

RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED

REPORT ON REVIEW OF INTERIM FINANCIAL

March 31, 2024



SP AUDIT CO., LTD.

บริษัท เอส พี ออดิท จำกัด

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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, 2024 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

A handwritten signature in black ink, appearing to be 'Susan Eiamvanicha', written in a cursive style.

(Miss Susan Eiamvanicha)

Certified Public Accountant (Thailand) No. 4306

Bangkok

May 13, 2024.

RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2024

(Unit : Baht)

	Notes	March 31, 2024	December 31, 2023
		Unaudited	Audited
<u>ASSETS</u>			
Current Assets			
Cash and cash equivalents		416,001,547.02	425,721,208.08
Trade and other current receivables	5	182,772,561.02	166,644,945.09
Short-term loan to related parties	4.1	30,000,000.00	30,000,000.00
Inventories	6	105,230,484.45	112,444,964.74
Other current financial assets	7	59,317,872.92	88,552,123.71
Total Current Assets		793,322,465.41	823,363,241.62
Non-Current Assets			
Deposits at banks pledged as collateral		88,900,000.00	88,900,000.00
Building and equipment	8	179,455,855.30	183,222,793.27
Right-of-use assets	9	117,107,077.96	117,088,775.68
Intangible assets		130,736.06	142,143.31
Deferred tax assets		3,150,274.66	3,150,274.66
Other non-current assets		1,039,281.58	1,037,440.58
Total Non-Current Assets		389,783,225.56	393,541,427.50
Total Assets		1,183,105,690.97	1,216,904,669.12

RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2024

(Unit : Baht)

	Notes	March 31, 2024	December 31, 2023
		Unaudited	Audited
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>			
Current Liabilities			
Short-term loans from financial institutions	10	19,621,017.80	59,096,631.49
Other current payables - related parties	4.1	928,505.76	433,055.36
Trade and other current payables - third parties	11	49,350,761.18	12,310,621.63
Current portion of lease liabilities	12	4,453,439.01	3,869,148.50
Total Current Liabilities		74,353,723.75	75,709,456.98
Non-Current Liabilities			
Lease liabilities	12	128,909,586.60	126,113,663.12
Employee benefit obligation	13	12,753,936.68	12,356,037.24
Provision for decommissioning costs of building		1,753,653.23	1,739,876.46
Total Non-Current Liabilities		143,417,176.51	140,209,576.82
Total Liabilities		217,770,900.26	215,919,033.80
SHAREHOLDERS' EQUITY			
Share capital	14		
Authorized share capital			
1,372,914,345 ordinary shares, at par value of Baht 0.50		686,457,172.50	686,457,172.50
Paid-up share capital			
915,276,280 ordinary shares, at par Value of Baht 0.50		457,638,140.00	457,638,140.00
Premium on share capital		474,289,968.57	474,289,968.57
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		(33,741,938.34)	1,908,906.27
Total Shareholders' Equity		965,334,790.71	1,000,985,635.32
Total Liabilities and Shareholder's Equity		1,183,105,690.97	1,216,904,669.12

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, 2024

(Unit : Baht)

	Notes	2024	2023
Revenues			
Revenue from sales		144,846,311.72	227,028,402.14
Other income		2,145,049.59	786,574.96
Gain from measurement of financial assets		-	29,839,331.37
Total Revenues		146,991,361.31	257,654,308.47
Expenses			
Cost of sales of goods		133,549,763.59	216,761,321.99
Cost of distribution		6,270,406.74	7,755,606.55
Administrative expenses		11,326,537.09	10,085,692.91
Loss from measurement of financial assets		29,294,271.00	-
Finance costs		2,201,227.50	2,030,868.35
Total Expenses		182,642,205.92	236,633,489.80
Profit (loss) before income tax expenses		(35,650,844.61)	21,020,818.67
Income tax expenses		-	-
Profit (loss) for the period		(35,650,844.61)	21,020,818.67
Other comprehensive income for the period		-	-
Total comprehensive income (loss) for the period		(35,650,844.61)	21,020,818.67
Earnings (loss) per share			
Basic earnings (loss) per share	15	(0.04)	0.02
Diluted earnings (loss) per share	15	(0.04)	0.02
Weighted average of ordinary shares (unit : share)		915,276,280	915,276,280
Weighted average of ordinary shares for diluted earnings per share (unit : share)		915,276,280	915,276,280

