. Government grants related to income are recognised in profit or loss in the period which the Company is eligible to the grants, presented with the net amount of related expenses.

#### **4.17 Provisions**

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### **4.18 Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

#### **4.19 Financial instruments**

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component or for which at contract inception the Group expected payment by the customer less than one year and the Group has applied the practical expedient regarding not to adjust the effects of a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

### **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost or fair value through profit or loss (“FVTPL”). The classification of financial assets at initial recognition is driven by the Group’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

#### ***Financial assets at amortised cost***

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

#### ***Financial assets at FVTPL***

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

### **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Group’s financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

### **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

### **Impairment of financial assets**

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **4.20 Derivatives**

The Group uses derivatives, such as forward currency contracts to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

#### **4.21 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximise the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## **5. Significant accounting judgements and estimates**

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

### **Leases**

#### ***Determining the lease term with extension and termination options - The Group as a lessee***

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

#### ***Estimating the incremental borrowing rate - The Group as a lessee***

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

**Allowance for expected credit losses of trade receivables**

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

**Allowance for diminution in inventory value**

In determining allowance for diminution in inventory value, the management needs to exercise judgement and make estimates based upon, among other things, market conditions and the condition of the inventory.

**Property, plant and equipment/Depreciation**

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

The Group measures land, buildings and machineries at revalued amounts. Such amounts are determined by the independent valuer using the market approach for land and machineries and the depreciated replacement cost approach for buildings. The valuation involves certain assumptions and estimates.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

**Deferred tax assets**

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

**Warranty reserve**

In determining warranty reserve, the management needs to exercise judgement to make estimate, based upon historical warranty expense data and the quantities of products under warranty.

**Allowance for impairment of non-financial assets**

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next 5 years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to investment in subsidiaries and property, plant and equipment recognised by the Group.

**Post-employment benefits under defined benefit plans and other long-term employee benefits**

The obligation under the defined benefit plan and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

## 6. Related party transactions

During the years, the Group had significant business transactions with related parties mainly in respect of purchases and sales of goods. Such transactions, which have been concluded on commercial terms and bases agreed upon in the ordinary course of business between the Group and those related parties, are summarised below.

(Unit: Million Baht)

	For the years ended 31 December				Pricing policy
	Consolidated financial statements		Separate financial statements		
	2025	2024	2025	2024	
<i>Transactions with subsidiaries (eliminated from the consolidated financial statements)</i>					
Purchases of goods	-	-	183	187	Market price
Sales and service income and scraps sales	-	-	31	55	Approximate market price
Interest expenses	-	-	61	60	Interest rate at 7.55 - 7.80 percent per annum
Other income	-	-	7	9	Mutually agreed price as stipulated in the contract
Rental income	-	-	11	11	Mutually agreed price as stipulated in the contract
Other expenses	-	-	37	53	Mutually agreed price as stipulated in the contract
<i>Transactions with related companies</i>					
Sales and service income and scraps sales	226	394	18	148	Approximate market price
Purchases of goods	4	4	3	4	Market price
Rental expenses	3	3	-	-	Mutually agreed price as stipulated in the contract
Interest expenses	4	1	4	1	Interest rate at 1.5 percent per annum
Other expenses	3	7	-	1	Mutually agreed price as stipulated in the contract

The balances of the accounts as at December, 31 2025 and 2024 between the Group and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
<b><u>Trade and other current receivables - related parties (Note 8) - Net</u></b>				
Subsidiaries	-	-	-	28,156
Related companies (related by common director/shareholder)	31,479	43,187	-	1,995
<b>Total trade and other current receivables - related parties</b>	<u>31,479</u>	<u>43,187</u>	<u>-</u>	<u>30,151</u>
<b><u>Trade and other current payables - related parties (Note 16) - Net</u></b>				
Subsidiaries	-	-	720,470	711,375
Related companies (related by common director/shareholder)	39,711	26,656	34,060	15,971
<b>Total trade and other current payables - related parties</b>	<u>39,711</u>	<u>26,656</u>	<u>754,530</u>	<u>727,346</u>

### **Short-term loans from related parties**

As at December, 31 2025 and 2024, the balance of short-term loans between the Company and its subsidiaries, and the movement are as follows:

	(Unit: Thousand Baht)			
	Separate financial statements			
	Balance as at	Increase	Decrease	Balance as at
	December, 31	during	during	December, 31
	2024	the year	the year	2025
<b><u>Short-term loans from subsidiaries</u></b>				
Kulthorn Premier Co., Ltd.	461,000	-	-	461,000
Kulthorn Kirby Foundry Co., Ltd.	157,000	-	-	157,000
Kulthorn Materials and Controls Co., Ltd.	33,237	-	-	33,237
Kulthorn Steel Co., Ltd.	126,000	7,000	5,000	128,000
<b>Total</b>	<b>777,237</b>	<b>7,000</b>	<b>5,000</b>	<b>779,237</b>

	(Unit: Thousand Baht)			
	Separate financial statements			
	Balance as at	Increase	Decrease	Balance as at
	December, 31	during	during	December, 31
	2024	the year	the year	2025
<b><u>Short-term loans from related party</u></b>				
Major shareholder	182,000	84,000	-	266,000
<b>Total</b>	<b>182,000</b>	<b>84,000</b>	<b>-</b>	<b>266,000</b>

In 2024, the Company entered into a loan agreement with a major shareholder for a credit facility of THB 200 million. During 2024, the Company gradually drew down loans totaling THB 182 million, and during the first quarter of 2025, the Company drew down an additional THB 18 million, resulting in the full utilization of the total credit facility amounting to THB 200 million.

These loans are repayable within one year from the date of each draw down. The loans initially carried an interest rate of THOR + 2.50% per annum, with interest accruing from July, 19 2024 onwards, and interest payments due annually. Subsequently, in November 2024, the major shareholder revised the interest rate to 1.50% per annum, effective retroactively from the commencement date of the loan agreement.

Subsequently, on June, 4 2025, the Central Bankruptcy Court approved the Company's borrowing transaction from a major shareholder under a loan facility of not exceeding THB 100 million. During the third quarter of 2025, the Company drew down THB 66 million from such facility to be used as working capital for the Company's operations. The loan bears interest at the rate of THOR + 2.5% per annum and is repayable within one year from the date of each drawdown.

### **Directors and management's remuneration**

During the years ended December, 31 2025 and 2024, the Group had employee benefit expenses payable to their directors and management as below:

	(Unit: Thousand Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Short-term employee benefits	27,166	31,603	10,541	13,953
Post-employment benefits	1,363	1,816	126	500
Total	<u>28,529</u>	<u>33,419</u>	<u>10,667</u>	<u>14,453</u>

### **7. Cash and cash equivalents**

	(Unit: Thousand Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Cash	1,077	2,907	593	403
Bank deposits	65,869	44,041	1,388	519
Total	<u>66,946</u>	<u>46,948</u>	<u>1,981</u>	<u>922</u>

As at December, 31 2025, bank deposits in savings accounts carried interests at the rate between 0.30 and 0.50 percent per annum (2024: between 0.40 and 0.50 percent per annum).

