

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED

AUDITOR'S REPORT AND INTERIM FINANCIAL INFORMATION

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2024

(UNAUDITED/ REVIEWED ONLY)

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To The Shareholders of SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED

I have reviewed the accompanying statements of financial position in which the equity method is applied and separate statements of financial position of SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED as at September 30, 2024, and the related statements of comprehensive income in which the equity method is applied and separate statements of comprehensive income for the three-month and nine-month periods ended September 30, 2024, statements of changes in shareholders' equity in which the equity method is applied and separate statements of changes in shareholders' equity, and statements of cash flows in which the equity method is applied and separate statements of cash flows for the nine-month periods then ended and the condensed notes to interim financial information. The Company's management is responsible for the preparation and presentation of this interim financial information, in all material respects, in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my reviews.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements No. 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion on this reviewed interim financial information.

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 No. 34 Interim Financial Reporting.

D I A International Audit Co., Ltd.

(Miss Somjintana Polhirunrat)

C.P.A. (Thailand)

Registration No. 5599

November 13, 2024

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2024

(Unit : Baht)

Asset	Note	Financial statements		
		in which the equity		
		method is applied	Separate financial statements	
		September 30, 2024	September 30, 2024	December 31, 2023
		(Unaudited/ Reviewed only)	(Unaudited/ Reviewed only)	(Audited)
Current assets				
Cash and cash equivalents		54,562,125	54,562,125	133,631,089
Trade and other current receivables	3	69,004,025	69,004,025	56,366,586
Inventories	4	581,799,628	581,799,628	703,771,768
Other current assets		11,756,600	11,756,600	8,181,898
Total current assets		717,122,378	717,122,378	901,951,341
Non-current assets				
Other financial assets	5	50,328,941	50,328,941	68,874,550
Investment in joint ventures	6	582,880	825,000	-
Leasehold building improvement and equipment	7	26,172,348	26,172,348	28,967,360
Right-of-use assets	8	7,289,060	7,289,060	3,775,396
Other intangible assets	9	176,496,963	176,496,963	143,401,721
Deferred tax assets		5,944,773	5,944,773	5,991,006
Other non-current assets		5,984,670	5,984,670	7,151,713
Total non-current assets		272,799,635	273,041,755	258,161,746
Total assets		989,922,013	990,164,133	1,160,113,087

Condensed notes to interim financial information are parts of this financial information.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION (CONT'D)

AS AT SEPTEMBER 30, 2024

(Unit : Baht)

Liabilities and shareholders' equity	Note	Financial statements		
		in which the equity		
		method is applied	Separate financial statements	
		September 30, 2024	September 30, 2024	December 31, 2023
		(Unaudited/ Reviewed only)	(Unaudited/ Reviewed only)	(Audited)
Current liabilities				
Short-term borrowings from financial institutions	10	124,293,089	124,293,089	230,965,817
Trade and other current payables	11	100,931,510	100,931,510	239,806,555
Current portion of long-term lease liabilities	8	3,067,966	3,067,966	2,529,922
Corporate income tax payable		-	-	156,462
Other current provisions		564,094	564,094	1,336,556
Other current financial liabilities		-	-	301,806
Other current liabilities		1,328,229	1,328,229	1,154,280
Total current liabilities		230,184,888	230,184,888	476,251,398
Non-current liabilities				
Lease liabilities	8	3,298,127	3,298,127	1,544,031
Non-current provisions for employee benefit	12	29,107,521	29,107,521	27,450,929
Total non-current liabilities		32,405,648	32,405,648	28,994,960
Total liabilities		262,590,536	262,590,536	505,246,358

Condensed notes to interim financial information are parts of this financial information.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION (CONT'D)

AS AT SEPTEMBER 30, 2024

(Unit : Baht)

	Note	Financial statements		
		in which the equity		
		method is applied	Separate financial statements	
		September 30, 2024	September 30, 2024	December 31, 2023
Liabilities and shareholders' equity (Cont'd)		(Unaudited/ Reviewed only)	(Unaudited/ Reviewed only)	(Audited)
Shareholders' equity				
Share capital				
Authorized share capital				
527,999,872 common shares of Baht 0.50 each,	13	263,999,936	263,999,936	
720,000,000 common shares of Baht 0.50 each,				360,000,000
Paid-up share capital				
479,999,884 common shares of Baht 0.50 each,		239,999,942	239,999,942	239,999,942
Share premium on common shares		84,985,489	84,985,489	84,985,489
Premium on share-based-payments	14	11,273,981	11,273,981	11,901,150
Retained earnings				
Appropriated - Legal reserve		31,017,926	31,017,926	31,017,926
Unappropriated	15	360,054,139	360,296,259	286,962,222
Total shareholders' equity		727,331,477	727,573,597	654,866,729
Total liabilities and shareholders' equity		989,922,013	990,164,133	1,160,113,087