Unaudited

RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2024

	Notes	Paid-up share capital	Premium on share capital	Premium on treasury stock	Retained earnings		Total
					Appropriated legal reserve	Unappropriated	
Balance as at January 1, 2024		457,638,140.00	474,289,968.57	19,421,120.48	47,727,500.00	1,908,906.27	1,000,985,635.32
Changes in equity for the period							
Comprehensive loss for the period		-	-	-	-	(35,650,844.61)	(35,650,844.61)
Balance as at March 31, 2024		457,638,140.00	474,289,968.57	19,421,120.48	47,727,500.00	(33,741,938.34)	965,334,790.71
Balance as at January 1, 2023		457,638,140.00	474,289,968.57	19,421,120.48	47,727,500.00	112,814,712.78	1,111,891,441.83
Changes in equity for the period							
Comprehensive income for the period		-	-	-	-	21,020,818.67	21,020,818.67
Balance as at March 31, 2023		457,638,140.00	474,289,968.57	19,421,120.48	47,727,500.00	133,835,531.45	1,132,912,260.50

Unaudited

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

RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOW
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2024

	Notes	2024	2023
(Unit : Baht)			
Cash Flow From Operating Activities			
Profit (loss) before income tax expenses		(35,650,844.61)	21,020,818.67
Adjustments to reconcile profit (loss) before income tax expenses for cash received (used)			
from operations			
Depreciation		6,770,911.35	6,879,357.87
Amortization		11,407.25	11,295.13
Loss from expected credit loss		2,022,244.84	289,443.11
Reversal loss from diminution in the value of inventories		(8,552,367.31)	(25,987,973.45)
(Gain) loss from measurement of financial assets		29,294,271.00	(29,839,331.37)
Loss from write-off of assets		-	2.00
Provisions for employee benefits		397,899.44	452,849.41
Interest income		(1,983,761.14)	(691,979.82)
Interest expenses		2,201,227.50	2,030,868.35
Loss from operation before changes in operating assets and liabilities		(5,489,011.68)	(25,834,650.10)
Operating assets (increase) decrease			
Trade and other current receivables		(17,881,595.85)	754,007.67
Inventories		15,766,847.60	65,301,839.13
Other non - current assets		(1,841.00)	41,730.00
Operating liabilities increase (decrease)			
Other current payables - related parties		495,450.40	(74,532.50)
Trade and other current payables - third parties		37,652,552.35	29,369,534.98
Cash generated from operating activities		30,542,401.82	69,557,929.18
Cash received from interest		1,892,025.40	395,459.39
Cash paid for income tax		(108,630.23)	(156,534.59)
Net cash provided by operating activities		32,325,796.99	69,796,853.98

Unaudited

RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOW
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2024

	Notes	2024	2023
(Unit : Baht)			
Cash Flow From Investing Activities			
Increase in other current financial assets		(60,020.21)	(17,979.36)
Increase in short-term loan to related parties		-	(30,000,000.00)
Cash paid for other current financial assets		-	(135,570.18)
Cash received from disposal of other current financial assets		-	2,729,626.55
Cash paid for purchase of assets and assets payable		(1,664,065.28)	(7,045,249.38)
Net cash used in investing activities		<u>(1,724,085.49)</u>	<u>(34,469,172.37)</u>
Cash Flow From Financing Activities			
Decrease in short-term loans from financial institutions		(39,475,613.69)	(30,430,670.74)
Cash paid for lease liabilities		(333,228.97)	(322,285.70)
Cash paid for interest expense on lease liabilities		(35,457.02)	(46,400.29)
Cash paid for interest expenses		(477,072.88)	(261,637.05)
Net cash used in financing activities		<u>(40,321,372.56)</u>	<u>(31,060,993.78)</u>
Net Increase (decrease) in Cash and Cash Equivalent		(9,719,661.06)	4,266,687.83
Cash and Cash Equivalent at the Beginning of the period		425,721,208.08	372,488,850.54
Cash and Cash Equivalent at the End of the period	16.1	<u>416,001,547.02</u>	<u>376,755,538.37</u>