## 8. Trade and other current receivables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
<u>Trade receivables - related parties</u>				
Not yet due	36,159	37,377	2,846	8,580
Overdue				
Less than 3 months	7,014	5,578	4,820	8,108
3 - 6 months	-	334	4,043	2,519
6 - 12 months	-	1,147	7,860	1,200
Over 12 months	672	-	601	64
Total	43,845	44,436	20,170	20,471
Less: Allowance for expected credit losses	(12,366)	(1,249)	(20,170)	(8,971)
Total trade receivables - related parties	31,479	43,187	-	11,500
<u>Trade receivables - unrelated parties</u>				
Not yet due	136,421	166,334	1,853	36
Overdue				
Less than 3 months	51,180	49,727	6,673	501
3 - 6 months	133	1,246	133	166
6 - 12 months	22	583	21	125
Over 12 months	12,727	12,593	2,726	2,533
Total	200,483	230,483	11,406	3,361
Less: Allowance for expected credit losses	(13,542)	(13,434)	(3,178)	(2,697)
Total trade receivables - unrelated parties	186,941	217,049	8,228	664
Total trade receivables - net	218,420	260,236	8,228	12,164
<u>Other current receivables</u>				
Other current receivables - related parties	-	-	10,845	19,284
Other current receivables - unrelated parties	3,459	1,345	187	348
Total	3,459	1,345	11,032	19,632
Less: Allowance for expected credit losses	-	-	(10,845)	(633)
Total other current receivables - net	3,459	1,345	187	18,999
Total trade and other current receivables - net	221,879	261,581	8,415	31,163

The normal credit term is 7 to 90 days.

## 8. Trade and other current receivables (Continue)

Set out below is the movements in the allowance for expected credit losses of trade and other current receivables.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Beginning balance	14,683	13,765	12,301	3,059
Reversal of allowance for expected credit losses	-	-	-	-
Allowance for expected credit losses	<u>11,225</u>	<u>918</u>	<u>21,891</u>	<u>9,242</u>
Ending balance	<u><u>25,908</u></u>	<u><u>14,683</u></u>	<u><u>34,192</u></u>	<u><u>12,301</u></u>

## 9. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2025	2024	2025	2024	2025	2024
Finished goods	109,757	116,152	(14,566)	(21,130)	95,191	95,022
Work in process	198,682	209,888	(52,418)	(37,888)	146,264	172,000
Raw materials	436,191	470,409	(109,260)	(99,720)	326,931	370,689
Goods in transit	9,699	5,169	-	-	9,699	5,169
Total	<u><u>754,329</u></u>	<u><u>801,618</u></u>	<u><u>(176,244)</u></u>	<u><u>(158,738)</u></u>	<u><u>578,085</u></u>	<u><u>642,880</u></u>

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2025	2024	2025	2024	2025	2024
Finished goods	57,988	41,799	(8,986)	(4,664)	49,002	37,135
Work in process	134,892	139,560	(44,821)	(29,550)	90,071	110,010
Raw materials	314,695	325,424	(93,969)	(84,537)	220,726	240,887
Goods in transit	8,643	2,453	-	-	8,643	2,453
Total	<u><u>516,218</u></u>	<u><u>509,236</u></u>	<u><u>(147,776)</u></u>	<u><u>(118,751)</u></u>	<u><u>368,442</u></u>	<u><u>390,485</u></u>

## 9. Inventories (continue)

During the current year, the Group reversed the write-down of cost of inventories by Baht 17.5 million, and reduced the amount at inventories recognised as expenses during the year (2024: recorded the write-down of cost of inventories by Baht 16.3 million) (The Company only: recorded the write-down of cost of inventories by Baht 29 million (2024: Baht 0.8 million), this was included in cost of sales).

## 10. Other current assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Advance payment	16,188	6,958	14,821	5,789
Income tax refundable	11,309	15,320	4,525	4,668
Others	25,053	32,536	8,873	8,231
Total	52,550	54,814	28,219	18,688

## 11. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as

follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost	
	2025	2024	2025	2024	2025	2024
			(%)	(%)		
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					(2,853,205)	(2,853,205)
Investments in subsidiaries - net					776,674	776,674

The Company did not receive dividends during the years ended 31 December 2025 and 2024.

## 12. Investments in Associate

### 12.1 Investments in associates are as follows:

			(Unit:Baht)			
			Unit: Baht	Unit: Percent	Consolidated financial statements	Separate financial statements
Company Name	Business Type	Established	Registered capital	Investment proportion	Equity Method	Cost Method
		Domestic	2568	2568	2568	2568
Kulthorn Bingfeng Company Limited	Importing compressor components for assembly and distribution of compressor product to ice maker manufacturer in Thailand.	Thailand	1,000,000	49	-	127,500
Total					-	127,500

On January, 22 2025, the subsidiary (Kulthorn Premier Company Limited) entered into a Joint Venture Agreement with Zhejiang Bingfeng Compressor Co., Ltd. (“BF”) (a company incorporated under the laws of the People’s Republic of China) to jointly establish and invest in a joint venture company named Kulthorn Bingfeng Company Limited (“KBF”) under the laws of Thailand. KBF was established with the objective of importing compressor parts for assembly and distribution of compressor products to ice maker manufacturers in Thailand.

Kulthorn Bingfeng Company Limited was incorporated on February, 13 2025 with a registered capital of THB 1,000,000, divided into 10,000 ordinary shares with a par value of THB 100 per share. The Subsidiary holds 4,900 ordinary shares, representing 49% of the total issued shares, and BF holds 4,900 ordinary shares, representing 49% of the total issued shares.

For the year 2025, the aforementioned subsidiary invested THB 0.12 million in the shares of Kulthorn Bingfeng Company Limited (4,900 ordinary shares, with paid-up value of THB 25 per share and par value of THB 100 per share), representing a 49% shareholding interest.

### 13. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements							
	Revaluation basis			Cost basis				
	Land	Land improvement and plant	Machineries	Plant equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress and machine under installation	Total
<b>Cost/ Revalued amount</b>								
As at January, 1 2024	952,142	2,484,303	10,052,840	1,307,685	203,280	113,601	248,465	15,362,316
Additions	-	-	-	-	15	-	5,383	5,398
Revaluation assets	414,052	399,719	-	-	-	-	-	813,771
Transfer in (out)	-	-	32,527	23	-	-	(32,550)	-
Transfer to intangible assets	-	-	-	-	-	-	(702)	(702)
Transfer from right-of-use assets (Note 18)	-	-	25,361	-	-	-	-	25,361
Disposals/write-off	-	-	(17,346)	(2,136)	(3,697)	-	(396)	(23,575)
As at December, 31 2024	1,366,194	2,884,022	10,093,382	1,305,572	199,598	113,601	220,200	16,182,569
Additions	-	-	15,323	-	4	-	2,131	17,458
Revaluation assets	-	-	-	-	-	-	-	-
Transfer in (out)	-	3,261	1,547	1,798	101	-	(7,094)	(387)
Transfer to intangible assets	-	-	-	-	-	-	-	-
Transfer from right-of-use assets (Note 18)	-	-	-	-	-	-	-	-
Disposals/write-off	-	-	-	-	-	(589)	(4,632)	(5,221)
As at December, 31 2025	1,366,194	2,887,283	10,110,252	1,307,370	199,703	113,012	210,605	16,194,419
<b>Accumulated depreciation</b>								
As at January, 1 2024	-	1,652,629	7,826,956	1,271,471	196,752	112,324	-	11,060,132
Depreciation for the year	-	82,599	407,849	10,387	2,304	283	-	503,422
Disposals/ write-off	-	-	(15,675)	(2,136)	(3,697)	-	-	(21,508)
As at December, 31 2024	-	1,735,228	8,219,130	1,279,722	195,359	112,607	-	11,542,046
Depreciation for the year	-	93,700	237,476	17,921	3,267	710	-	353,074
Disposals/ write-off	-	-	-	-	-	(439)	-	(439)
As at December, 31 2025	-	1,828,928	8,456,606	1,297,643	198,626	112,878	-	11,894,681
<b>Allowance for impairment loss</b>								
As at January, 1 2024	-	195,638	271,149	1,830	309	80	32,970	501,976
Increased	-	159,564	310,359	862	733	7	2,791	474,351
Reversal	-	(946)	(176)	-	-	-	(171)	(1,293)
As at December, 31 2024	-	354,256	581,332	2,692	1,042	87	35,590	975,034
Increased	-	-	-	-	-	-	-	-
Reversal	-	-	-	-	-	-	-	-
As at December, 31 2025	-	354,256	581,332	2,692	1,042	87	35,590	975,034
<b>Net book value</b>								
As at December, 31 2024	1,366,194	794,538	1,292,920	23,158	3,197	907	184,610	3,665,524
As at December, 31 2025	1,366,194	704,099	1,072,314	7,035	-	47	175,015	3,324,704
<b>Depreciation for the year</b>								
2024 (Baht 46 million included in administrative expenses, and the remaining balance in manufacturing cost)								503,422
2025 (Baht 54 million included in administrative expenses, and the remaining balance in manufacturing cost)								353,074