Condensed notes to interim financial information are parts of this financial information.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2024
(UNAUDITED/REVIEWED ONLY)

(Unit : Baht)

	Note	Financial statements in which the equity method is applied		
		Separate financial statements		
		September 30, 2024	Septembe 30, 2024	Septembe 30, 2023
Revenues from sales and rendering of services		129,019,186	129,019,186	135,764,038
Costs of sales and rendering of services		(75,124,880)	(75,124,880)	(71,930,540)
Gross profit		53,894,306	53,894,306	63,833,498
Other income		321,886	321,886	(341,908)
Distribution costs		(7,682,210)	(7,682,210)	(8,728,817)
Administrative expenses		(31,642,610)	(31,642,610)	(32,069,055)
Other expenses		(9,391,476)	(9,391,476)	274,686
Other gains (losses)		(3,870,407)	(3,870,407)	2,983,079
Profit from operating activities		1,629,489	1,629,489	25,951,483
Finance income		137,135	137,135	82,460
Finance costs		(1,219,069)	(1,219,069)	(949,267)
Share of loss of joint ventures		(30,131)	-	-
Profit before tax expense		517,424	547,555	25,084,676
Tax income (expense)	16	138,573	138,573	(544,545)
Profit for the period		655,997	686,128	24,540,131
Other comprehensive income				
Items that will be reclassified to profit or loss				
Gains on cash flow hedges		-	-	-
Items that will not be reclassified to profit or loss				
Gains on re-measurements of defined benefit plans		-	-	-
Income tax relating to other comprehensive income		-	-	-
Total items that will not be reclassified to profit or loss		-	-	-
Other comprehensive income for the period - net of tax		-	-	-
Total comprehensive income for the period		655,997	686,128	24,540,131
Earnings per share				
		฿		
Basic earnings per share		0.0014	0.0014	0.0511
The weighted average number of common shares (share)		479,999,884	479,999,884	479,999,884

Condensed notes to interim financial information are parts of this financial information.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2024
(UNAUDITED/REVIEWED ONLY)

(Unit : Baht)

	Note	Financial statements in which the equity method is applied		
		Separate financial statements		
		September 30, 2024	September 30, 2024	September 30, 2023
Revenues from sales and rendering of services		537,045,590	537,045,590	524,522,231
Costs of sales and rendering of services		(307,155,630)	(307,155,630)	(282,466,567)
Gross profit		229,889,960	229,889,960	242,055,664
Other income		694,238	694,238	1,013,670
Distribution costs		(27,597,306)	(27,597,306)	(28,559,640)
Administrative expenses		(102,231,831)	(102,231,831)	(93,517,886)
Other expenses		(596,160)	(596,160)	-
Other gains (losses)		(6,304,262)	(6,304,262)	4,968,149
Profit from operating activities		93,854,639	93,854,639	125,959,957
Finance income		401,046	401,046	275,596
Finance costs		(4,822,818)	(4,822,818)	(2,239,748)
Share of loss of joint ventures		(242,120)	-	-
Profit before tax expense		89,190,747	89,432,867	123,995,805
Tax income (expense)	16	701,108	701,108	(3,090,595)
Profit for the period		89,891,855	90,133,975	120,905,210
Other comprehensive income :				
Items that will be reclassified to profit or loss				
Gains on cash flow hedges		-	-	401,460
Items that will not be reclassified to profit or loss				
Gains on re-measurements of defined benefit plans		-	-	2,224,385
Income tax relating to other comprehensive income		-	-	(444,877)
Total items that will not be reclassified to profit or loss		-	-	1,779,508
Other comprehensive income for the period - net of tax		-	-	2,180,968
Total comprehensive income for the period		89,891,855	90,133,975	123,086,178
Earnings per share				
Basic earnings per share		0.19	0.19	0.25
The weighted average number of common shares (share)		479,999,884	479,999,884	479,999,884

Condensed notes to interim financial information are parts of this financial information.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2024
 (UNAUDITED/REVIEWED ONLY)

(Unit : Baht)

	Note	Financial statements in which the equity method is applied				Total shareholders' equity	
		Issued and paid-up share capital	Share premium	Premium on share-based-payments	Retained earnings (Deficit)		
					Appropriated		Unappropriated
Balance as at December 31, 2023		239,999,942	84,985,489	11,901,150	31,017,926	286,962,222	654,866,729
Premium on share-based-payments	14	-	-	(627,169)	-	-	(627,169)
Dividend paid	15	-	-	-	-	(16,799,938)	(16,799,938)
Profit for the period		-	-	-	-	89,891,855	89,891,855
Balance as at September 30, 2024		239,999,942	84,985,489	11,273,981	31,017,926	360,054,139	727,331,477

Condensed notes to interim financial information are parts of this financial information.

