

RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED

INTERIM FINANCIAL INFORMATION

MARCH 31, 2022



**SP AUDIT CO.,LTD.**

**บริษัท เอส พี ออดิท จำกัด**

503/31, 18(A) Floor, KSL Tower, Si Ayutthaya Road, Ratchathewi, Bangkok 10400 T: +66 2 642-6172-4 F: +66 2 642-6253

503/31 ชั้น 18(เอ) อาคาร เค.เอส.แอล. ทาวเวอร์ ถนนศรีอยุธยา แขวงถนนพญาไท เขตราชเทวี กรุงเทพมหานคร 10400 โทร. +66 2 642-6172-4 แฟกซ์. +66 2 642-6253

**AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION**

To the Shareholders of Rayong Wire Industries Public Company Limited

I have reviewed statements of financial position as at March 31, 2022 and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, and the condensed notes to financial statements of Rayong Wire Industries Public Company Limited. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

**Scope of Review**

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

**Conclusion**

Based on my reviews, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 "Interim Financial Reporting".

SP Audit Company Limited

(Miss Susan Eiamvanicha)

Certified Public Accountant (Thailand) No. 4306

Bangkok

May 13, 2022.

## RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED

## STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2022

(Unit : Baht)

	Notes	March 31, 2022	December 31, 2021
		Unaudited	Audited
<u>ASSETS</u>			
Current Assets			
Cash and cash equivalents		543,415,619.35	463,211,409.12
Other current receivables - related parties	4.1	185,193.15	185,193.15
Trade and other current receivables - third parties	5	319,410,819.78	274,542,121.75
Short-term loan to related parties	4.1	44,299,127.48	44,207,445.17
Inventories	6	177,795,632.62	200,994,352.15
Other current financial assets	7	280,000,808.35	284,833,767.74
Total Current Assets		1,365,107,200.73	1,267,974,289.08
Non-Current Assets			
Deposits at banks pledged as collateral	8	173,900,000.00	173,900,000.00
Building and equipment	9	189,192,888.58	187,877,127.95
Right-of-use assets	10	128,099,505.00	129,980,394.61
Intangible assets		84,212.25	89,029.54
Deferred tax assets	11	3,150,274.66	2,861,396.81
Other non-current assets		1,441,585.48	1,441,585.48
Total Non-Current Assets		495,868,465.97	496,149,534.39
Total Assets		1,860,975,666.70	1,764,123,823.47

Notes to financial statements are an integral part of these financial statements.

**RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2022**

(Unit : Baht)

	Notes	March 31, 2022	December 31, 2021
		Unaudited	Audited
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current Liabilities</b>			
Short-term loans from financial institutions	12	227,837,587.82	187,959,390.95
Other current payables - related parties	4.1	321,261.56	320,555.36
Trade and other current payables - third parties	13	51,890,293.55	47,989,190.92
Current portion of lease liabilities	14	3,121,059.29	3,079,794.27
<b>Total Current Liabilities</b>		<b>283,170,202.22</b>	<b>239,348,931.50</b>
<b>Non-Current Liabilities</b>			
Lease liabilities	14	133,299,164.51	131,747,205.55
Employee benefit obligation	15	19,706,201.96	19,261,013.88
Provision for decommissioning costs of building		1,516,721.89	1,509,931.97
<b>Total Non-Current Liabilities</b>		<b>154,522,088.36</b>	<b>152,518,151.40</b>
<b>Total Liabilities</b>		<b>437,692,290.58</b>	<b>391,867,082.90</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	16		
Authorized share capital			
954,516,593 ordinary shares, at par value of Baht 0.50		477,258,296.50	477,258,296.50
Paid-up share capital			
915,276,230 ordinary shares, at par Value of Baht 0.50		457,638,115.00	-
637,455,186 ordinary shares, at par Value of Baht 0.50		-	318,727,593.00
Premium on share capital		474,289,918.57	196,468,874.57
Share subscription received awaiting registration		-	363,551,905.00
Premium on treasury stock		19,421,120.48	19,421,120.48
Retained earnings			
Appropriated			
Legal reserve		47,727,500.00	47,727,500.00
Unappropriated		424,206,722.07	426,359,747.52
<b>Total shareholders' equity</b>		<b>1,423,283,376.12</b>	<b>1,372,256,740.57</b>
<b>Total Liabilities and Shareholder's Equity</b>		<b>1,860,975,666.70</b>	<b>1,764,123,823.47</b>

Notes to financial statements are an integral part of these financial statements.

**RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022**

(Unit : Baht)

	Notes	2022	2021
<b>Revenues</b>			
Revenue from sales		288,828,811.47	218,514,938.37
Other income		7,296,421.07	1,167,525.80
Gain from measurement of financial assets		-	129,813,272.00
Gain on exchange rate		-	39,539.74
<b>Total Revenues</b>		<b>296,125,232.54</b>	<b>349,535,275.91</b>
<b>Expenses</b>			
Cost of sales of goods		269,391,430.51	180,546,978.27
Cost of distribution		7,341,952.48	6,657,310.76
Administrative expenses		8,013,802.73	6,092,585.29
Loss from measurement of financial assets		10,372,458.73	-
Finance costs		3,447,491.39	2,893,261.80
<b>Total Expenses</b>		<b>298,567,135.84</b>	<b>196,190,136.12</b>
Profit (loss) before income (expense) tax expenses		(2,441,903.30)	153,345,139.79
Income tax income (expense)	17	288,877.85	(26,136,399.90)
Profit (loss) for the period		(2,153,025.45)	127,208,739.89
Other comprehensive income loss for the period		-	-
<b>Total comprehensive income (loss) for the period</b>		<b>(2,153,025.45)</b>	<b>127,208,739.89</b>
<b>Earnings (loss) per share</b>			
Basic earnings (loss) per share	18	(0.002)	0.21
Diluted earnings (loss) per share	18	(0.002)	0.20
Weighted average of ordinary shares (unit : share)		914,595,607	610,728,786
Weighted average of ordinary shares for diluted earnings per share (unit : share)		914,595,607	622,965,379

**Unaudited**

**RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022**

(Unit : Baht)

Notes	Paid-up share capital	Premium on share capital	Premium on treasury stock	Share subscription		Retained earnings			Treasury stock	Total
				received awaiting registration	Legal reserve	Appropriated		Unappropriated		
						Treasury stock reserve	Treasury stock			
Balance as at January 1, 2022	318,727,593.00	196,468,874.57	19,421,120.48	363,551,905.00	47,727,500.00	-	426,359,747.52	-	1,372,256,740.57	
Changes in equity for the period										
Exercised warrants	138,910,522.00	277,821,044.00	-	-	-	-	-	-	416,731,566.00	
Transfer share subscription received awaiting registration	-	-	-	(363,551,905.00)	-	-	-	-	(363,551,905.00)	
Comprehensive loss for the period	-	-	-	-	-	-	(2,153,025.45)	-	(2,153,025.45)	
Balance as at March 31, 2022	457,638,115.00	474,289,918.57	19,421,120.48	-	47,727,500.00	-	424,206,722.07	-	1,423,283,376.12	
Balance as at January 1, 2021	318,182,593.00	195,378,874.57	-	-	47,727,500.00	34,543,922.16	211,899,811.79	(34,543,922.16)	773,188,779.36	
Changes in equity for the period										
Comprehensive income for the period	-	-	-	-	-	-	127,208,739.89	-	127,208,739.89	
Balance as at March 31, 2021	318,182,593.00	195,378,874.57	-	-	47,727,500.00	34,543,922.16	339,108,551.68	(34,543,922.16)	900,397,519.25	

Unaudited

**RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED**  
**STATEMENTS OF CASH FLOW**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022**

	Notes	2022	2021
<b>(Unit : Baht)</b>			
Cash Flow From Operating activities			
Profit (loss) before income (expense) tax expense		(2,441,903.30)	153,345,139.79
Adjustments to reconcile profit (loss) before income (expense) tax expenses for cash received (used)			
from operations			
Depreciation		7,155,093.21	6,666,494.19
Amortization		4,817.29	12,821.87
Loss from allowance for expected credit loss (reversal)		346,312.43	(3,465,137.67)
Loss from measurement of short-term loan to related parties		29,428.79	20,942.88
Reversal loss from diminution in the value of inventories		(122,789.88)	(859,049.76)
(Gain) loss from measurement of financial assets		10,372,458.73	(129,813,272.00)
Gain on disposal of assets		(3,448,942.59)	-
Provisions for employee benefits		445,188.08	437,003.62
Transfer assets to cost		-	31,907.85
Interest income		(823,651.03)	(712,816.62)
Interest expenses		3,447,491.39	2,893,261.80
Gain from operation before changes in operating assets and liabilities		14,963,503.12	28,557,295.95
Operating assets (increase) decrease			
Trade and other current receivables - related parties		-	40,099.06
Trade and other current receivables - third parties		(44,978,105.04)	(51,430,632.23)
Inventories		23,321,509.41	(22,701,706.69)
Other non - current assets		-	82,904.57
Operating liabilities increase (decrease)			
Other current payables - related parties		706.20	8,000.00
Trade and other current payables - third parties		3,052,186.05	13,932,377.96
Cash generated from operating activities		(3,640,200.26)	(31,511,661.38)
Cash received from interest		592,197.86	759,318.07
Cash paid for income tax		(38,075.27)	(93,273.17)
Net cash used in operating activities		(3,086,077.67)	(30,845,616.48)

**Unaudited**

**RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED**  
**STATEMENTS OF CASH FLOW**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022**