(Unit: Thousand Baht)

	Separate financial statements							
	Revaluation basis			Cost basis				
	Land	Land improvement and plant	Machineries	Plant equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress and machine under installation	Total
<b>Cost/ Revalued amount</b>								
As at January, 1 2024	740,746	1,177,659	5,011,005	824,206	107,301	48,934	257,474	8,167,325
Additions	-	-	-	-	-	-	1,263	1,263
Revaluations	344,894	138,780	-	-	-	-	-	483,674
Transfer in (out)	-	-	32,277	23	-	-	(32,300)	-
Disposal/write-off	-	-	(16,723)	(2,136)	(3,475)	-	(2,315)	(24,649)
As at December, 31 2024	1,085,640	1,316,439	5,026,559	822,093	103,826	48,934	224,122	8,627,613
Additions	-	-	-	-	-	-	2,117	2,117
Revaluations	-	-	-	-	-	-	-	-
Transfer in (out)	-	3,261	-	1,798	101	-	(5,160)	-
Disposal/write-off	-	-	-	-	-	(439)	(389)	(828)
As at December, 31 2025	1,085,640	1,319,700	5,026,559	823,891	103,927	48,495	220,690	8,628,902
<b>Accumulated depreciation</b>								
As at January, 1 2024	-	658,152	3,876,960	806,985	104,413	48,675	-	5,495,185
Depreciation for the year	-	41,897	236,017	6,113	1,308	169	-	285,504
Disposal/write-off	-	-	(15,209)	(2,136)	(3,475)	-	-	(20,820)
As at December, 31 2024	-	700,049	4,097,768	810,962	102,246	48,844	-	5,759,869
Depreciation for the year	-	63,851	237,734	3,962	785	59	-	306,391
Disposal/write-off	-	-	-	-	-	(439)	-	(439)
As at December, 31 2025	-	763,900	4,355,502	814,924	103,031	48,464	-	6,065,821
<b>Allowance for impairment loss</b>								
As at January, 1 2024	-	104,629	120,501	1,830	307	28	27,358	254,653
Reversal	-	-	(176)	-	-	-	(246)	(422)
As at December, 31 2024	-	104,629	120,325	1,830	307	28	27,112	254,231
Reversal	-	-	-	-	-	-	-	-
As at December, 31 2025	-	104,629	120,325	1,830	307	28	27,112	254,231
<b>Net book value</b>								
As at December, 31 2024	1,085,640	511,761	808,466	9,301	1,273	62	197,010	2,613,513
As at December, 31 2025	1,085,640	451,171	507,731	7,137	589	3	193,578	2,308,850
<b>Depreciation for the year</b>								
2024 (Baht 20 million included in administrative expenses, and the remaining balance in manufacturing cost)								285,504
2025 (Baht 24 million included in administrative expenses, and the remaining balance in manufacturing cost)								306,392

The Group arranged for an independent professional valuer to appraise the value of its land and buildings in 2024, and machineries in 2022 on an asset-by-asset basis. The basis of the revaluation was as follows:

- Land was revalued using the market approach.
- Land improvement and buildings were revalued using the depreciated replacement cost approach.
- Machineries were revalued using depreciated replacement cost approach.

The result of the revaluations in 2022 showed increases of Baht 1,547 million (the Company only: Baht 818 million) in the net book value of the Group's machineries.

The result of the revaluations in 2024 showed increases of Baht 814 million (the Company only: Baht 484 million) in the net book value of the Group's land, land improvement and buildings.

The Company recorded the revaluation increase in other comprehensive income in the year of revaluation and the cumulative increase is recognised as the "Revaluation surplus on assets" in the shareholders' equity.

Had the land and land improvement, building and machineries been carried in the financial statements on a historical cost basis, their net book value as of December, 31 2025 and 2024 would have been as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Land	359,547	359,547	223,544	223,544
Land improvement and building	438,593	444,208	276,388	312,170
Machineries	626,414	752,921	347,250	427,532

As at December, 31 2025, certain items of plant and equipment of the Group were fully depreciated but are still in use. The gross carrying amount, before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to Baht 8,581 million (2024: Baht 8,450 million) (The Company only: Baht 4,689 million, 2024: Baht 4,705 million).

The Group pledged their land and buildings and machineries thereon, of which net book value amounted to approximately Baht 1,460 million (2024: Baht 1,868 million) (the Company only: Baht 787 million, 2024: Baht 887 million), with financial institutions as collateral to secure loans as discussed in Note 18.

In addition, the Group has entered into negative pledge memorandums, which are part of the short-term credit facility agreements with 3 financial institutions. Under these memorandums, the Group is 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 discussed in Note 16.

#### 14. Goodwill on business combination

(Unit: Thousand Baht)

	Consolidated financial statements	
	<u>2025</u>	<u>2024</u>
Goodwill on business combination	37,620	37,620
Less: Accumulated impairment loss	(37,620)	(37,620)
Net book value	<u>-</u>	<u>-</u>

#### 15. Other intangible assets

The net book value of other intangible assets i.e. computer software, as at December, 31 2025 and 2024 is presented below.

(Unit: Thousand Baht)

	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
As at December, 31 2025		
Cost	179,600	106,367
Increase	15	-
Less: Accumulated amortisation	(158,089)	(90,435)
Less: Allowance for impairment loss	(3,682)	(2,806)
Net book value	<u>17,844</u>	<u>13,126</u>
As at December, 31 2024		
Cost	178,898	106,367
Transfer in from fixed assets	702	-
Less: Accumulated amortisation	(151,577)	(85,927)
Less: Allowance for impairment loss	(3,682)	(2,806)
Net book value	<u>24,341</u>	<u>17,634</u>

A reconciliation of the net book value of intangible assets for the years 2025 and 2024 is presented below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	<u>financial statements</u>		<u>Financial statements</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Net book value at beginning of year	24,341	33,049	17,634	23,599
Transfer in from fixed assets	15	702	-	-
Amortisation	(6,512)	(8,977)	(4,508)	(5,965)
Impairment loss recognised	-	(433)	-	-
Net book value at end of year	<u>17,844</u>	<u>24,341</u>	<u>13,126</u>	<u>17,634</u>

## 16. Bank overdrafts and short-term loans from financial institutions

	Interest rate (percent per annum)	(Unit: Thousand Baht)			
		Consolidated financial statements		Separate financial statements	
		2025	2024	2025	2024
Bank overdrafts	6.44 - 7.35	140,917	201,309	16,636	40,922
Short-term loans	6.35 - 15.00	1,172,803	1,109,714	860,842	834,714
Trust receipts	4.25 - 15.00	1,348,147	1,348,147	561,099	561,099
Packing credit	5.65 - 15.00	888,696	888,702	711,502	711,502
Total		3,550,563	3,547,872	2,150,079	2,148,237

The Group has 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 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 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 November, 30 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 April, 25 2024 while maintaining terms and interest rate. In August 2024, the Company executed the Fifth amendment to the debt restructuring agreements to defer the first installment to be paid on or before August, 25 2024, while maintaining the terms and interest rate. However, the Company was unable to repay such loans when they became due on January, 25 2025.