(Sign) Authorized directors
 (Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2024
(UNAUDITED/REVIEWED ONLY)

(Unit : Baht)

	Note	Separate financial statements						
		Issued and paid-up share capital	Share premium	Premium on share-based-payments	Retained earnings (Deficit)		Other components of shareholders' equity Gains (losses) on cash flow hedges	Total shareholders' equity
					Appropriated	Unappropriated		
Balance as at December 31, 2022		200,000,000	84,985,489	9,963,354	21,214,282	199,107,828	(401,460)	514,869,493
Premium on share-based-payments		-	-	398,268	-	-	-	398,268
Share dividend		39,999,942	-	-	-	(39,999,942)	-	-
Dividend paid		-	-	-	-	(4,480,052)	-	(4,480,052)
Profit for the period		-	-	-	-	120,905,210	-	120,905,210
Other comprehensive income for the period		-	-	-	-	1,779,508	401,460	2,180,968
Balance as at September 30, 2023		<u>239,999,942</u>	<u>84,985,489</u>	<u>10,361,622</u>	<u>21,214,282</u>	<u>277,312,552</u>	<u>-</u>	<u>633,873,887</u>
Balance as at December 31, 2023		239,999,942	84,985,489	11,901,150	31,017,926	286,962,222	-	654,866,729
Premium on share-based-payments	14	-	-	(627,169)	-	-	-	(627,169)
Dividend paid	15	-	-	-	-	(16,799,938)	-	(16,799,938)
Profit for the period		-	-	-	-	90,133,975	-	90,133,975
Balance as at September 30, 2024		<u>239,999,942</u>	<u>84,985,489</u>	<u>11,273,981</u>	<u>31,017,926</u>	<u>360,296,259</u>	<u>-</u>	<u>727,573,597</u>

Condensed notes to interim financial information are parts of this financial information.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2024
(UNAUDITED/REVIEWED ONLY)

(Unit : Baht)

	Financial statements		
	in which the equity		
	method is applied	Separate financial statements	
	September 30, 2024	September 30, 2024	September 30, 2023
Cash flows from operating activities			
Profit for the period	89,891,855	90,133,975	120,905,210
Adjustments to reconcile profit (loss) to cash receipt (disbursement)			
Tax expense (income)	(701,108)	(701,108)	3,090,595
Loss on impairment of product development projects	(634,554)	(634,554)	1,057,447
Share of loss of joint ventures	242,120	-	-
Depreciation and amortization	15,572,497	15,572,497	23,416,904
Loss on devaluation of inventories	2,964,404	2,964,404	1,816,467
Loss on disposal of equipment	691,827	691,827	1,766
Gain on disposal of investment	-	-	(71,809)
Gain on financial assets at fair value through profit or loss - Investment in Fixed Income Fund	-	-	(12,534)
Gain on financial assets at fair value through profit or loss - Forward exchange contracts	(301,806)	(301,806)	-
Gain on financial assets at fair value through profit or loss - Forward exchange contracts	-	-	(7,393,249)
Unrealized gain on exchange rate	4,433,471	4,433,471	(2,344,167)
Reverse credit losses of bank deposits	(2,141)	(2,141)	(26,816)
Amortized other assets	39,919	39,919	-
Reversed loss on other current provisions	(150,589)	(150,589)	-
Provisions for employee benefit	3,941,673	3,941,673	4,131,978
Employee Joint Investment Program (EJIP) Expenses	5,694,471	5,694,471	4,390,841
Finance income	(401,046)	(401,046)	(275,596)
Interest expenses	4,822,818	4,822,818	2,239,748
Profit from operation before changes in operating assets and liabilities	126,103,811	126,103,811	150,926,785

Condensed notes to interim financial information are parts of this financial information.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS (CONT'D)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2024
(UNAUDITED/REVIEWED ONLY)

(Unit : Baht)

	Financial statements		
	in which the equity		
	method is applied	Separate financial statements	
	September 30, 2024	September 30, 2024	September 30, 2023
Changes in components of current assets (increase) decrease			
Trade and other current receivables	(15,497,270)	(15,497,270)	7,057,173
Inventories	119,007,736	119,007,736	(333,040,084)
Other current assets	(3,528,570)	(3,528,570)	(1,641,116)
Other non-current assets	(295,652)	(295,652)	(2,932,901)
Changes in the components of current liabilities increase (decrease)			
Trade and other current payables	(138,471,128)	(138,471,128)	61,561,848
Other current liabilities	173,949	173,949	297,596
Cash flows generated (paid) from operations	87,492,876	87,492,876	(117,770,699)
Employee benefit paid	(2,623,150)	(2,623,150)	(845,000)
Payments for Employee Joint Investment Program (EJIP)	(6,321,640)	(6,321,640)	(3,992,573)
Interest expenses	(4,885,625)	(4,885,625)	(2,229,061)
Corporate income tax received	76,005	76,005	-
Income tax paid	(46,132)	(46,132)	(2,647,559)
Net cash provided by (used in) operating activities	73,692,334	73,692,334	(127,484,892)
Cash flows from investing activities			
Restricted deposits at financial institutions, (increase) decrease	18,547,749	18,547,749	(12,302,293)
Deposits at financial institutions, (increase) decrease	-	-	36,000,000
Payments for purchase of investments in Fixed Income Fund	-	-	(83,000,000)
Proceeds from disposal of investments in Fixed Income Fund	-	-	80,000,000
Cash paid for investments in joint ventures	(825,000)	(825,000)	-
Advance payment for investment in joint ventures	(1,175,000)	(1,175,000)	-