	Notes	2022	2021
<b>(Unit : Baht)</b>			
<b>Cash Flow From Investing Activities</b>			
Decrease in short-term loans to related party		-	
(Increase) decrease in other current financial assets		(50,334.11)	228,107.36
Decrease in deposits at bank pledged as collateral		-	30,000,000.00
Cash paid for other current financial assets		(15,707,895.53)	-
Cash received from disposal of other current financial assets		10,218,730.30	-
Cash received from disposal of assets		3,449,080.60	-
Cash paid for purchase of assets and assets payable		(5,900,093.18)	(294,680.95)
Net cash provided by (used in) investing activities		<u>(7,990,511.92)</u>	<u>29,933,426.41</u>
<b>Cash Flow From Financing Activities</b>			
Increase (decrease) in short-term loans from financial institutions		39,878,196.87	(24,417,678.55)
Cash paid for lease liabilities		(161,265.72)	(367,473.08)
Cash paid for interest expense on lease liabilities		(20,234.28)	(3,761.92)
Cash paid for interest expenses		(1,595,558.05)	(552,940.27)
Cash received from exercised warrants		53,179,661.00	-
Net cash provided by (used in) financing activities		<u>91,280,799.82</u>	<u>(25,341,853.82)</u>
Net Increase (Decrease) in Cash and Cash Equivalent		<u>80,204,210.23</u>	<u>(26,254,043.89)</u>
Cash and Cash Equivalent at the Beginning of the period		<u>463,211,409.12</u>	<u>126,384,116.17</u>
Cash and Cash Equivalent at the End of the period	19.1	<u><u>543,415,619.35</u></u>	<u><u>100,130,072.28</u></u>

**Unaudited**

**RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED**  
**CONDENSED NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2022 (UNAUDITED)**

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1. General information

Rayong Wire Industries Public Company Limited (“the Company”) is a public limited company and incorporated in Thailand. The Company is listed on the Market for Alternative Investment (MAI). The address of the Company’s registered office is Maptaphut Industrial Estate, No.5, I-5 Road, Maptaphut, Muang, Rayong.

The principal activities of the Company involve the manufacturing and distributing prestressed concrete wire, prestressed concrete strand wire and welding wire.

2. Basis of preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543 (or 2000), being those Thai Accounting Standards issued under the Account Profession Act B.E. 2547 (or 2004), and the financial reporting requirements of Capital Market Supervisory Board. The primary financial statements (i.e. statements of financial position, statements of comprehensive income, statements of changes in equity and statements of cash flows) are prepared in the full format as required by Capital Market Supervisory Board. The notes to the financial statements are prepared in a condensed format according to Thai Accounting Standard 34, “Interim Financial Reporting” and additional notes are presented as required by Capital Market Supervisory Board under the Securities and Exchange Act B.E. 2535 (or 1992).

The interim financial statements are prepared to provide an update on the financial statements for the year ended December 31, 2021. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2021.

The interim financial statements issued for Thai report purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The Federation of Accounting Profession (TFAC) has revised some following financial reporting standards to apply to the financial statements having an accounting period beginning on or after January 1, 2022.

TFRS No. 1 First-time Adoption of International Financial Reporting Standards

TFRS No. 4 Insurance Contracts

TFRS No. 6 Exploration for and Evaluation of Mineral Resources

TFRS No. 7 Financial Instruments: Disclosures

TFRS No. 9 Financial Instruments

TFRS No. 16 Leases

The Company has adopted such financial reporting standards to the financial statements on the current period. The management believes that they don't have any significant impact on the financial statements for the current period.

### 3. Accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2021.

Costs that incur unevenly during the financial year are anticipated or deferred in the interim report only if it would be also appropriate to anticipate or defer such costs at the end of the financial year.

### 4. Related party transactions

Capital Engineering Network Public Company Limited is a major shareholder, holding 51.46% (December 31, 2021: 52.40%) of the share capital of the Company. The principal shareholder of Capital Engineering Network Public Company Limited is Leenabanchong family. Transactions related to companies in which the Leenabanchong family is the principal shareholders or directors are recognized as related parties to the Company.

The transactions with related parties for the three-month period ended March 31, 2022 and 2021 are as follows:-

#### 4.1 Inter-assets and liabilities

	(Unit : Baht)	
	As at	
	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Accrued interest incomes		
Related company	185,193.15	185,193.15
Short-term loans to related parties		
Related company		
Opening balance	44,207,445.17	44,113,557.71
Additional in during the period	121,111.10	557,304.99
Repayment in during the period	(29,428.79)	(463,417.53)
Ending balance	<u>44,299,127.48</u>	<u>44,207,445.17</u>
Other current financial assets		
Investments in instruments		
Related company	264,753,139.98	284,336,433.48
Other non-current assets		
Deposit		
Parent company	535.00	535.00
Other current payables		
Accrued expenses		
Parent company	321,261.56	320,555.36
Lease liabilities		
Parent company		
Opening net book value	1,476,656.09	356,238.08
Additions during the period	-	1,946,952.18
Repayment during the period	(161,265.72)	(826,534.17)
Ending lease liabilities balance	<u>1,315,390.37</u>	<u>1,476,656.09</u>

(Unaudited)

The maturity analysis of lease liabilities is as follows:-

(Unit : Baht)

	As at					
	March 31, 2022			December 31, 2021		
	Lease <u>liabilities</u>	Deferred finance <u>lease charges</u>	Net	Lease <u>liabilities</u>	Deferred finance <u>lease charges</u>	Net
Not later than 1 year	726,000.00	(57,566.81)	668,433.19	762,000.00	(66,981.71)	659,018.29
Later than 1 year but not later than 5 years	665,500.00	(18,542.82)	646,957.18	847,000.00	(29,362.20)	817,637.80
<b>Total</b>	<b>1,391,500.00</b>	<b>(76,109.63)</b>	<b>1,315,390.37</b>	<b>1,609,000.00</b>	<b>(96,343.91)</b>	<b>1,476,656.09</b>

As at March 31, 2022, the Company has entered into the parent company so as to lease office space area by number of 1 contract. The leased contracts determine leased fee repayment as monthly installment from Baht 60,500.00 per month (December 31, 2021: Baht 60,500.00 per month). The leased the period 2 year and 11 months.