On March, 1 2024, the Company was formally notified by a financial institution that the overdraft facility of Baht 25 million would be temporarily suspended, effective Mach, 8 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.

In September 2025, a bank filed civil lawsuits with the Central Intellectual Property and International Trade Court and the Minburi Civil Court against the Company’s subsidiaries, totaling four companies, as defendants, for breach of agreements relating to letters of credit, trust receipts, current accounts, overdrafts, promissory notes, export financing, credit cards, and mortgages, with a total claim amount of Baht 728.62 million. The cases are currently under the stage of plaintiff and defendant witness examination. Subsequently, in April 2026, the bank issued a demand letter requesting the Company to repay the loan.

In January 2026, another bank issued a notice of mortgage enforcement and demand for repayment to the Group in connection with breaches of agreements relating to foreign currency promissory notes for import transactions, promissory note sale agreements, trust receipts, overdrafts, and letter of guarantee fees, with total outstanding debt of Baht 2,394.04 million. In March 2026, the bank filed civil lawsuits with the Kabin Buri Provincial Court, Chachoengsao Provincial Court, Minburi Civil Court, and the Central Intellectual Property and International Trade Court against the Company’s subsidiaries, totaling five companies, as defendants, with a total claim amount of Baht 2,112.95 million. The bank claimed interest at rates ranging from 9.5% to 15% per annum on the principal amount of Baht 1,611.64 million (Company only: Baht 350 million), from the filing date onward. The cases are currently under court proceedings. Subsequently, on May, 21 2026, the bank issued a revised notice of mortgage enforcement and demand for repayment from the Company in relation to breaches of promissory note sale agreements, overdrafts, and export promissory notes (P/N Export), with outstanding debt of Baht 483.93 million. The Company’s status was changed from debtor and mortgagor in its capacity as a plan preparer to debtor and mortgagor.

#### 17. Trade and other current payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Trade payables – related parties	2,899	8,898	598,537	614,149
Trade payables – unrelated parties	153,578	193,598	74,868	82,180
Other current payables – related parties	31,448	16,694	34,060	32,372
Other current payables – unrelated parties	229,125	128,049	197,129	94,842
Accrued interest expenses to related parties	5,364	1,064	121,933	80,825
Accrued interest expenses to unrelated parties	1,021,954	461,384	766,068	385,822
Accrued expenses – unrelated parties	94,917	88,835	67,649	59,236
<b>Total trade and other current payables</b>	<b>1,539,285</b>	<b>898,522</b>	<b>1,860,241</b>	<b>1,349,426</b>

## 18. Long-term loans

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Long-term loans	1,087,476	1,097,035	1,051,717	1,051,717
Less: current portion	<u>(1,084,096)</u>	<u>(1,061,559)</u>	<u>(1,051,717)</u>	<u>(1,051,717)</u>
Long-term loans, net of current portion	<u>3,380</u>	<u>35,476</u>	<u>-</u>	<u>-</u>

Movements of the long-term loan account during the years ended December, 31 2025 and 2024 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Beginning balance	1,097,035	1,108,825	1,051,717	1,054,603
Addition during the year	-	-	-	-
Repayments	<u>(9,559)</u>	<u>(11,790)</u>	<u>-</u>	<u>(2,886)</u>
Ending balance	<u>1,087,476</u>	<u>1,097,035</u>	<u>1,051,717</u>	<u>1,051,717</u>

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 March, 31 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 March, 31 2021. The Group executed the Third Amendment Agreement to the Credit Facility Agreement for such loan repayment extension with the three financial institutions on April, 30 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 March, 31 2022. The Group executed the Fourth Amendment Agreement to the Credit Facility Agreement for such loan repayment extension with the three financial institutions on April, 29 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 March, 31 2023 for the principal amount from the two financial institutions. The Group is required to start the repayment on December, 31 2023 with total amount of Baht 360 million. After that, the Group has to repay Baht 90 million on a quarterly basis, starting from March, 31 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 June, 29 2023.

The loan is subject to interest at the rate with reference to average MLR - 1.5% per annum, and 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 December, 31 2025 and 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, since December, 31 2023, 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. Subsequently, in April 2026, the company received a repayment notice from a bank.

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

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.

#### 19. Other current liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2025	2024	2025	2024
Warranty reserve	3,198	2,249	3,084	2,028
Deferred income	6,099	2,896	1,875	2,896
Others	27,588	12,878	17,262	718
Total	<u>36,885</u>	<u>18,023</u>	<u>22,221</u>	<u>5,642</u>

## 20. Non-current provision for employee benefits

Provision for employee benefits, which represents compensations payable to employees' retirement and long service awards, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Retirement benefits		Long service awards		Total	
	plan		plan			
	2025	2024	2025	2024	2025	2024
<b>Provision for employee benefits at beginning of year</b>	215,127	212,133	2,830	3,979	217,957	216,112
Included in profit or loss:						
Current service cost	12,290	5,309	203	349	12,493	5,658
Interest cost	4,866	4,900	64	94	4,930	4,994
Actuarial loss (gain) arising from						
Financial assumptions changes	-	-	123	-	123	-
Demographic assumptions changes	-	-	1	-	1	-
Experience adjustments	-	-	165	-	165	-
Included in other comprehensive income:						
Actuarial loss (gain) arising from						
Financial assumptions changes	3,190	-	-	-	3,190	-
Demographic assumptions changes	(5,810)	-	-	-	(5,810)	-
Experience adjustments	(11,303)	-	-	-	(11,303)	-
Included in other comprehensive income:	(10,816)	(7,238)	(585)	(571)	(11,401)	(7,809)
Transferred to other liabilities – accrued employee benefits	<del>(223)</del>				<del>(223)</del>	
<b>Provision for employee benefits at end of year</b>	<u>195,211</u>	<u>215,044</u>	<u>2,245</u>	<u>3,408</u>	<u>197,456</u>	<u>218,521</u>

(Unit: Thousand Baht)

	Separate financial statements					
	Retirement benefits		Long service awards		Total	
	plan		plan			
	2025	2024	2025	2024	2025	2024
<b>Provision for employee benefits at</b>						
<b>beginning of year</b>	98,856	91,213	2,167	2,289	101,023	93,502
Included in profit or loss:						
Current service cost	5,320	5,514	167	185	5,487	5,699
Interest cost	2,163	2,129	50	53	2,213	2,182
Actuarial loss (gain) arising from						
Financial assumptions changes	-	-	96	-	96	-
Demographic assumptions changes	-	-	(22)	-	(22)	-
Experience adjustments	-	-	112	-	112	-
Included in other comprehensive income:						
Actuarial loss (gain) arising from						
Financial assumptions changes	1,342	-	-	-	1,342	-
Demographic assumptions changes	(5,126)	-	-	-	(5,126)	-
Experience adjustments	(10,264)	-	-	-	(10,264)	-
Benefits paid during the year	(5,139)	-	(438)	(360)	(5,577)	(360)
Transferred to other liabilities – accrued employee benefits	(4,523)	-	-	-	(4,523)	-
<b>Provision for employee benefits at</b>						
<b>end of year</b>	<u>82,629</u>	<u>98,856</u>	<u>2,132</u>	<u>2,167</u>	<u>84,761</u>	<u>101,023</u>

The Group expects to pay employee benefits within the next year of approximately Baht 21.7 million (the Company only: Baht 10.1 million) (2024: Baht 19.7 million, the Company only: Baht 6.6 million).

As at December, 31 2025, the weighted average duration of the liabilities for long-term employee benefit is 9 years (Separate financial statements: 9 years) (2024: 7 years, separate financial statements: 7 years).