Unaudited

RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED
CONDENSED NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2024 (UNAUDITED)

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 Company is a subsidiary of Capital Engineering Network Public Company Limited, which is incorporated in Thailand.

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, 2023. 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, 2023.

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 financial reporting standards to apply to the financial statements having an accounting period beginning on or after January 1, 2024.

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, 2023.

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 52.30% (December 31, 2023: 52.30%) 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.

(Unaudited)

The transactions with person and related parties for the three-month periods ended March 31, 2024 and 2023 are as follows: -

4.1 Inter-assets and liabilities

	(Unit: Baht)	
	As at	
	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Accrued interest incomes		
Related company	-	4,520.55
Short-term loans to related parties		
Related company		
Opening balance	30,000,000.00	-
Additional in during the period	-	30,000,000.00
Repayment in during the period	-	-
Ending balance	<u>30,000,000.00</u>	<u>30,000,000.00</u>
Other current financial assets		
Investments in listed equity instruments		
Related company	58,588,542.48	87,882,813.48
Other non-current assets		
Deposit		
Parent company	-	535.00
Other current payables		
Accrued expenses		
Parent company	523,505.76	320,555.36
Key management personnel	405,000.00	112,500.00
Total	<u>928,505.76</u>	<u>433,055.36</u>
Lease liabilities		
Parent company		
Opening balance	120,145.17	817,637.79
Additions in during the period	2,012,890.66	-
Repayment in during the period	(171,939.42)	(697,492.62)
Ending balance	<u>1,961,096.41</u>	<u>120,145.17</u>

(Unaudited)

The maturity analysis of lease liabilities is as follows: -

(Unit: Baht)

	As at					
	March 31, 2024			December 31, 2023		
	Lease liabilities	Deferred finance lease charges	Net	Lease liabilities	Deferred finance lease charges	Net
Not later than 1 year	726,000.00	(86,716.13)	639,283.87	121,000.00	(854.83)	120,145.17
Later than 1 year but not later than 5 years	1,391,500.00	(69,687.46)	1,321,812.54	-	-	-
Total	2,117,500.00	(156,403.59)	1,961,096.41	121,000.00	(854.83)	120,145.17

As at March 31, 2024, the Company has entered into the parent company so as to lease office building 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, 2023: Baht 60,500.00 per month). The leased the period 3 year.

As at March 31, 2024, short-term loans to related parties in form of promissory notes maturity 6 month due on July 8, 2024 with interest rate 6.25% per annum, secured by the collateral the condominiums of related company valued of Baht 60.14 million.

4.2 Inter-revenues and expenses

(Unit: Baht)

	For the three-month period ended March 31,	
	<u>2024</u>	<u>2023</u>
Revenue from sale of goods		
Related company	-	81,675.00
Interest income		
Related company	461,885.25	366,164.38
Other income		
Parent company	33,000.00	22,000.00
Total	494,885.25	469,839.38

(Unaudited)

(Unit: Baht)

For the three-month period ended March 31,

	<u>2024</u>	<u>2023</u>
Service fee		
Parent company	246,400.00	252,780.00
Internal audit fee		
Parent company	190,000.00	180,000.00
Guarantee fee		
Parent company	350,079.11	347,180.66
Total	<u>786,479.11</u>	<u>779,960.66</u>