As at March 31, 2022, short-term loans to related parties in the form of promissory notes with maturities of 6 month and 1 year (December 31, 2021: 4 month, 6 month and 1 year) and interest are carried by the rate of 4.90 per annum.

#### 4.2 Inter-revenues and expenses

(Unit : Baht)

	For the three-month period ended March 31,	
	<u>2022</u>	<u>2021</u>
Revenue from sale of goods		
Related company	-	667,990.50
Interest income		
Related company	658,768.63	701,752.72
Service fee		
Parent company	250,800.00	596,062.50
Internal audit fee		
Parent company	180,000.00	180,000.00
Fee		
Parent company	347,180.66	-

(Unaudited)

4.3 Management benefit expense

	(Unit : Baht)	
	For the three-month period ended March 31,	
	<u>2022</u>	<u>2021</u>
Short-term employee benefits	577,346.92	2,190,356.05
Post-employment benefits	23,286.52	36,597.79
	600,633.44	2,226,953.84

4.4 Pricing policies

<u>Trading transactions</u>	<u>Policy of pricing</u>
Revenue from sales	Cost plus profit margin or Market price at that time
Internal audit fee and other expenses	The amount has been approved by the Company's directors
Fee	2.00% per annum of mortgage value
Dividend paid	The amount has been approved by the ordinary general meeting of shareholders
Director and management compensation represent salary, meeting allowance, per-diem and bonus	The amount has been approved by the Company's directors and/or shareholders meeting
Interest income	4.90% per annum of loan balance

4.5 Nature of relationship

<u>Name</u>	<u>Relationship</u>
Capital Engineering Network Public Co., Ltd.	Parent company and some common directors
Sky Tower Public Co., Ltd.	Related company through same major shareholder
Enesol Co., Ltd.	Related company through same major shareholder
Pipe Line Engineering Co., Ltd.	Related company through same major shareholder
Evergreen Biomass Co., Ltd.	Related company through same major shareholder
EMC Public Co., Ltd.	Related company through same major shareholder
WJC Enterprise Co., Ltd.	Related company through same major shareholder
Paradise Green Energy Co., Ltd.	Related company through same ultimate parent company
Ultra Asia Co., Ltd.	Related company through same ultimate parent company
UWCC (Cambodia) Co., Ltd.	Related company through same ultimate parent company
Ultra Asia Singapore Co., Ltd.	Related company through same ultimate parent company
Ultra Network Pte.Ltd.	Related company through same ultimate parent company
Ultra Asia Investment Pte.Ltd.	Related company through same ultimate parent company
Sky Towers Infra Inc.	Related company through same ultimate parent company
Dimet (Siam) Public Co., Ltd.**	Related company
Panova Co., Ltd.*	Related company
Saraburi Energy System 2 Co., Ltd.***	Related company

(Unaudited)

<u>Name</u>	<u>Relationship</u>
Interglob Investment Co., Ltd.	Related company
Sunflowergreen Co., Ltd.	Related company
Key Management Personnel	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the Company (whether executive or otherwise)

\* This is a related party until June 29, 2021 as the Group has already sold its investment in such company.

\*\* This is a related party until September 7, 2021 as the Group has already sold its investment in such company and resigned from being the directors.

\*\*\* This is a related party until December 8, 2021 as the Group has already sold its investment in such company.

#### 4.6 Commitments with related parties

As at March 31, 2022, the Company has performed the service agreement with Capital Engineering Network Public Co., Ltd., while there is the period 2 year and 11 months, can be renewed. The Company comprises obligation repay service fee in amount of Baht 84,040.00-84,700.00 per month (December 31, 2021: Baht 83,380.00-84,700.00 per month).

#### 5. Trade and other current receivable – third parties

Consisted of:-

	(Unit : Baht)	
	As at	
	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Trade receivables	323,762,484.61	280,102,187.88
<u>Less Allowance for expected credit loss</u>	<u>(7,671,108.22)</u>	<u>(7,324,795.79)</u>
Total trade receivables	316,091,376.39	272,777,392.09
Other receivables	750,637.19	444,657.24
Receivables -Revenue Department	1,554,120.95	-
Advance payment for goods	343,112.00	925,579.41
Prepaid expenses	389,087.18	222,349.01
Accrued interest incomes	282,486.07	172,144.00
Total trade and other current receivables	<u>319,410,819.78</u>	<u>274,542,121.75</u>

(Unaudited)

Outstanding trade receivable – third parties can be aged as follows:-

(Unit : Baht)