Significant actuarial assumptions used for the valuation are as follows:

	(Unit: percent per annum)			
	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Discount rate	1.35 – 1.94	2.6	1.61	2.6
Future salary increase rate (depending on age)	4.0	4.5 - 6.0	4.0	4.5 - 6.0

The result of sensitivity analysis for significant assumptions that affect the present value of the employee benefit obligation as at December, 31 2025 and 2024 are summarized below:

	(Unit: Million Baht)			
	As at December, 31 2025			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(12.73)	14.35	(5.16)	5.77
Future salary increase rate	13.16	(11.98)	5.45	(4.98)

	(Unit: Million Baht)			
	As at December, 31 2024			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(13.2)	14.9	(5.8)	6.6
Future salary increase rate	14.2	(12.9)	6.3	(5.7)

## 21. Revaluation surplus

This represents surplus arising from revaluation of land and land improvement and building. The surplus arising from revaluation of land improvement and building is amortised to retained earnings on a straight-line basis over the remaining life of the related assets.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Balance - beginning of year	1,460,365	1,358,081	1,133,820	874,143
Add: Revaluation	-	652,934	-	388,857
Less: Amortisation	(156,947)	(228,226)	(135,068)	(129,180)
Less: Allowance for impairment loss	-	(322,424)	-	-
Balance - end of year	1,303,418	1,460,365	998,752	1,133,820

The revaluation surplus can neither be offset against deficit nor used for dividend payment.

## 22. Statutory reserve

Pursuant to the section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

## 23. Revenue from contracts with customers

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Type of goods or service:</b>				
Sales of goods	2,067,431	2,585,166	755,036	955,536
Service income	35,801	41,061	4,602	2,918
Income from scrap sales	6,171	7,013	283	923
Total revenue from contracts with customers - recognised at a point in time	<u>2,109,403</u>	<u>2,633,240</u>	<u>759,921</u>	<u>959,377</u>

## 24. Other expenses

During the year, the Group has suffered from a lack of financial liquidity and working capital for purchasing raw materials for production as described in Note 1.2. As a result, the Group could not produce at normal capacity. Therefore, in order to present production costs accurately and reasonably, the Group allocated idle fixed overhead costs for the year ended December, 31 2025 of Baht 161 million (2024: Baht 502 million), the Company only: Baht 75 million (2024: Baht 298 million), from production costs and recognised such costs as other expenses in the statement of comprehensive income.

## 25. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Interest expenses on borrowings	578,291	471,906	446,927	421,005
Interest expenses on lease liabilities	(106)	716	91	182
<b>Total</b>	<u>578,185</u>	<u>472,622</u>	<u>447,018</u>	<u>421,187</u>

## 26. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Raw materials and consumables used	1,387,434	1,643,802	410,670	637,256
Decrease in inventories of finished goods and work in progress	17,601	127,467	11,521	31,833
Salaries, wages and other employee benefits	335,472	527,194	176,685	229,460
Depreciation and amortisation expenses	458,724	524,916	311,792	292,832

## 27. Income tax

Income tax for the years ended December, 31 2025 and 2024 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Current income tax:</b>				
Current income tax charge	-	-	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(35,610)	(64,932)	(33,826)	(32,589)
<b>Income tax expenses reported in profit or loss</b>	<u>(35,610)</u>	<u>(64,932)</u>	<u>(33,826)</u>	<u>(32,589)</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended December, 31 2025 and 2024 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Deferred tax on revaluation surplus of machineries	-	163,233	-	97,214
Deferred tax on change in revaluation surplus of assets	-	(80,606)	-	-
	<u>-</u>	<u>82,627</u>	<u>-</u>	<u>97,214</u>

The reconciliation between accounting loss and income tax expenses (revenue) is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
Accounting loss before tax	(1,208,719)	(1,303,639)	(968,003)	(1,513,400)
Applicable tax rate	20%	20%	20%	20%
Accounting loss before tax multiplied by income tax rate	(241,744)	(260,728)	(193,600)	(302,680)
Effects of:				
Promotional privileges (Note 28)	(273)	(288)	-	-
Non-deductible expenses	69,881	50,213	48,535	31,983
Additional expense deductions allowed	(29)	(2,588)	-	(359)
Others	(6)	(1,493)	-	(46)
Total	69,573	45,844	41,912	31,578
Unrecognised tax loss	136,561	149,952	117,862	238,513
<b>Income tax expenses reported in profit or loss</b>	<b>(35,610)</b>	<b>(64,932)</b>	<b>(33,826)</b>	<b>(32,589)</b>

The components of deferred tax assets and liabilities are as follows:

	(Unit: Thousand Baht)			
	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
<b>Deferred tax liabilities</b>				
Revaluation surplus of land, building and machineries	325,855	365,726	249,688	283,248
Lease liabilities	1,901	5,747	115	381
Total	327,756	371,473	249,803	283,629
<b>Deferred tax liabilities - net</b>	<b>(327,756)</b>	<b>(371,473)</b>	<b>(249,803)</b>	<b>(283,629)</b>

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	2025	2024	2025	2024
<b>Statement of financial position</b>				
Deferred tax assets	-	-	-	-
Deferred tax liabilities	(327,755)	(371,473)	(276,356)	(283,629)
<b>Deferred tax liabilities - net</b>	<u>(327,755)</u>	<u>(371,473)</u>	<u>(276,356)</u>	<u>(283,629)</u>

As at December, 31 2025, the Group has unused tax losses totaling Baht 2,540 million (2024: Baht 4,112 million), for which deferred tax assets have not been recognised because the Group believes future taxable profits may not be sufficient to allow utilisation of the unused tax losses.

The unused tax losses amounting to Baht 2,540 million will expire by the year 2030.

## 28. Promotional privileges

28.1 The Company has been granted certain promotional privileges according to the Investment Promotion Act B.E. 2520 as approved by the Board of Investment with significant privileges as follows:

	Certificate No. 58-2173-0-00-1-0	Certificate No. 60-1261-1-05-1-0
1. Promotional privileges for	Manufacturing of compressors for electrical appliances	Manufacturing of compressors and/or motors for electrical appliances
2. The significant privileges are		
2.1 Exemption of corporate income tax on net profit from promotional operation which does not exceed 100 percent of investment, excluding land and working capital for a period of 5 years, commencing as from the date of earning operating income. In case that the Company has loss during the exemption of corporate income tax on net income, it can carry forward loss from operations to offset against income after exemption period, for a period of 5 years commencing as from the expiration of exemption period.	From January, 31 2020 until January, 30 2025	-
2.2 Exemption of corporate income tax on net profit from promotional operation which does not exceed 50 percent of investment for productivity improvement, excluding land and working capital for a period of 3 years, commencing as from the date of earning operating income. In case that the Company has loss during the exemption of corporate income tax on net income, it can carry forward loss from operations to offset against income after exemption period, for a period of 5 years commencing as from the expiration of exemption period.	-	Not yet commenced
2.3 Exemption from import duty on raw materials and essential materials imported for use specifically in producing for export for a period of 1 year as from the date of first import.	Granted	Granted
2.4 Exemption from import duty on imported machinery as approved by the Board.	Granted	Granted
2.5 Dividend paid from those investment promoted operations which are exempted from corporate income tax are in turn exempted from inclusion in the determination of income tax.	Granted	Granted
3. Date of first earning operating income.	January, 31 2020	Not yet commenced

The Company has to comply with certain conditions and restrictions specified under the promotion certificates.

Sales of the Company amounting to approximately Baht 760 million for the year ended 31 December 2025 (2024: Baht 958 million) included revenue from manufacturing and sales derived from promoted operations of approximately Baht 7 million (2024: Baht 362 million).