4.3 Management benefit expense

(Unit: Baht)

For the three-month period ended March 31,

	<u>2024</u>	<u>2023</u>
Short-term employee benefits	1,541,205.80	1,733,584.55
Post-employment benefits	36,795.89	23,904.34
	<u>1,578,001.69</u>	<u>1,757,488.89</u>

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
Other income	Contract price
Interest income	6.25% per annum of loan balance
Internal audit fee and other expenses	The amount has been approved by the Company's directors
Guarantee 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

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
Medisphere 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
Capital digital network 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
Sky Towers Infra Inc.	Related company through same ultimate parent company
QROI Network Services Inc.	Related company through same ultimate parent company
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)

*On September 5, 2023, the subsidiary has registered the dissolution with the Department of Business Development and currently is in the process of liquidation.

4.6 Commitments with related parties

As at March 31, 2024, the Company has performed the service agreement with Capital Engineering Network Public Co., Ltd., while there is the period 3 year, can be renewed. The Company comprises obligation repay service fee in amount of Baht 77,000.00-79,200.00 per month (December 31, 2023: Baht 84,700.00 per month).

(Unaudited)

5. Trade and other current receivable

Consisted of: -

(Unit: Baht)

	As at	
	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Trade receivables	203,166,437.39	185,104,778.60
<u>Less</u> Allowance for expected credit loss	(21,953,331.77)	(19,931,086.93)
Total trade receivables	181,213,105.62	165,173,691.67
Other receivables	658,251.23	573,853.95
Prepaid expenses	589,466.20	677,397.24
Accrued interest incomes	311,737.97	220,002.23
Total trade and other current receivables	182,772,561.02	166,644,945.09

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

(Unit: Baht)

	As at	
	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Within credit term	99,693,858.47	63,912,671.86
Overdue 1 month to 3 months	38,748,350.67	66,729,030.47
Overdue 3 months to 6 months	25,492,833.73	15,311,656.83
Overdue 6 months to 12 months	23,014,099.90	25,035,509.36
Overdue over 12 months	16,217,294.62	14,115,910.08
Total	203,166,437.39	185,104,778.60
<u>Less</u> Allowance for expected credit loss	(21,953,331.77)	(19,931,086.93)
Net	181,213,105.62	165,173,691.67

The movements of allowance for expected credit loss – trade receivable for the three-month period ended March 31, 2024 are as follows: -

(Unit: Baht)

Opening balance	(19,931,086.93)
Additions during the period	(2,474,582.15)
Reversal during the period	452,337.31
Ending balance	(21,953,331.77)

6. Inventories

Consisted of: -

(Unit: Baht)

	As at					
	March 31, 2024			December 31, 2023		
	Cost	Allowance for Diminutions of inventories	Net	Cost	Allowance for Diminutions of inventories	Net
Finished goods	40,197,181.41	(7,620,781.50)	32,576,399.91	35,731,184.69	(9,777,658.28)	25,953,526.41
Work in progress	10,637,392.78	(1,177,661.20)	9,459,731.58	11,891,358.19	(2,083,657.79)	9,807,700.40
Raw materials	66,165,159.51	(6,920,367.29)	59,244,792.22	85,127,969.50	(12,409,861.23)	72,718,108.27
Supplies	3,949,560.74	-	3,949,560.74	3,965,629.66	-	3,965,629.66
Total	120,949,294.44	(15,718,809.99)	105,230,484.45	136,716,142.04	(24,271,177.30)	112,444,964.74

The movements of allowance for diminutions of inventories for the three-month period ended March 31, 2024 is as follows: -

	(Unit: Baht)
Opening balance	(24,271,177.30)
Increased during the period	-
Reversal during the period	8,552,367.31
Ending balance	(15,718,809.99)

For the three-month period ended March 31, 2024, the costs of inventories recognized as expenses are Baht 142.10 million (for the three-month period ended March 31, 2023: Baht 242.75 million).