Condensed notes to interim financial information are parts of this financial information.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS (CONT'D)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30 2024
(UNAUDITED/REVIEWED ONLY)

(Unit : Baht)

	Financial statements		
	in which the equity		
	method is applied	Separate financial statements	
	September 30, 2024	September 30, 2024	September 30, 2023
Payments for purchase of leased building improvements and equipment	(4,140,317)	(4,140,317)	(3,949,564)
Proceeds from sale of equipment	16,499	16,499	6,074
Payments for other intangible assets acquisition	(36,948,904)	(36,948,904)	(53,332,910)
Proceeds from interest	225,332	225,332	229,832
Net cash used in investing activities	(24,299,641)	(24,299,641)	(36,348,861)
Cash flows from financing activities			
Short-term borrowings from financial institutions, increase (decrease)	(106,672,728)	(106,672,728)	127,350,812
Payments for lease liabilities	(3,272,308)	(3,272,308)	(1,835,940)
Dividend paid	(16,795,236)	(16,795,236)	(4,480,053)
Net cash provided by (used in) financing activities	(126,740,272)	(126,740,272)	121,034,819
Net decrease in cash and cash equivalents before effects of exchange rate	(77,347,579)	(77,347,579)	(42,798,934)
Effects of exchange rate to cash and cash equivalents	(1,721,385)	(1,721,385)	1,789,771
Net decrease in cash and cash equivalents	(79,068,964)	(79,068,964)	(41,009,163)
Cash and cash equivalents at the beginning of the period	133,631,089	133,631,089	114,959,084
Cash and cash equivalents at the end of the period	54,562,125	54,562,125	73,949,921

Supplemental of cash flows information :

Cash and cash equivalents at of September 30, 2024 and 2023 are detailed as follows :

Cash	15,672	15,672	14,764
Current accounts	255,340	255,340	298,088
Savings deposit	4,096,667	4,096,667	14,961,607
Foreign currency deposits	50,194,446	50,194,446	58,675,462
Total	54,562,125	54,562,125	73,949,921

Condensed notes to interim financial information are parts of this financial information.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS (CONT'D)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2024
(UNAUDITED/REVIEWED ONLY)

(Unit : Baht)

	Financial statements		
	in which the equity		
	method is applied	Separate financial statements	
	<u>September 30, 2024</u>	<u>September30, 2024</u>	<u>September 30, 2023</u>
Non-cash items :			
Transfer equipment to other intangible assets	-	-	4,269,665
Right-of-use of assets under lease liabilities	5,564,448	5,564,448	-
Depreciation of tools and equipment of product design development project is charged as project cost.	1,023,677	1,023,677	1,458,363
	-	-	(273,188)
Transfer other non-current assets to equipment	3,102,982	3,102,982	(1,757,233)
Transfer other non-current assets to other intangible assets.			
Non-current provisions for employee benefit plans in portion used in product design development projects	338,069	338,069	447,053
Reversed non-current provisions for re-measurement of employee benefits	-	-	(2,224,386)
Dividend paid by ordinary shares of the Company	-	-	39,999,942

Condensed notes to interim financial information are parts of this financial information.

(Sign) Authorized directors

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

SILICON CRAFT TECHNOLOGY PUBLIC COMPANY LIMITED
CONDENSED NOTES TO INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2024
(UNAUDITED/REVIEWED ONLY)

1. GENERAL INFORMATION

1.1 General information

Registration : SILICON CRAFT TECHNOLOGY CO., LTD. ("the Company") was registered as juristic person, classified as a limited company, on December 18, 2002 and converted to Public Company Limited on April 5, 2019.

Location : Head office is located at No.40, Thetsaban Rangsan Nua Road, Kwaeng Lat Yao, Khet Chatuchak, Bangkok.

Business type : The Company engages in research and development to design and assign integrated circuits and embedded systems in the form of hire of production and brought into the Company in order to distribute to the customers under the Company's trademark.

1.2 Basis of interim financial statements preparation

The interim financial information is prepared on a condensed basis and in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, guidelines promulgated by the Federation of Accounting Professions and the regulation of the Stock Exchange of Thailand and the Securities and Exchange Commission. However, the statements of financial position, statements of comprehensive income, statements of changes in shareholders' equity and statements of cash flows are presented the same as previous annual financial statements.

This interim financial information has been prepared for the purpose to provide the update information on the latest complete set of annual financial statements. Accordingly, it focuses on new activities, events, and circumstances and does not duplicate information previously reported. Therefore, the users of these interim financial statements should access to the most recent annual financial statements.

