

Kumwell Corporation Public Company Limited and its subsidiary
Condensed notes to interim financial statements
For the three-month period ended 31 March 2025

1. General information

1.1 Basis for the preparation of interim financial statements

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

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

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

1.2 Basis of consolidation

The interim consolidated financial statements include the financial statements of Kumwell Corporation Public Company Limited (“the Company”) and its subsidiary company (“the subsidiary”) (collectively as “the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2024, with no significant changes in the composition of the Group during the current period.

1.3 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 31 December 2024.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2025, do not have any significant impact on the Group’s financial statements.

2. Related party transactions

During the period, the Group had significant business transactions with related parties. Such transactions, which were summarised below, arose in the ordinary course of business. There were no significant changes in the transfer pricing policy of transactions with related parties during the current period.

Summarised significant business transactions with related parties are as follows.

	(Unit: Million Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<u>Transactions with subsidiary</u>				
(eliminated from the consolidated financial statements)				
Rental and service expenses	-	-	-	1

The balances of the accounts between the Group and those related parties are as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements/ Separate financial statements	
	31 March 2025	31 December 2024
		(Audited)
<u>Trade receivable - related party</u>		
<u>Trade receivable - related party (Note 3)</u>		
Related company (Common shareholders/directors)	14	-
Total trade receivable - related party	14	-
<u>Other current payables - related parties</u>		
<u>Other current payable - related party (Note 5)</u>		
Related company (Common shareholders/directors)	314	269
Total other current payable - related party	314	269
<u>Accrued expenses - related party (Note 5)</u>		
Management and director	284	-
Total accrued expenses - related party	284	-
Total other current payables - related parties	598	269

Directors and management's remuneration

For the three-month periods ended 31 March 2025 and 2024, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)	
	Consolidated financial statements/ Separate financial statements	
	<u>2025</u>	<u>2024</u>
Short-term employee benefits	3,274	3,911
Post-employment benefits	193	195
Total	<u>3,467</u>	<u>4,106</u>

3. Trade and other current receivables

	(Unit: Thousand Baht)	
	Consolidated financial statements/ Separate financial statements	
	<u>31 March 2025</u>	<u>31 December 2024</u>
		(Audited)
<u>Trade receivable - related party</u>		
Aged on the basis of due dates		
Not yet due	<u>14</u>	<u>-</u>
Total trade receivable - related party	<u>14</u>	<u>-</u>
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	74,915	56,253
Past due		
Up to 3 months	56,702	74,990
3 - 6 months	2,170	2,711
6 - 12 months	2,007	23
Over 12 months	<u>7,762</u>	<u>8,546</u>
Total	<u>143,556</u>	<u>142,523</u>
Less: Allowance for expected credit losses	<u>(10,210)</u>	<u>(9,010)</u>
Total trade receivables - unrelated parties, net	<u>133,346</u>	<u>133,513</u>
Total trade receivables - net	<u>133,360</u>	<u>133,513</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements/ Separate financial statements	
	31 March 2025	31 December 2024 (Audited)
<u>Other current receivables</u>		
Other current receivables - unrelated parties	158	157
Accrued income - unrelated parties	86	1,739
Total	244	1,896
Less: Allowance for expected credit losses	(157)	(157)
Total other current receivables - net	87	1,739
Total trade and other current receivables - net	133,447	135,252

4. Property, plant and equipment

Movements of property, plant and equipment account for the three-month period ended 31 March 2025 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2025	444,763	444,762
Acquisitions during the period - at cost	1,881	1,881
Write-off during the period - net book value as at write-off date	(1,391)	(1,391)
Depreciation for the period	(6,836)	(6,836)
Net book value as at 31 March 2025	438,417	438,416

5. Trade and other current payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
		(Audited)		(Audited)
Trade payables - unrelated parties	34,762	22,825	34,762	22,825
Other current payable - related party	314	269	314	269
Other current payables - unrelated parties	3,488	2,266	3,488	2,266
Accrued expenses - related party	284	-	284	-
Accrued expenses - unrelated parties	8,170	3,336	8,099	3,290
Total trade and other current payables	47,018	28,696	46,947	28,650