For the three-month period ended March 31, 2024, the Company has reversed allowance for diminutions in the value of inventories in amount of Baht 8.55 million (for the three-month period ended March 31, 2023: the Company has reversed allowance for diminutions in the value of inventories in amount of Baht 25.99 million).

As at March 31, 2024, some inventories with the carrying amount of Baht 4.85 million are expected to be sold more than twelve months after the reporting period (December 31, 2023: Baht 5.54 million).

*(Unaudited)*7. Other current financial assets

Consisted of: -

	(Unit: Baht)	
	As at	
	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Financial assets measured at amortized cost		
Fixed deposit	729,330.44	669,310.23
Financial assets measured at fair value through profit or loss		
Investment in listed equity instruments	58,588,542.48	87,882,813.48
Total	<u>59,317,872.92</u>	<u>88,552,123.71</u>

The movements of investment in listed equity instruments for the three-month period ended March 31, 2024 are as follows: -

	(Unit: Baht)
Opening balance	87,882,813.48
Purchase during the period	-
Disposal during the period	-
Changes in fair value of investments	(29,294,271.00)
Ending balance	<u>58,588,542.48</u>

8. Buildings and equipment

The movements of buildings and equipment during the three-month period ended March 31, 2024 are as follows: -

	(Unit: Baht)
Opening balance	183,222,793.27
Purchases	1,009,385.00
Disposal	-
Write off	-
Depreciation charge during the period	(4,776,322.97)
Ending balance	<u>179,455,855.30</u>

As at March 31, 2024, certain buildings 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 468.43 million (December 31, 2023 : Baht 442.21 million).

*(Unaudited)*9. Right-of-use assets

The movements of right-of-use assets for the three-month period ended March 31, 2024 are as follows:

	(Unit: Baht)
Opening balance	117,088,775.68
Increase in right-of-use assets	2,012,890.66
Depreciation charge for the period	<u>(1,994,588.38)</u>
Ending balance	<u>117,107,077.96</u>

Expense items related to leases consist of: -

	(Unit : Baht)	
	For the three-month period ended March 31,	
	<u>2024</u>	<u>2023</u>
Interest expense on lease liabilities	1,736,009.32	1,769,039.43

10. Short-term loans from financial institutions

As at March 31, 2024 and December 31, 2023, trust receipt payable is loan due to one commercial bank, carried interest rate of 5.27 per annum. 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 and land of parent company.

(Unaudited)

11. Trade and other current payables – third parties

Consisted of: -

	(Unit: Baht)	
	As at	
	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Trade payables	38,140,001.70	1,504,972.66
Accrued expenses	6,483,029.95	3,658,715.34
Revenue Department payable	133,590.77	1,427,471.70
Payables for purchase of assets	1,037,883.95	1,624,665.28
Other current payables	3,556,254.81	4,094,496.65
Total	<u>49,350,761.18</u>	<u>12,310,621.63</u>

12. Lease liabilities

Consisted of: -

	(Unit: Baht)	
	As at	
	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Lease liabilities-third parties	131,401,929.20	129,862,666.45
Lease liabilities-related parties	1,961,096.41	120,145.17
Total	<u>133,363,025.61</u>	<u>129,982,811.62</u>

Changes of lease liabilities for the three-month period ended March 31, 2024 are as follows: -

	(Unit: Baht)
Opening balance	129,982,811.62
Additions during the period	2,012,890.66
Interest expenses during the period	1,736,009.32
Repayment during the period	(368,685.99)
Ending balance	<u>133,363,025.61</u>

(Unaudited)