**28.2** Kulthorn Kirby Foundry Co., Ltd., a subsidiary company, has been granted the privileges for certain specified category of products under the Investments Promotion Act B.E. 2520 as approved by the Board of Investment with significant privileges as follows:

	Certificate No. 2127(2)/2548	Certificate No. 60-0092-1-00-1-0
1. Promotional privileges for	Manufacturing of casting iron parts	Manufacturing of casting iron parts
2. The significant privileges are		
2.1 Exemption of corporate income tax on net earnings for the period of 8 years commencing as from the date of earning operating income. In case that the Company has loss during the exemption of corporate income tax on net income, it can carry forward loss from operations to offset against income after exemption period, for a period of 5 years commencing as from the expiration of exemption period.	From July, 8 2012 until July, 7 2020	-
2.2 Exemption of corporate income tax on net profit from promotional operation which does not exceed 100 percent of investment, excluding land and working capital for a period of 5 years. In case that the Company has loss during the exemption of corporate income tax on net income, it can carry forward loss from operations to offset against income after exemption period, for a period of 5 years commencing as from the expiration of exemption period.	-	From March, 5 2021 until March, 4 2026
2.3 Dividend paid from those investment promoted operations which are exempted from corporate income tax are in turn exempted from inclusion in the determination of income tax.	Granted	Granted
2.4 Exemption from import duty on imported machinery as approved by the Board.	Granted	Granted
3. Date of first earning operating income	July, 8 2012	March, 5 2021

The subsidiary company has to comply with certain conditions and restrictions specified under the promotion certificates.

**28.3** Kulthorn Premier Co., Ltd., a subsidiary company, has been granted promotional privileges under the Investment Promotion Act B.E. 2520, as approved by the Board of Investment for certificate with outstanding significant privileges as follow:

	Certificate No. 2167(2)/2550
1. Promotional privileges for	Manufacturing of compressors for refrigerator
2. The significant privileges are	
2.1 Exemption from import duty on raw materials and essential materials imported for use specifically in producing for export for a period of 5 years commencing as from the date of first importation.	Granted an extension until January, 13 2025
2.2 Exemption from import duty on items imported for re-export, for a period of 5 years commencing from the date of first importation.	Granted
3. Date of first earning operating income	January, 14 2008

The subsidiary company has to comply with certain conditions and restrictions specified under the promotion certificates.

**28.4** Kulthorn Steel Company Limited, a subsidiary company, has been granted certain promotional privileges according to the Investment Promotion Act B.E. 2520 as approved by the Board of Investment with significant privileges as follow:

	Certificate No. 60-0708-1-00-1-0	Certificate No. 3003/จ./2554	Certificate No. 1953/2551
1. Promotional privileges for	Generate electricity from solar rooftop	Manufacturing of formed metal parts for electrical appliances.	Cutting and pasting sheet metal.
2. The significant privileges are			
2.1 Exemption of corporate income tax on net profit from promotional operation which does not exceed 100 percent of investment, excluding land and working capital for a period of 8 years from the date the promoted operations commenced generating revenues. In case that the Company has loss during the exemption of corporate income tax on net income, it can carry forward loss from operations to offset against income after exemption period, for a period of 5 years commencing as from the expiration of exemption period.	From December, 24 2019 until December, 23 2027	-	-
2.2 Dividend paid from those investment promoted operations which are exempted from corporate income tax are in turn exempted from inclusion in the determination of income tax.	Granted	-	-
2.3 Exemption from import duty on imported machinery as approved by the Board, which must be imported within December 27, 2019.	Granted	-	-
2.4 Exemption from import duty on raw materials and essential materials imported for use specifically in producing for export, for a period of 1 year commencing from the date of first importation	-	Granted an extension until December, 27 2025	Granted an extension until September, 11 2025
2.5 Exemption from import duty on items imported for re-export, for a period of 1 year commencing from the date of first importation.	-	Granted an extension until December, 27 2025	Granted an extension until September, 11 2025
3. Date of first earning operating income	December, 24 2019	Not yet commenced	Not yet commenced

The subsidiary company has to comply with certain conditions and restrictions specified under the promotion certificates.

**28.5** Kulthorn Research And Development Company Limited, a subsidiary company, has been granted certain promotional privileges according to the Investment Promotion Act B.E. 2520 as approved by the Board of Investment with significant privileges as follow:

	Certificate No. 61-1362-1-00-2-0
1. Promotional privileges for	Research and development of compressors
2. The significant privileges are	
2.1 Exemption of corporate income tax on net profit from the promoted operation for a period of 8 years commencing as from the date of earning first operating income. In case that the Company has loss during the exemption of corporate income tax on net profit, it can carry forward loss from operations to offset against income after exemption period, for a period of 5 years commencing as from the expiration of exemption period.	From January, 31 2021 until January, 30 2029
2.2 Permission to bring the skilled workers or experts, spouse and a person who is a dependent of the two types of people, into the Kingdom regarding the number and the duration of stay in the Kingdom as considered as appropriate by the Board.	Granted
2.3 Permission the skilled workers or experts to work in specific position as considered as appropriate by the Board, throughout the permission period by the Board.	Granted
2.4 Exemption from import duty on imported machinery as approved by the Board.	Granted Granted
2.5 Exemption from import duty on essential materials imported for use specifically in research and development, for a period of 1 year commencing from the date of first importation.	Granted
2.6 Dividend paid from those investment promoted operations which are exempted from corporate income tax are in turn exempted from inclusion in the determination of income tax.	
3. Date of first earning operating income	January, 31 2021

The subsidiary company has to comply with certain conditions and restrictions specified under the promotion certificates.

## 29. Loss per share

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

The following table sets forth the computation of basic loss per share:

	Loss for the year		Weighted average number of ordinary shares		Loss per share	
	<u>2025</u> (Thousand Baht)	<u>2024</u> (Thousand Baht)	<u>2025</u> (Thousand shares)	<u>2024</u> (Thousand shares)	<u>2025</u> (Baht)	<u>2024</u> (Baht)
<u>Consolidated financial statements</u>						
<b>Basic loss per share</b>						
Loss attributable to equity holders of the Company	(1,173,109)	(1,238,707)	1,500,000	1,500,000	(0.78)	(0.83)
<u>Separate financial statements</u>						
<b>Basic loss per share</b>						
Loss attributable to equity holders of the Company	(934,177)	(1,480,810)	1,500,000	1,500,000	(0.62)	(0.99)

## 30. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group is organised into business units based on their products and services and have four reportable segments as follows:

1. Compressors and parts
2. Enameled wire
3. Steel sheet
4. Steel coil center

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue, profit (loss) and total assets information regarding the Group's operating segments for the years ended December, 31 2025 and 2024:

(Unit: Thousand Baht)

<b>For the year ended December, 31 2025</b>	Compressors and parts	Enameled wire	Steel sheet	Steel coil center	Others	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	956,733	438,197	312,885	401,569	19	2,109,403	-	2,109,404
Inter-segment revenue	106,946	36,946	97,729	65,951	195	307,767	(307,767)	-
Rental Income								6,653
Gain on exchange rate								15,414
Other income								10,976
Total income								2,142,448
Cost of sales and services								(2,307,401)
Selling and distribution expenses								(42,184)
Administrative expenses								(262,609)
Other expenses								(160,760)
Loss from a joint venture								(123)
Total expense								(2,773,078)
<b>Loss from operations</b>								<b>(630,630)</b>

(Unit: Thousand Baht)

	Compressors and parts	Enameled wire	Steel sheet	Steel coil center	Others	Total reportable segments	Adjustments and eliminations	Consolidated
<b>For the year ended 31 December 2024</b>								
Revenue from external customers	1,153,641	612,797	382,492	484,310	-	2,633,240	-	2,633,240
Inter-segment revenue	95,460	44,119	146,572	65,256	239	351,646	(351,646)	-
Rental Income								16,613
Gain on exchange rate								812
Other income								20,157
Total income								2,670,882
Cost of sales and services								(2,507,936)
Selling and distribution expenses								(49,331)
Administrative expenses								(371,287)
Other expenses								(501,639)
Loss on impairment of Assets								(71,719)
Total expense								(3,501,913)
<b>Loss from operations</b>								<b>(831,090)</b>

### Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Thousand Baht)	
	<u>2025</u>	<u>2024</u>
Revenue from external customers		
Thailand	1,348,716	1,799,032
Hong Kong	478,117	530,322
China	71	6,478
Indonesia	1,329	788
Saudi Arabia	12,338	20,478
Others	268,832	276,142
Total	<u>2,109,403</u>	<u>2,633,240</u>
Non-current assets (other than financial instruments and deferred tax assets)		
Thailand	<u>3,361,910</u>	<u>3,711,452</u>
Total	<u>3,361,910</u>	<u>3,711,452</u>

### Major customers

For the year 2025, the Group has revenue from two major customers amounting to approximately Baht 468 million and Baht 126 million, arising from the compressors and parts segment, enameled wire segment and steel coil center segment (2024: Baht 528 million and Baht 166 million, arising from the compressors and parts segment, enameled wire segment and steel coil center segment).