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

(Sign) Authorized Director

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

2. ACCOUNTING POLICIES

2.1 The interim financial information is prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2023 there is additional as following:

Investment in joint venture

Investments in joint venture in financial statements in which the equity method is applied, accounted for using the equity method

Investments in joint venture in separate financial statements are stated at cost less allowances for impairment of investments (if any)

2.2 The revised financial reporting standards which are effective for the financial statements for the fiscal year beginning on or after January 1, 2024 do not have any significant impact on the Company's financial statements.

2.3 Financial reporting standards that will become effective for the financial statements for the fiscal year beginning on or after January 1, 2025

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

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

(Sign) Authorized Director

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

3. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at September 30, 2024 and December 31, 2023 are detailed as follows:

	(Unit : Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Trade accounts receivable		
Trade accounts receivable	62,628,985	42,918,955
Other current receivables		
Advance payment for goods	3,705,391	9,316,986
Receivable - Revenue Department	1,875,421	3,880,838
Others	794,228	249,807
Total other current receivables	<u>6,375,040</u>	<u>13,447,631</u>
Total trade and other current receivables	<u><u>69,004,025</u></u>	<u><u>56,366,586</u></u>

Trade accounts receivable was separated by outstanding ages as follows:

	(Unit : Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Trade accounts receivable - other companies		
Not yet due	55,538,994	42,918,955
Overdue		
Less than 30 days	7,089,991	-
Total trade accounts receivable	<u><u>62,628,985</u></u>	<u><u>42,918,955</u></u>

(Sign) Authorized Director

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

4. INVENTORIES

Inventories as at September 30, 2024 and December 31, 2023 are detailed as follows:

(Unit : Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	September 30, 2024	December 31, 2023
Raw materials	380,144,676	444,599,577
Work in process	215,141,292	280,702,669
Finished goods	-	471
Goods in process	-	1,232,787
Total	595,285,968	726,535,504
Allowance for devaluation of goods, beginning of the period	(22,763,736)	(20,905,196)
Increase	(2,964,404)	(1,858,540)
Decrease	12,241,800	-
Allowance for devaluation of goods, ending of the period	(13,486,340)	(22,763,736)
Net inventories	581,799,628	703,771,768

(Sign) Authorized Director

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

5. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Other non-current financial assets as at September 30, 2024 and December 31, 2023 are detailed as follows:

	(Unit : Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	September 30, 2024	December 31, 2023
Assets classified and measured at amortized cost		
Savings deposits at bank with obligations	154,868	4,050,180
Fixed deposits at bank with obligations	50,181,355	64,833,794
Total	50,336,223	68,883,974
Less: Allowance for expected credit losses	(7,282)	(9,424)
Other non-current financial assets – net	50,328,941	68,874,550

As at September 30, 2024 and December 31, 2023 the Company has used deposits at three banks in the amount of Baht 50.33 million and Baht 68.88 million (four banks) respectively, as guarantee against credit limit from the said banks total amount of Baht 271.00 million and Baht 411.20 million, and in foreign currency total amount of USD 35.70 million and USD 35.70 million respectively.

(Sign) Authorized Director
(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

6. INVESTMENT IN JOINT VENTURE

(Unit : Baht)

Company name	Business type	Relationship	Registered capital (Baht)		Investment proportion		Financial statements in		Separate financial statements	
			(percentage)		which the equity is applied		Cost method			
			September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
ADAPTRICS CO., LTD.	Rendering of development for RFID/IoT Solution	Joint Venture	12,000,000 (paid-up at 27.5%)	-	25.00	-	582,880	-	825,000	-

The financial statements for the period from February 5, 2024 (registration date) to September 30, 2024 of the above abovementioned joint venture that were taken preparation of the financial statements, prepared by the joint venture's management. and have not yet been reviewed by the auditor.

(Sign) Authorized Director

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

7. LEASEHOLD BUILDING IMPROVEMENT AND EQUIPMENT

Increase and decrease in leasehold building improvement and equipment for the nine-month period ended September 30, 2024 are detailed as follows:

	(Unit : Baht)
	Financial statements in which the equity method is applied and Separate financial statements
Net book value as at January 1, 2024	28,967,360
Acquisition – cost price	4,140,317
Disposed during the period - net book value at the date of disposition	(708,327)
Depreciation for the period	(6,227,002)
Net book value as at September 30, 2024	<u>26,172,348</u>

Depreciation classification for the nine-month period ended September 30, 2024 are as follows:

	(Unit : Baht)
	Financial statements in which the equity method is applied and Separate financial statements
Product design development project	1,023,677
Cost of sales	2,818,024
Administrative expenses	2,385,301
Total depreciation	<u>6,227,002</u>

(Sign) Authorized Director

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

8. LEASE

The Company entered into leases relating to office building premises, vehicles and office supplies.