The maturity analysis of lease liabilities are as follows: -

	(Unit: Baht)					
	As at					
	March 31, 2024			December 31, 2023		
	Lease liabilities	Deferred finance lease charges	Net	Lease liabilities	Deferred finance lease charges	Net
Not later than 1 year	11,322,585.88	(6,869,146.87)	4,453,439.01	10,717,585.88	(6,848,437.38)	3,869,148.50
Later than 1 year but not later than 5 years	55,616,278.84	(30,381,598.00)	25,234,680.84	54,411,964.83	(30,626,871.40)	23,785,093.43
Later than 5 years	133,492,949.66	(29,818,043.90)	103,674,905.76	133,492,949.66	(31,164,379.97)	102,328,569.69
Total	200,431,814.38	(67,068,788.77)	133,363,025.61	198,622,500.37	(68,639,688.75)	129,982,811.62

As at March 31, 2024, the Company has entered into the contracts leased with several lessors so as to lease land, building and vehicles by number of 5 contracts (December 31, 2023 : 5 contracts). The leased contracts determine leased fee repayment as monthly installment from Baht 10,000.00 - 60,500.00 per month and Baht 9.28 - 15.19 million per year. The leased period is carried 3-20 years. (December 31, 2023: Baht 10,000.00 - 60,500.00 per month and Baht 9.28 - 15.19 million per year. The leased period is carried 3-20 years).

13. Employee benefit obligation

Changes in the present value of the retirement employee benefit obligation the three-month period ended March 31, 2024 are as follows: -

	(Unit: Baht)
Opening balance	12,356,037.24
Current service cost	301,522.35
Interest cost	96,377.09
Ending balance	12,753,936.68

14. Share capital

The movements of share capital for the three-month period ended March 31, 2024 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, 2024	1,372,914,345	686,457,172.50
Decrease of share capital	-	-
Increment of share capital	-	-
As at March 31, 2024	1,372,914,345	686,457,172.50

	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, 2024	915,276,280	457,638,140.00	474,289,968.57	931,928,108.57
Exercise of RWI-W3	-	-	-	-
As at March 31, 2024	915,276,280	457,638,140.00	474,289,968.57	931,928,108.57

Warrant (RWI-W3)

On May 17, 2022, the Company disposed warrants of 457,602,263 units (RWI-W3) to the former shareholders. The warrants (RWI-W3) 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 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	September 15, 2022
2nd	December 15, 2022
3rd	March 15, 2023
4th	June 15, 2023
5th	September 15, 2023
6th	December 15, 2023
Final	May 16, 2024

As at March 31, 2024, the remaining warrants (RWI-W3) not yet exercised are 457,602,213 units.

15. 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.

The calculation of diluted earnings per share for the three-month period ended March 31, 2024 and 2023, on the issuance of warrants assuming that ordinary shares are issued through all exercise of the warrants is antidilutive.

16. Supplemental disclosures of cash flow information

16.1 Cash and cash equivalents consisted of:-

	(Unit: Baht)	
	For the three-month period ended March 31,	
	<u>2024</u>	<u>2023</u>
Cash	108,041.00	106,378.07
Cash deposits-Saving accounts	415,451,415.01	376,045,736.77
Cash deposits-Current accounts	246,545.93	507,256.73
Cash deposits-Fixed accounts	195,545.08	96,166.80
Total	<u>416,001,547.02</u>	<u>376,755,538.37</u>

16.2 Non - cash items:-

	(Unit: Baht)	
	For the three-month period ended March 31,	
	<u>2024</u>	<u>2023</u>
Purchases of fixed assets but not yet paid	969,985.00	393,230.00
Right-of-use assets but not yet paid	2,012,890.66	-

17. 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, 2024, the Company earn the revenues from sales of goods with each 1 major customer Baht 23.07 million and for the three-month period ended March 31, 2023, the Company earn the revenues from sales of goods with each 1 major customer Baht 32.20 million.