6. Long-term loans from financial institutions

Movements of long-term loans from financial institutions account for the three-month period ended 31 March 2025 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements/ Separate financial statements
Balance as at 1 January 2025	185,433
Repayments	(9,641)
Balance as at 31 March 2025	175,792
Less: Current portion	(39,350)
Long-term loans from financial institutions	
- net of current portion	136,442

Long-term loans from financial institutions are secured as described in Note 7 to the interim financial statements.

7. Credit facilities

Credit facilities granted to the Company by financial institutions, comprising short-term loans and long-term loans, are secured by the following:

- a) The guarantee provided by Thai Credit Guarantee Corporation.
- b) The mortgages of certain items of property of management and directors.
- c) The mortgages of certain items of property and plant of the company. As at 31 March 2025, net book value of the guaranteed property and plant totaled Baht 171 million (31 December 2024: Baht 172 million).

8. Leases

8.1 Right-of-use assets

Movements of right-of-use assets account for the three-month period ended 31 March 2025 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements/ Separate financial statements
Net book value as at 1 January 2025	6,690
Depreciation for the period	(396)
Net book value as at 31 March 2025	6,294

8.2 Lease liabilities

Movements of lease liabilities account for the three-month period ended 31 March 2025 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements/ Separate financial statements
Balance as at 1 January 2025	7,989
Accretion of interest	110
Repayments	(560)
Balance as at 31 March 2025	7,539
Less: Current portion	(1,818)
Lease liabilities - net of current portion	5,721

9. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month periods ended 31 March 2025 and 2024 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Current income tax:				
Interim corporate income tax charge	3,975	1,965	3,975	1,936
Deferred tax:				
Relating to origination and reversal of temporary differences	(351)	75	(351)	81
Income tax expenses reported in profit or loss	<u>3,624</u>	<u>2,040</u>	<u>3,624</u>	<u>2,017</u>

10. Segment information

The Group is organised into business units based on their products and services. The Group is principally engaged in production and distribution of electrical equipment, graphite mould, metal powder and ground wire. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

During the current period, the Group has not changed the organisation of their reportable segments from the last annual financial statements.

11. Foreign currency risk

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

Foreign currency	Consolidated financial statements/ Separate financial statements		Average buying rate	
	Financial assets			
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
	(Million)	(Million) (Audited)	(Baht per 1 foreign currency unit)	
US dollar	0.9	1.1	33.7670	33.8296

12. Financial instruments

12.1 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.

12.2 Fair value hierarchy

As at 31 March 2025 and 31 December 2024, the Company had the financial assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements/Separate financial statements							
	Level 1		Level 2		Level 3		Total	
	31 March	31 December	31 March	31 December	31 March	31 December	31 March	31 December
	2025	2024	2025	2024	2025	2024	2025	2024
								(Audited)
Assets measured at fair value								
Other non-current financial assets	-	-	10	10	-	-	10	10

During the current period, there were no changes in the methods and assumptions used to estimate the fair value of financial instruments and there were no transfers within the levels of the fair value hierarchy.

13. Events after the reporting period

On 25 April 2025, the Annual General Meeting of the Company's shareholders passed a resolution to approve the payment of a final dividend for the year 2024 to its shareholders at the rate of Baht 0.06 per share, calculated based on the 430 million registered and paid-up shares, or a total of Baht 25.8 million. The Company will pay and record such dividend in the second quarter of the year.

On 9 May 2025, the Board of Directors of the Company passed a resolution to approve the establishment of a new subsidiary to conduct the design, procurement, construction, testing and commissioning of the MEP systems for the water gate, pumping station and control buildings. The subsidiary has a registered share capital of Baht 5 million (5 million ordinary shares with a par value of Baht 1 each), and the Company holds 75 percent of the shareholding.

14. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 9 May 2025.