### **31. Provident fund**

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contribute to the fund monthly at the rate of 3 - 7 percent of basic salary. The fund, which is managed by Local Asset Management Company, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2025 of the Group amounting to approximately Baht 6.29 million (2024: Baht 10.1 million) the Company only: Baht 1.63 million (2024: Baht 3.5 million) were recognised as expenses.

## 32. Commitment and contingent liabilities

### 32.1 Capital commitments

As at December, 31 2025, the Group has capital commitments of approximately Baht 4.8 million (2024: Baht 4.6 million) (the Company only: Baht 4.2 million, 2024: Baht 4.1 million), relating to the construction of factory building and installation of machinery.

### 33.2 Long-term service commitments

- a) As at December, 31 2025 and 2024, the Group has commitments relating to service agreements payable in the future as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<u>Payable:</u>				
In up to 1 year	11.4	9.5	-	-
In over 1 and up to 2 years	5.4	-	4.2	-

- b) The Group has commitments related to sales commissions payable to sale agents at the rate stipulated in the agreements or rate agreed between parties.

### 32.3 Guarantees

	(Unit: Million Baht)			
	Consolidated		Separate	financial
	financial statements		statements	
	<u>2568</u>	<u>2567</u>	<u>2568</u>	<u>2567</u>
Electricity usage guarantee deposit	14	33	1.6	7
Guarantee for import duty on natural gas purchases and others	3.7	10	3.7	9.7

### 33. Fair values hierarchy

As at December, 31 2025 and 2024, the Group had the assets that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Million Baht)

	As at 31 December 2025	
	Consolidated	Separated
	financial statements	financial statements
	Level 2	Level 2
<b>Assets measured at fair value</b>		
Land	1,366	1,086
Land improvement and buildings	704	451
Machineries	981	507

(Unit: Million Baht)

	As at 31 December 2024	
	Consolidated	Separated
	financial statements	financial statements
	Level 2	Level 2
<b>Assets measured at fair value</b>		
Land	1,366	1,086
Land improvement and buildings	794	512
Machineries	1,293	809

### 34. Financial instruments

#### 34.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other current receivables, loans to related party, trade and other current payables, short-term loans and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

#### Credit risk

The Group is exposed to credit risk primarily with respect to trade and other current receivables, loans to related party and deposits with banks. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

### **Trade receivables**

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions. In addition, the Group does not have high concentrations of credit risk since it has a large customer base.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type and rating, and coverage by letters of credit and other forms of credit insurance. Letters of credit and other forms of credit insurance are considered an integral part of trade receivables and taken into account in the calculation of impairment. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and not subject to enforcement activity.

### **Financial instruments and cash deposits**

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

### **Market risk**

There are 3 types of market risk comprising interest rate risk, foreign currency risk and commodity price risk. The Group enters into a foreign exchange forward contracts to hedge the foreign currency risk arising on the export or import of goods.

### **Foreign currency risk**

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at December, 31 2025 and 2024, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	As at December, 31 2025					
	Consolidated financial statements		Separate financial statements		Exchange rate	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities	Buying	Selling
	(Million)	(Million)	(Million)	(Million)	(Baht per one foreign currency unit)	
US dollar	-	2.7	-	2.2	31.4215	31.7436
Japanese yen	-	5.9	-	4.2	0.1991	0.2052
CNY	-	0.3	-	0.3	4.4637	4.5610

  

Foreign currency	As at December, 31 2024					
	Consolidated financial statements		Separate financial statements		Exchange rate	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities	Buying	Selling
	(Million)	(Million)	(Million)	(Million)	(Baht per one foreign currency unit)	
US dollar	-	1	-	1	33.8296	34.1461
Japanese yen	-	8	-	4	0.2121	0.2188
CNY	-	0.5	-	0.5	4.5996	4.7130

### Foreign currency sensitivity

The Group has no material impact on profit before income tax arising from fluctuations in foreign exchange rates in line with market movements.

### **Interest rate risk**

The Group's exposure to interest rate risk relates primarily to its long-term loans from financial institutions. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

As at December, 31 2025 and 2024, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

## Consolidated financial statements as at December, 31 2025

	Fixed interest rates		Floating		Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years	Interest rate	Non-interest bearing		
<u>Financial assets</u>						
Cash and cash equivalents	-	-	54	13	67	0.3 – 0.5
Trade and other current receivables	-	-	-	222	222	-
	-	-	54	249	289	
<u>Financial liabilities</u>						
Bank overdrafts and short-term loans from financial institutions						
	3,384	-	141	-	3,525	6.44 – 15.00
Trade and other current payables	-	-	-	1,539	1,539	
Short-term loans from major shareholder	266	-	-	-	266	1.50 , MLR
Lease liabilities	2	-	-	-	8	6.85
Long-term loans	10	3	1,074	-	1,087	Average MLR-1.5%, MRR-3.45%, 6.27
	3,662	9	1,215	1,539	6,425	

(Unit: Million Baht)

## Consolidated financial statements as at December, 31 2024

	Fixed interest rates		Floating		Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years	Interest rate	Non-interest bearing		
<b>Financial assets</b>						
Cash and cash equivalents	-	-	19	28	47	0.40
Trade and other current receivables	-	-	-	262	262	-
	-	-	19	290	309	
<b>Financial liabilities</b>						
Bank overdrafts and short-term loans from financial institutions						
	3,347	-	201	-	3,548	5.65 - 18.00
Trade and other current payables	-	-	-	899	899	
Short-term loans from major shareholder	182	-	-	-	182	1.50
Lease liabilities	3	1	-	-	4	3.36 - 6.85
Long-term loans	10	35	1,052	-	1,097	Average MLR-1.5%, MRR-3.45%, 6.27
	3,542	36	1,253	899	5,730	

(Unit: Million Baht)

## Separate financial statements as at December 31, 2025

	Fixed interest rates		Floating		Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years	Interest rate	Non-interest bearing		
<b>Financial assets</b>						
Cash and cash equivalents	-	-	-	2	2	-
Trade and other current receivables	-	-	-	8	8	-
	-	-	-	10	10	
<b>Financial liabilities</b>						
Bank overdrafts and short-term loans from financial institutions						
	2,150	-	-	-	2,150	6.94 - 7.00
Trade and other current payables	-	-	-	1,860	1,860	-
Short-term loans from related parties	779	-	-	-	779	-
Short-term loans from major shareholder	200	-	66	-	266	1.50 , MLR
Lease liabilities	2	-	-	-	2	6.85
Long-term loans	-	-	1,052	-	1,052	Average MLR – 1.5%
	3,129	-	1,118	1,860	6,107	

(Unit: Million Baht)

## Separate financial statements as at December, 31 2024

	Fixed interest rates		Floating		Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years	Interest rate	Non-interest bearing		
<b>Financial assets</b>						
Cash and cash equivalents	-	-	-	1	1	-
Trade and other current receivables	-	-	-	31	31	-
	-	-	-	32	32	-
<b>Financial liabilities</b>						
Bank overdrafts and short-term						
loans from financial institutions	2,107	-	41	-	2,148	5.65 - 18.00
Trade and other current payables	-	-	-	1,349	1,349	-
Short-term loans from related parties	777	-	-	-	777	7.59 - 7.80
Short-term loans from major shareholder	182	-	-	-	182	1.50
Lease liabilities	1	1	-	-	2	6.85
Long-term loans	-	-	1,052	-	1,052	Average MLR - 1.5%
	3,067	1	1,093	1,349	5,510	

*Interest rate sensitivity analysis*

The Group has no material impact on profit before income tax arising from fluctuations in interest rates in line with market movements.