	As at	
	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Within credit term	237,754,634.38	213,239,083.65
Overdue 1 month to 3 months	76,857,729.72	59,348,547.02
Overdue 3 months to 6 months	2,851,408.23	845,871.09
Overdue 6 months to 12 months	100,000.00	269,973.84
Overdue over 12 months	6,198,712.28	6,398,712.28
Total	323,762,484.61	280,102,187.88
<u>Less</u> Allowance for expected credit loss	(7,671,108.22)	(7,324,795.79)
Net	316,091,376.39	272,777,392.09

The movements of allowance for expected credit loss – trade receivable – third parties for the three-month period ended March 31, 2022 are as follows:-

(Unit : Baht)

Opening balance	(7,324,795.79)
Additions during the period	(346,312.43)
Reversal during the period	-
Ending balance	(7,671,108.22)

## 6. Inventories

Consisted of:-

(Unit : Baht)

	As at					
	March 31, 2022			December 31, 2021		
	Cost	Allowance for Diminutions of inventories	Net	Cost	Allowance for Diminutions of inventories	Net
Finished goods	29,688,527.71	(461,248.31)	29,227,279.40	62,201,326.66	(497,008.65)	61,704,318.01
Work in progress	25,331,078.21	(3,549,746.87)	21,781,331.34	25,876,054.73	(3,636,776.41)	22,239,278.32
Raw materials	125,784,299.25	(2,287,703.62)	123,496,595.63	116,074,947.26	(2,287,703.62)	113,787,243.64
Supplies	3,290,426.25	-	3,290,426.25	3,263,512.18	-	3,263,512.18
Total	184,094,331.42	(6,298,698.80)	177,795,632.62	207,415,840.83	(6,421,488.68)	200,994,352.15

*(Unaudited)*

The movements of allowance for diminutions of inventories for the three-month period ended March 31, 2022 is as follows:-

	(Unit : Baht)
Opening balance	(6,421,488.68)
Allowance increased during the period	-
Reversal during the period	122,789.88
Ending balance	<u>(6,298,698.80)</u>

For the three-month period ended March 31, 2022, the costs of inventories recognized as expenses are Baht 269.51 million (for the three-month period ended March 31, 2021: Baht 181.41 million).

For the three-month period ended March 31, 2022, the Company has reversed allowance for diminutions in the value of inventories in amount of Baht 0.12 million (for the three-month period ended March 31, 2021: the Company has reversed allowance for diminutions in the value of inventories in amount of Baht 0.86 million).

As at March 31, 2022, some inventories with the carrying amount of Baht 5.34 million are expected to be sold more than twelve months after the reporting period (December 31, 2021: Baht 4.39 million).

#### 7. Other current financial assets

Consisted of:-

	(Unit : Baht)	
	As at	
	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Financial assets measured at amortized cost		
Fixed deposit	547,668.37	497,334.26
Financial assets measured at fair value through profit or loss		
Investment in listed equity instruments	279,453,139.98	284,336,433.48
Total	<u>280,000,808.35</u>	<u>284,833,767.74</u>

The movements of investment in listed equity instruments for the three-month period ended March 31, 2022 are as follows:-

	(Unit : Baht)
Opening balance	284,336,433.48
Purchase during the period	15,707,895.52
Disposal during the period	(1,815,834.80)
Changes in fair value of investments	(18,775,354.22)
Ending balance	<u>279,453,139.98</u>

8. Deposits at financial institutions pledged as collateral

As at March 31, 2022 and December 31, 2021, deposits of Baht 173.90 million were pledged with local financial institutions as collateral for shipping of guarantee and credit facilities to letter of credit and liability under trust receipts for purchasing raw materials (Note 12).

9. Buildings and equipment

The movements of buildings and equipment during the three-month period ended March 31, 2022 are as follows:-

	(Unit : Baht)
Opening balance	187,877,127.95
Purchases	6,590,102.24
Disposal	(138.01)
Depreciation charge during the period	(5,274,203.60)
Ending balance	<u>189,192,888.58</u>

As at March 31, 2022, certain plant and equipment items of the Company has been fully depreciated but are still in use. The original cost, before deducting accumulated depreciation, of those assets amounted to Baht 476.52 million (December 31, 2021: Baht 489.91 million).

10. Right-of-use assets

The movements of right-of-use assets for the three-month period ended March 31, 2022 are as follows:-

	(Unit : Baht)
Opening balance	129,980,394.61
Increase in right-of-use assets	-
Depreciation charge for the period	(1,880,889.61)
Ending balance	<u>128,099,505.00</u>

Expense items related to leases consist of:-

	(Unit : Baht)	
	For the three-month period ended March 31,	
	<u>2022</u>	<u>2021</u>
Interest expense on lease liabilities	1,774,723.98	1,432,850.09

11. Deferred tax assets

The movements of deferred tax assets for the three-month period ended March 31, 2022 are as follows:-

	(Unit : Baht)		
	January 1, 2022	Recognized in profit or loss	March 31, 2022
Accounts receivables	543,580.60	-	543,580.60
Inventories	604,468.66	-	604,468.66
Other current financial assets	(288,877.85)	288,877.85	-
Employee benefits	2,002,225.40	-	2,002,225.40
Total	<u>2,861,396.81</u>	<u>288,877.85</u>	<u>3,150,274.66</u>

(Unaudited)