Right-of-use assets

Increase and decrease of the right-of-use assets as at September 30, 2024 are detailed as follows:

	(Unit : Baht)
	Financial statements in which the equity method is applied and Separate financial statements
Net book value as at January 1, 2024	3,775,396
Acquisition – Cost	5,564,448
Depreciation for the period	(2,050,784)
Net book value as at September 30, 2024	7,289,060

Lease liabilities

Lease liabilities as at September 30, 2024 and December 31, 2023 are detailed as follows:

	(Unit : Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	September 30, 2024	December 31, 2023
Lease liabilities	6,734,276	4,243,472
<u>Less:</u> Deferred interest income	(368,183)	(169,519)
Total	6,366,093	4,073,953
<u>Less:</u> Portion due within one year	(3,067,966)	(2,529,922)
Net lease liabilities	3,298,127	1,544,031

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(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

Increase and decrease of lease liabilities for the nine-month period ended September 30, 2024 can be summarized as follows:

	(Unit : Baht)
	Financial statements in which the equity method is applied and Separate financial statements
Net book value as at January 1, 2024	4,073,953
Lease increased during the period	5,564,448
Repayment during the period	(3,272,308)
Net book value as at September 30, 2024	6,366,093

9. OTHER INTANGIBLE ASSETS

Increase and decrease of other intangible assets for the nine-month period ended September 30, 2024 details are as follows:

	(Unit : Baht)			
	Financial statements in which the equity method is applied and Separate financial statements			
	Separate financial statements			
	Computer software	Product development projects		
		Accomplished	Under progress	Total
Net book value as at January 1, 2024	8,988,178	12,828,932	121,584,611	143,401,721
Acquisition/development during the period - cost	-	1,704,719	39,708,912	41,413,631
Amortization for the period	(2,027,122)	(3,820,666)	(2,470,601)	(8,318,389)
Net book value as at September 30, 2024	6,961,056	10,712,985	158,822,922	176,496,963

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(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

Classification of amortization for the nine-month period ended September 30, 2024 is as follows:

(Unit : Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	Computer software	Product development projects		
		Accomplished	Under progress	Total
Cost of sales	953,643	3,820,666	2,470,601	7,244,910
Administrative expense	1,073,478	-	-	1,073,478
Total amortization	2,027,121	3,820,666	2,470,601	8,318,388

As at September 30, 2024 total product development projects are 29 projects, which 10 projects were accomplished have been amortized. The other 19 projects are under progress.

10. SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTION

Short-term borrowings from financial institutions as at September 30, 2024 and December 31, 2023 are as follows:

(Unit : Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	September 30, 2024	December 31, 2023
	Short-term borrowings for export to oversea	86,978,000
Short-term borrowings for import from oversea	37,315,089	130,965,817
Total short-term borrowing from financial institutions	124,293,089	230,965,817

As at September 30, 2024 and December 31, 2023, the Company has credit line for exporting goods to overseas with bank with the credit limit of Baht 165 million and Baht 100 million respectively, at the interest rate of MMR per annum which is matured by 180 days, guaranteed by the same bank deposit (note 5).

As at September 30, 2024 and December 31, 2023, the Company has credit line for importing goods from overseas with bank with the credit limit of Baht 100 million and Baht 245 million respectively, at the interest rate of MMR per annum which is matured by 150 days, guaranteed by the same bank deposit (note 5).

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(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

11. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at September 30, 2024 and December 31, 2023 are detailed as follows:

	(Unit : Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	September 30, 2024	December 31, 2023
Trade accounts payable		
Trade accounts payable	27,346,420	135,181,147
Other current payables		
Accrued bonus	18,367,301	28,648,600
Accrued commission	926,060	977,498
Advance received	36,311,856	55,979,164
Advance from government grants	-	764,143
Accrued dividend payment	52,182	47,480
Accrued expenses	14,282,819	13,751,183
Others	3,644,872	4,457,340
Total other current payables	73,585,090	104,625,408
Total trade and other current payables	100,931,510	239,806,555

12. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS

Increase and decrease in non-current provisions for employee benefits as at September 30, 2024 can be summarized as follows:

	(Unit : Baht)
	Financial statements in which the equity method is applied and Separate financial statements
Net book value as at January 1, 2024	27,450,929
Recognized in profit or loss	
Current service cost	3,768,198
Interest cost	511,544
Employee benefits paid	(2,623,150)
Net book value as at September 30, 2024	29,107,521

(Sign) Authorized Director

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

13. SHARE CAPITAL

13.1 The increase and decrease in share capital for the nine-month period ended September 30, 2024 is summarized as follows:

	Share capital		Issued and paid-up share capital	
	Number of share	Amounts (Baht)	Number of share	Amounts (Baht)
Balance as at January 1, 2024	720,000,000	360,000,000	479,999,884	239,999,942
Ordinary shares increase	47,999,988	23,999,994	-	-
Dividend paid	(240,000,116)	(120,000,058)	-	-
Balance as at September 30, 2024	<u>527,999,872</u>	<u>263,999,936</u>	<u>479,999,884</u>	<u>239,999,942</u>