18. Revenue

The relationship between the revenue information disclosed for each reportable segment for the three-month periods ended March 31, 2024 and 2023 are as follows: -

(Unit: Million Baht)

	Segment operation	
	For the three-month period ended March 31,	
	<u>2024</u>	<u>2023</u>
Revenues from external customers	144.85	227.03
Revenues about geographic areas		
- Thailand	144.85	227.03
Revenues recognized when a performance obligation		
- satisfied at a point in time	144.85	227.03

19. 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, 2024 and December 31, 2023, are as follows: -

(Unit: Million Baht)

Assets and Liabilities	Fair value		Fair value hierarchy	Valuation techniques (For level 2 and 3)
	March 31,	December 31,		
	2024	2023		
Investment in equity instruments (Note 7)	58.59	87.88	Level 1	Market price at the end of reporting period. The data is publicly available on the Stock Exchange of Thailand.

The financial assets and financial liabilities not measured the fair value in the statement of financial position are as follows: -

(Unit: Thousand Baht)

Assets and liabilities	March 31, 2024		December 31, 2023		
	Carrying	Fair	Carrying	Fair	Fair value
	amount	value	amount	value	hierarchy
Financial assets					
Short-term loan to related party	30,000	30,151	30,000	30,043	Level 2
Deposits at bank pledged as collateral	88,900	88,741	88,900	88,664	Level 2
Financial liabilities					
Short-term loan from financial institutions	19,621	19,621	59,097	59,096	Level 2

(Unaudited)

The carrying amount of cash and cash equivalents, trade receivables and trade payables approximates the fair value.

20. Borrowing facilities

(Unit: Million Baht)

	As at					
	March 31, 2024			December 31, 2023		
	<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	(31.21)	3.79	35.00	(29.17)	5.83
Short-term loans Letter of credit and Forward exchange contract	214.59	(49.06)	165.53	214.59	(59.10)	155.49
	<u>249.59</u>	<u>(80.27)</u>	<u>169.32</u>	<u>249.59</u>	<u>(88.27)</u>	<u>161.32</u>

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

21. Obligation and contingent liabilities

21.1 Apart from the various liabilities presented in the financial statements, the Company has the obligations as at March 31, 2024 and December 31, 2023 are as follows:-

	As at	
	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Letter of Guarantee		
Baht	31,207,318.00	29,171,673.00

21.2 As at March 31, 2024, the Company has entered into service agreement by number of 1 contract. The leased contracts determine leased fee repayment as monthly installment from Baht 122,800.00 per month (December 31, 2023 : Baht 122,800.00 per month) The leased the period 1 year.

22. Events after the reporting period

The Annual General Meeting of Shareholders of the Company of year 2024 with held on April 30, 2024, has resolved the following details:-

- Approved the increase of the Company's registered capital from Baht 686,457,172.50 to Baht 823,748,614.50 by issuance of newly ordinary shares as amounting not exceed 274,582,884 shares, with a par value of 0.50 baht per share, to support the increase in capital by means of a general mandate of 274,582,884 shares (representing 30% of paid-up capital as of the date the Board of Directors has approved a capital increase).

- Approved the allocation of the newly issued ordinary shares under general mandate in the amount of not exceeding 274,582,884 shares at the par value of Baht 0.50 per share as follows:

1) Rights Offering in the number of 274,582,884 shares at the par value of Baht 0.50 per share, representing 30% of the Company's total paid-up capital; or

2) Private Placement in the number of not exceeding 91,572,628 shares at the par value of Baht 0.50 per share, representing 10% of the Company's total paid-up capital.

The Board of Directors' Meeting no. 3/2024 with held on May 13, 2024 has the resolution to approve the Company (as an existing shareholder) purchases an increase common shares of EMC Public Company Limited allocated to existing shareholders at the ratio of 1 common share to 1 new common share according to rights and/or exceeding the rights at an offering price of Baht 0.07 per share to maintain the shareholding proportion and increase the opportunity to create returns to receive warrants (EMC-W7) allocated to existing shareholders who purchase the increase common shares at the ratio of 2 new common shares : 1 warrant unit at an offering price of Baht 0.00 per warrant unit.

23. Approval of interim financial statements

The interim financial statements were authorized for issue by the Company's board of Directors on May 13, 2024.