The deferred tax asset is not recognized in the statement of financial position consisted of:-

(Unit : Baht)

	As at	
	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Unused tax losses		
- Expire in next 1 year	-	-
- Expire in next 2 – 5 years	15,607,841.91	17,825,462.65
Temporary differences	11,386,870.87	7,581,261.27
Total	<u>26,994,712.78</u>	<u>25,406,723.92</u>

#### 12. Short-term loans from financial institutions

As at March 31, 2022 and December 31, 2021, trust receipt payable are loan due to several commercial banks, carried interest rate of 3.42-3.47 per annum and rate of 3.47 per annum, respectively. Ownership of merchandise purchased from trust receipt contract performance is still belonged to a commercial bank until there is repayment of trust receipt payables to such commercial banks. Such borrowings were collateralized by deposits at financial institutions (Note 8) and land of parent company.

#### 13. Trade and other current payables – third parties

Consisted of:-

(Unit : Baht)

	As at	
	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Trade payables	35,070,803.22	29,086,563.47
Accrued expenses	10,637,253.68	11,358,390.04
Other current payables	4,829,633.15	6,970,131.05
Payables for purchase of assets	1,352,603.50	574,106.36
Total	<u>51,890,293.55</u>	<u>47,989,190.92</u>

(Unaudited)

14. Lease liabilities

Consisted of:-

	(Unit : Baht)	
	As at	
	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Lease liabilities-third parties	135,104,833.43	133,350,343.73
Lease liabilities-related parties	1,315,390.37	1,476,656.09
Total	<u>136,420,223.80</u>	<u>134,826,999.82</u>

Changes of lease liabilities for the three-month period ended March 31, 2022 are as follows:-

	(Unit : Baht)
Opening balance	134,826,999.82
Additions during the period	-
Interest expenses during the period	1,754,489.70
Repayment during the period	(161,265.72)
Ending balance	<u>136,420,223.80</u>

The maturity analysis of lease liabilities are as follows:-

	(Unit : Baht)					
	As at					
	March 31, 2022			December 31, 2021		
	Lease Liabilities	Deferred finance lease charges	Net	Lease liabilities	Deferred finance lease charges	Net
Not later than 1 year	10,191,426.60	(7,070,367.31)	3,121,059.29	10,191,426.60	(7,111,632.33)	3,079,794.27
Later than 1 year but not later than 5 years	51,215,487.46	(32,533,106.72)	18,682,380.74	51,396,987.46	(32,765,754.71)	18,631,232.75
Later than 5 year	155,774,649.15	(41,157,865.38)	114,616,783.77	155,774,649.15	(42,658,676.35)	113,115,972.80
Total	<u>217,181,563.21</u>	<u>(80,761,339.41)</u>	<u>136,420,223.80</u>	<u>217,363,063.21</u>	<u>(82,536,063.39)</u>	<u>134,826,999.82</u>

As at March 31, 2022, the Company has entered into the contracts leased with several lessors so as to lease land and building by number of 2 contracts (December 31, 2021: 2 contracts). The leased contracts determine leased fee repayment as monthly installment from Baht 60,500.00 per month and Baht 9.28 - 15.19 million per year. The leased period is carried 3-20 years. (December 31, 2021: Baht 60,500.00 per month and Baht 9.28 - 15.19 million per year. The leased period is carried 3-20 years).

15. Employee benefit obligation

Changes in the present value of the retirement employee benefit obligation the three-month period ended March 31, 2022 are as follows:-

	(Unit : Baht)
Opening balance	19,261,013.88
Current service cost	373,976.66
Interest cost	71,211.42
Benefit obligation paid	-
Ending balance	<u>19,706,201.96</u>

16. Share capital

The movements of share capital for the three-month period ended March 31, 2022 are as follows:-

	Number of Ordinary shares <u>(Unit : Share)</u>	Amount <u>(Unit : Baht)</u>
Registered share capital (Baht 0.50 per share)		
As at January 1, 2022	954,516,593	477,258,296.50
Increment during the period	-	-
As at March 31, 2022	<u>954,516,593</u>	<u>477,258,296.50</u>

  

	Number of Ordinary shares <u>(Unit : Share)</u>	Ordinary shares Amount <u>(Unit : Baht)</u>	Premium on share capital <u>(Unit : Baht)</u>	Toal Amount <u>(Unit : Baht)</u>
Paid-up share capital (Baht 0.50 per share)				
As at January 1, 2022	637,455,186	318,727,593.00	196,468,874.57	515,196,467.57
Increment during the period	277,821,044	138,910,522.00	277,821,044.00	416,731,566.00
As at March 31, 2022	<u>915,276,230</u>	<u>457,638,115.00</u>	<u>474,289,918.57</u>	<u>931,928,033.57</u>

The Extraordinary General Meeting of Shareholder's No.1/2019 with held on December 17, 2019 has resolved the following details:-

- To approve the increase of the Company registered capital from the current registered capital of Baht 318,182,593.00 to be the new registered capital of Baht 477,273,889.50 by issuing 318,182,593 newly ordinary shares at the par value of Baht 0.50 per share to reserve exercise right of warrant RWI-W2 offering to existing shareholders by proportion of holding shares;

- To approve the allocation of 318,182,593 newly issued shares at the par value of Baht 0.50 per share in order to reserve right to exercise warrant RWI-W2 as offering to existing shareholders by proportion of holding shares; and

- To approve on the issuance and offering warrants RWI-W2 as amounting of 318,182,593 units to existing shareholders as no charge by proportion of holding shares in ratio of 2 existing shareholders to 1 unit of warrant RWI-W2 (any fraction discarded) at exercise price of Baht 1.50 per shares.