13.2 According to the resolution of the 2024 Annual General Meeting of Shareholders dated April 24, 2024 passed to approve the following:

- 1) Decrease the registered share capital of the Company in the remaining from the allocation for shares dividend payment in accordance with the resolution of the 2023 Annual General Meeting of shareholders and the allocation of additional ordinary in the form of General Mandate from the registered share capital of Baht 360,000,000 to Baht 239,999,942 by cutting the unissued 240,000,116 ordinary shares at par value of Baht 0.50 each, total amount of Baht 120,000,058. The Company has registered the decrease share capital with Ministry of Commerce on May 16, 2024.
- 2) Increase the registered share capital of the Company by issuing new ordinary shares to reserve the increase in share capital in the form of General Mandate not exceeding 47,999,988 shares with a par value of Baht 0.50 each, not exceeding Baht 23,999,994, to the Private Placement (represented 10% which does not exceed 10% of the paid-up share capital) from the registered share capital of Baht 239,999,942 to Baht 263,999,936, along with the further amendment to the Memorandum of Association and related documents. The Company has registered the increase share capital with Ministry of Commerce on May 17, 2024.

(Sign) Authorized Director

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14. PREMIUM ON SHARE-BASED-PAYMENT

Premium on share-based-payments as at September 30, 2024 and December 31, 2023 are detailed as follows:

	(Unit : Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	September 30, 2024	December 31, 2023
Premium on granting stock options to employees	9,776,657	9,776,657
Premium on employee joint investment program (EJIP)	1,497,324	2,124,493
Total	11,273,981	11,901,150

Increase and decrease of premium on share-based payment for the nine-month period ended September 30, 2024, details are as follows:

	(Unit : Baht)
	Financial statements in which the equity method is applied and Separate financial statements
Net book value as at January 1, 2024	11,901,150
Cash paid for joint venture projects	(6,321,640)
Joint venture project expenses	5,694,471
Net book value as at September 30, 2024	11,273,981

15. RETAINED EARNINGS APPROPRIATION

According to the minutes of the Annual General Meeting of the shareholders for the year 2024 held on April 24, 2024, passed the resolution to pay dividend from the 2023 operating profit to the shareholders at Baht 0.035 per share for 479,999,884 shares totally Baht 16,799,996. Such dividend Baht 16,799,938 was paid on May 23, 2024.

16. TAX INCOME (EXPENSE)

The Company calculates the corporate income tax at the rate of 20% from profit (loss) before income tax for the period and add back expense reserves and others that are not allowed expenses in the calculation of income tax (if any), except for the profit received from investment promotion.

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(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

Income tax recognized in profit or loss for the three-month and nine-month periods ended September 30, 2024 and 2023 can be summarized as follows:

(Unit : Baht)

	Financial statements in which the equity method is applied and			
	Separate financial statements			
	For the three-month period		For the six-month period	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Current income tax	-	706,379	-	3,552,131
Income tax for the period	-	-	(747,341)	-
Prior year corporate income tax adjustments				
Deferred tax				
Deferred tax from temporary difference	(138,573)	(161,834)	46,233	(461,536)
(reversed)	(138,573)	544,545	(701,108)	3,090,595
Tax expense (income)	-	706,379	-	3,552,131

17. TRANSACTIONS WITH RELATED PERSONS AND PARTIES

Part of the Group's assets, liabilities, revenues and expenses arose from transactions with persons and related parties. These related transactions are determined on the conditions in the normal course of business and based on the Company concerned as follows:

17.1 General information

<u>Name</u>	<u>Relationship</u>	<u>Description</u>
<u>Related company</u>		
ADAPTRICS CO., LTD.	Joint venture	Revenues from sales Management income Rental income

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(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

17.2 Assets and liabilities transaction with related persons and business as at September 30, 2024 and December 31, 2023 are as follows:

(Unit : Baht)		
Financial statements in which the equity method is applied and Separate financial statements		
	September 30, 2024	December 31, 2023
ADAPTRICS CO., LTD.		
Trade receivables and other current receivables	333,333	-
Other non-current assets – investments paid in advance	1,175,000	-

17.3 Revenues and expenses transaction with related persons and parties for the three-month and nine-month periods ended September 30, 2024 and 2023 are as follows:

(Unit : Baht)			
Financial statements in which the equity method is applied and Separate financial statements			
	For the three-month period		Pricing policy
	September 30, 2024	September 30, 2023	
ADAPTRICS CO., LTD.			
Revenues from sales	22,500	-	Price as agreed
Other income	201,986	-	Contract price

(Unit : Baht)			
Financial statements in which the equity method is applied and Separate financial statements			
	For the nine-month period		Pricing policy
	September 30, 2024	September 30, 2023	
ADAPTRICS CO., LTD.			
Revenues from sales	662,520	-	Price as agreed
Other income	535,319	-	Contract price