**Commodity price risk**

The Group is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase and manufacture of electronic parts and therefore require a continuous supply of copper. The Group is exposed to changes in the price of copper on its forecast copper purchases.

**Liquidity risk**

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts, bank loans and lease contracts. Approximately 98.80 % of the Group's debt will mature in less than one year at December, 31 2025 (2024: 99.1%) (the Company only: 99.99% (2024: 99.9%)) based on the carrying value of borrowings reflected in the financial statements.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at December, 31 2025 and 2024 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

Consolidated financial statements			
As at December, 31 2025			
	Less than 1 year	1 to 5 years	Total
<b>Non-derivatives</b>			
Bank overdraft and short-term loans from financial institutions	3,550,562	-	3,550,562
Trade and other current payables	1,539,284	-	1,539,284
Short-term loans from major shareholder	266,000	-	266,000
Lease liabilities	1,850	5,992	7,842
Long-term loans	1,084,096	3,380	1,087,476
<b>Total non-derivatives</b>	<b>6,441,792</b>	<b>9,372</b>	<b>6,451,164</b>

(Unit: Thousand Baht)

Consolidated financial statements			
As at December, 31 2024			
	Less than 1 year	1 to 5 years	Total
<b>Non-derivatives</b>			
Bank overdraft and short-term loans from financial institutions	3,547,872	-	3,547,872
Trade and other current payables	898,522	-	898,522
Short-term loans from major shareholder	182,000	-	182,000
Lease liabilities	3,550	1,033	4,583
Long-term loans	1,061,559	35,476	1,097,035
<b>Total non-derivatives</b>	<b>5,693,503</b>	<b>36,509</b>	<b>5,730,012</b>

(Unit: Thousand Baht)

Separate financial statements			
As at December, 31 2025			
	Less than 1 year	1 to 5 years	Total
<b>Non-derivatives</b>			
Bank overdraft and short-term loans from financial institutions	2,150,078	-	2,150,078
Trade and other current payables	1,860,254	-	1,860,254
Short-term loans from related parties	779,237	-	779,237
Short-term loans from major shareholder	266,000	-	266,000
Lease liabilities	1,894	39	1,933
Long-term loans	1,051,717	-	1,051,717
<b>Total non-derivatives</b>	<b>6,109,180</b>	<b>39</b>	<b>6,109,219</b>

(Unit: Thousand Baht)

	Separate financial statements		
	As at December, 31 2024		
	Less than 1 year	1 to 5 years	Total
<b>Non-derivatives</b>			
Bank overdraft and short-term loans from financial institutions	2,148,237	-	2,148,237
Trade and other current payables	1,349,426	-	1,349,426
Short-term loans from related parties	777,237	-	777,237
Short-term loans from major shareholder	182,000	-	182,000
Lease liabilities	1,422	617	2,039
Long-term loans	1,051,717	-	1,051,717
<b>Total non-derivatives</b>	<b>5,510,039</b>	<b>617</b>	<b>5,510,656</b>

#### 34.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

The methods and assumptions used by the Grouping estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, accounts receivable and short-term loans to related parties, accounts payable and short-term loans from banks, the carrying amounts in the statement of financial position approximate their fair value.
- The carrying amounts of long-term loans carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.
- The fair value of derivatives has been determined using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies, interest rate yield curves and commodity price yield curves. The Group considers counterparty credit risk when determining the fair value of derivatives.

During the current year, there were no transfers within the fair value hierarchy.

#### 35. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate financial structure and preserves the ability to continue its business as a going concern.

No changes were made in the objectives, policies or processes during the years ended December, 31 2025 and 2024.

## **36. Litigations**

36.1 On July, 3 2025, a company, as a creditor in the Company's business rehabilitation proceedings, filed a claim for utility expenses totaling THB 390.58 million with the Official Receiver (including a claim of THB 388.78 million relating to electricity consumption below the minimum quantity specified in the agreement), which had not been recognized as a liability by the Company. On July, 18 2025, the Company filed an objection against such claim and requested the Official Receiver to dismiss the claim specifically in relation to the electricity charges arising from consumption below the minimum quantity stipulated in the agreement. The matter is currently pending the order of the Official Receiver. The Company has not recorded such liability as management considered that the said company was not entitled to claim repayment for the shortfall in electricity usage below the minimum contracted quantity because the minimum electricity consumption condition stipulated in the power purchase agreement had already been cancelled and the claim had also become barred by prescription.

Subsequently, on January, 8 2026, the Official Receiver issued an order allowing the said company to receive repayment in the business rehabilitation proceedings in respect of utility expenses in the amount of THB 227.42 million, together with interest at the rate of 8% per annum on the principal amount of THB 217.37 million, calculated from the day following the date on which the Court issued the rehabilitation order until full settlement of the debt. Thereafter, on January, 30 2026, the Company filed an objection against the Official Receiver's order dated January, 8 2026 as a related case with the Central Bankruptcy Court.

On April, 28 2026, the Central Bankruptcy Court considered the order dated April, 1 2026 revoking the Company's business rehabilitation proceedings and held that, since the Company was no longer under the business rehabilitation process, there was no necessity to further consider the objection against the Official Receiver's order. Accordingly, the Court ordered the case to be struck out from the Court's docket.

36.2 On May, 20 2026, the Central Labor Court ordered the Company to attend a hearing to determine the disputed issues concerning severance pay liabilities of Baht 0.4 million.

## **37. Events after the reporting period**

### **37.1 Termination of the Company's business rehabilitation proceedings**

On April, 1 2026, the Central Bankruptcy Court considered the Company's business rehabilitation plan in accordance with the report of the creditors' meeting prepared by the Official Receiver and concluded that the creditors' meeting had resolved not to approve the business rehabilitation plan and the amended business rehabilitation plan. Accordingly, the Central Bankruptcy Court issued an order revoking the Company's business rehabilitation order. Subsequently, the Official Receiver published the revocation order in the Royal Gazette on 1 May 2026, as disclosed in Note 1.2 Basis of Accounting Assumption

### **37.2 Demands for Repayment and Mortgage Enforcement Notices**

Following the Central Bankruptcy Court's order revoking the business rehabilitation order of the Company, such order resulted in the termination of the Automatic Stay. Consequently, both creditors who had filed claims and those who had not filed claims (during the period in which the Court had granted the Company's business rehabilitation) are entitled to pursue their original claims by initiating civil proceedings against the Company's assets, issuing mortgage enforcement notices, and/or filing petitions with the Court to declare the Company bankrupt in the normal course, as previously disclosed in Note 1.2 Basis of Accounting Assumptions.

As a result, the Company has gradually received demands for repayment and mortgage enforcement notices, as further described in Notes 16 and 18 to the financial statements.

### **38. Approval of financial statements**

These financial statements were authorised for issue by the Company's authorised directors on May, 26 2026.