The Company had registered the authorized capital from Baht 318,182,593.00 to Baht 477,273,889.50 with the Department of Business Development, Ministry of Commerce, effective on December 18, 2019.

#### Warrant (RWI-W2)

On January 6, 2020, the Company disposed warrants of 318,151,407 units (RWI-W2) to the former shareholders. The warrants (RWI-W2) the detail by summation as follows:

- It is the kind of specifying the names of holders and the holders can be changed. The warrants as registered as securities in the Market for Alternative Investment (MAI).
- The age of warrant is 2 years.
- The date the warrants are issued on January 6, 2020.
- The rate of warrants right exercise is one unit per one ordinary share.
- The exercised price is Baht 1.50 per share.
- The following presents each exercise date

Each exercise date	Date
1st	June 15, 2020
2nd	September 15, 2020
3rd	December 15, 2020
4th	March 15, 2021
5th	June 15, 2021
6th	September 15, 2021
Final	January 6, 2022

On December 22 – 31, 2021, the shareholders expressed their intention to exercise the RWI-W2 warrants for the last exercise date on January 6, 2022, the amount of 242,367,937 rights and paid subscription for ordinary shares in the amount of Baht 363,551,905.00 and on January 1 – 5, 2022, the shareholders expressed their intention to exercise the RWI-W2 warrants for the last exercise date on January 6, 2022, the amount of 35,453,107 rights and paid subscription for ordinary shares in the amount of Baht 53,179,661.00.

As at December 31, 2021, the Company recorded money received from the warrants exercise to purchase ordinary shares of the Company by amount of Baht 363,551,905.00 in the account of advance receivable of shares subscription fee by reflecting as separate transaction under the caption of shareholders equity.

During the three-month period ended March 31, 2022, the Company registered the increment of paid-up shares capital for Baht 138,910,522.00 because the warrants holders exercised the right to purchase the common shares on January 6, 2022 by 277,821,044 shares and the Company has registered the capital increment from such exercise with the Ministry of Commerce on January 14, 2022.

As at January 6, 2022, the remaining warrants (RWI-W2) which have not been exercised and have expired are 39,240,363 units.

(Unaudited)

17. (Income) expense tax expense

The (income) expense tax expense recognized in profit (loss) for the three-month period ended March 31, 2022 and 2021 are as follows:-

	(Unit : Baht)	
	For the three-month period ended March 31,	
	<u>2022</u>	<u>2021</u>
Current tax expense	-	-
Deferred tax expense relating to the origination and reversal of temporary difference	(288,877.85)	26,136,399.90
Total (income) expense tax expense	<u>(288,877.85)</u>	<u>26,136,399.90</u>

The relationship between (income) expense tax expense and accounting profit (loss) for the three-month period ended March 31, 2022 and 2021 are as follows:-

	(Unit : Baht)	
	For the three-month period ended March 31,	
	<u>2022</u>	<u>2021</u>
Accounting profit (loss)	(2,441,903.30)	153,345,139.79
Tax rate used	20%	20%
Tax at the applicable tax rate	(488,380.66)	30,669,027.96
Temporary difference not recognized as a deferred tax asset	4,137,170.73	202,918.84
Previous temporary difference not recognized as a deferred tax asset	(313,435.83)	(693,027.53)
Income that are not be taxable	(456,732.00)	-
Expenses that are not deductible in determining taxation profit	22,406.91	-
Expenses that are deductible in determining taxation profit	(972,286.26)	(1,032,997.69)
Loss carried forward	(2,217,620.74)	(3,009,521.68)
(Income) expense tax expense	<u>(288,877.85)</u>	<u>26,136,399.90</u>

18. Earnings (loss) per share

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

Diluted earnings per share is calculated by the sum of the weighted average number of ordinary shares in issue during the period and the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. By supposition that if taking money received from right exercise from such warrants to purchase ordinary shares back in the market price of diluted equivalent ordinary shares; for example, warrants to purchase ordinary shares in the case that prices according to the rights of warrants constitute value lower than market price.