(Sign) Authorized Director
(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

18. EXPENSES BY NATURE

Expenses by nature of significant expenses for three-month and nine-month periods ended September 30, 2024 and 2023 are as follows:

(Unit : Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	For the three-month period		For the six-month period	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Changes in finished goods and work in progress	(17,307,447)	(40,396,909)	66,794,635	(117,033,026)
Raw materials and consumables are used	48,513,757	66,066,017	134,684,626	221,266,463
Contract manufacturing wages	30,280,310	39,744,584	72,844,212	132,733,847
Directors' remuneration	666,600	755,236	1,718,300	1,773,736
Employee expenses	26,289,240	26,443,147	90,236,832	83,980,604
Depreciation and amortization	5,833,854	6,385,318	16,596,174	23,416,904
Research expenses	10,352,374	8,478,521	36,025,217	27,005,290
Loss on devaluation of inventories	561,115	785,719	2,964,404	1,816,467
Travelling expenses	1,511,515	1,531,189	3,811,324	3,425,052
Loss on impairment of assets	-	-	-	1,057,447

19. OPERATING SEGMENT

The main business segment of the Company is the distribution and providing of integrated circuit design services and embedded systems in oversea geographical. In addition, revenue from domestic sales and service income had total amount is less than 10%. Therefore, the Company does not present the financial information by segment.

For the nine-month period ended September 30, 2024 and 2023 the Company has income from 5 major customers in the amount of Baht 377.01 million and Baht 363.94 million respectively.

(Sign) Authorized Director

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

20. FINANCIAL INSTRUMENTS

20.1 Objectives and policies for financial risk management

Marketing risk - exchange rate risk

As at September 30, 2024 and December 31, 2023 the Company has assets and liabilities in foreign currency remaining as follows:

		Financial statements in which the equity method is applied and Separate financial statements					
		Pre-contract		Non pre-contract		Exchange rate	
		September	December	September	December	September	December
Items	Currency	30, 2024	31, 2023	30, 2024	31, 2023	30, 2024	31, 2023
		(Baht per unit of foreign currency)					
Financial assets							
Deposits in foreign	USD	-	-	1,523,649	1,248,647	32.13	34.06
currency	EUR	-	-	34,472	-	35.68	37.67
	CNY	-	-	3,355	19,615	4.55	4.74
Trade accounts receivable	USD	-	-	1,677,754	1,180,277	32.13	34.06
	EUR	-	-	244,650	60,038	35.68	37.67
Financial liabilities							
Trade accounts payable	USD	-	1,600,000	332,539	1,755,917	32.46	34.39

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(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

Liquidity risk

The maturity details of the Company's financial liabilities as at September 30, 2024 and December 31, 2023 are shown below.

(Unit : Baht)

	Note	Financial statements in which the equity method is applied and Separate financial statements			
		Due at call	Not over 1 year	1 - 5 years	Total
As at September 30, 2024					
Non-derivative items					
Short-term borrowings from financial					
institutions	10	-	124,293,089	-	124,293,089
Trade and other current payables	11	100,931,510	-	-	100,931,510
Lease liabilities	8	-	3,067,966	3,298,127	6,366,093
Total		<u>100,931,510</u>	<u>127,361,055</u>	<u>3,298,127</u>	<u>231,590,692</u>
As at December 31, 2023					
Non-derivative items					
Short-term borrowings from financial					
institutions	10	-	230,965,817	-	230,965,817
Trade and other current payables	11	239,806,555	-	-	239,806,555
Lease liabilities	8	-	2,529,922	1,544,030	4,073,952
Total		<u>239,806,555</u>	<u>233,495,739</u>	<u>1,544,030</u>	<u>474,846,324</u>
Derivatives					
Other current financial liabilities		-	301,806	-	301,806

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(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)

21. COMMITMENT

21.1 Commitments relating to raw material purchase agreements and others

As at September 30, 2024 and December 31, 2023, the Company has commitments relating to hire of manufacturing products, purchasing raw materials, and others as follows:

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Baht	43,110,080	83,013,655
USD	520,625	1,093,085
EUR	29,539	-
AUD	1,875	-

21.2 Service contract obligations

As at September 30, 2024 and December 31, 2023, the Company entered into service agreements related to office building rental. The future minimum payments under an operating lease are as follows:

	(Unit : Baht)	
	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Payments		
Within 1 year	3,883,200	4,426,800
Over 1 year not exceed 5 years	1,791,400	4,211,500
Total	<u>5,674,600</u>	<u>8,638,300</u>

22. FINANCIAL STATEMENTS APPROVAL

This financial information was approved and authorized for issue by the Company's Board of directors on November 13, 2024.

(Sign) Authorized Director

(Mr. Naiyavudhi Wongkomet and Mr. Bodin Kasemset)