	(Unit : Baht)	
	For the three-month periods ended on March 31,	
	<u>2022</u>	<u>2021</u>
Basic earnings (loss) per share (Baht)		
Net profit (loss) attributable to shareholders ('000 Baht)	(2,153)	127,209
Weighted average number of paid-up ordinary share issue during the period ('000 shares)	914,596	610,729
Basic earnings (loss) per share (Baht)	<u>(0.002)</u>	<u>0.21</u>
Diluted earnings (loss) per share (Baht)		
Effect of dilutive potential ordinary share ('000 shares)	-	127,209
Weighted average number of ordinary share for diluted earnings per share ('000 shares)	914,596	622,965
Diluted earnings (loss) per share (Baht)	<u>(0.002)</u>	<u>0.20</u>

19. Supplemental disclosures of cash flow information

19.1 Cash and cash equivalents consisted of :-

	(Unit : Baht)	
	For the three-month period ended March 31,	
	<u>2022</u>	<u>2021</u>
Cash	86,578.30	151,926.00
Cash deposits-Saving accounts	542,623,799.48	98,887,464.23
Cash deposits-Current accounts	630,936.63	1,032,670.59
Cash deposits-Fixed accounts	74,304.94	58,011.46
Total	543,415,619.35	100,130,072.28

19.2 Non - cash items:-

	(Unit : Baht)	
	For the three-month period ended March 31,	
	<u>2022</u>	<u>2021</u>
Purchases of fixed assets but not yet paid	1,264,115.42	62,149.93

20. Operating segments

The Company identified the operating segments on the basis of internal reports that are regularly reviewed by the Company's chief operating decision maker in order to allocate resources to the segment and assess its performance. However, the Company has a single reportable segment which is the business of manufacturing and distributing prestressed concrete wire, prestressed concrete strand wire and welding wire and its operation is in one geographical area that is Thailand. The Company measures the profit or loss for each segment from the gross profit excluding the items of other income, interest income, gain or loss on exchange rate, other central expenses and finance cost.

Additional Information of major customers

For the three-month period ended March 31, 2022 the Company earn the revenues from sales of goods with each 1 major customer Baht 68.21 million and for the three-month period ended March 31, 2021, the Company earn the revenues from sales of goods with each 1 major customer Baht 38.99 million.

(Unaudited)

21. Revenue

The relationship between the revenue information disclosed for each reportable segment for the three-month period ended March 31, 2022 and 2021 are as follows :-

(Unit : Million Baht)

	Segment operation	
	<u>2022</u>	<u>2021</u>
Revenues from external customers	288.83	218.51
Revenues about geographic areas		
- Thailand	288.83	218.51
Revenues recognized when a performance obligation		
- satisfied at a point in time	288.83	218.51

22. Fair value Measurement

Information on assets and liabilities of the Company measured the fair value in the statement of financial position as at March 31, 2022 and December 31, 2021, are as follows:-

(Unit : Million Baht)

Assets and Liabilities	Fair value		Fair value hierarchy	Valuation techniques (For level 2 and 3)
	March 31, 2022	December 31, 2021		
Investment in equity instruments (Note 7)	279.45	284.34	Level 1	Market price at the end of reporting period. The data is publicly available on the Stock Exchange of Thailand.

23. Borrowing facilities

(Unit : Million Baht)

	As at					
	March 31, 2022			December 31, 2021		
	<u>Total</u>	<u>Amount used</u>	<u>Amount unused</u>	<u>Total</u>	<u>Amount used</u>	<u>Amount unused</u>
Letters of guarantee	35.00	(28.03)	6.97	35.00	(24.75)	10.25
Short-term loans Letter of credit and Forward exchange contract	299.59	(266.34)	33.25	299.59	(190.64)	108.95
	<u>334.59</u>	<u>(294.37)</u>	<u>40.22</u>	<u>334.59</u>	<u>(215.39)</u>	<u>119.20</u>

The Company has bank deposits as mentioned in Note 8 and the parent Company's lands as collaterals against the said credit facilities.

#### 24. Obligation and contingent liabilities

24.1 Apart from the various liabilities presented in the financial statements, the Company has the obligations as at March 31, 2022 and December 31, 2021 are as follows:-

	As at	
	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Letter of Guarantee		
Baht	28,026,755.00	24,753,448.00

24.2 As at March 31, 2022 and December 31, 2021, the Company has entered into service agreement by number of 1 contract. The leased contracts determine leased fee repayment as monthly installment from Baht 117,000.00 per month. The leased the period 1 year.

#### 25. Events after the reporting period

On April 29, 2022, the 2022 Annual General Meeting of Shareholders has resolved the following details:-

- To approve the annual dividend payment of year 2021 (business operation of January 1 – December 31 2021) in which the dividend shall be paid from the net profit of the Company's financial statement of Baht 0.10 per share. The dividend payment shall be made on May 25, 2022.

- To approve the decrease of the Company's registered capital from Baht 477,258,296.50 to Baht 457,638,115.00 by canceling the issued and unsold shares as amounting of 39,240,363 shares as par value of Baht 0.50.

- To approve the issuance of warrant "RWI-W3" as amount not exceed 457,638,115 unit to existing shareholders by proportion of holding shares (no charge) at the ratio of 2 existing ordinary shares: 1 unit of warrant "RWI-W3" (any fraction discarded) at exercise price of Baht 1.50 per share.

- To approve the increase of the Company's registered capital from Baht 457,638,115.00 to 686,457,172.50 by issuance of Newly Ordinary Shares as amounting not exceed 457,638,115 shares as par value of Baht 0.50 in order to reserve right to exercise warrant "RWI-W3" as offering to existing shareholders by proportion of holding shares.

#### 26. Approval of interim financial statements

The interim financial statements were authorized for issue by the Company's board of Directors on May 13, 2022.