**KCG 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, income statement, 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 KCG 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 change in shareholding structure of subsidiary during the current period.

**1.3 Accounting policies**

The interim financial statements are prepared by 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 periods, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties. However, there is no significant change in the pricing policy of business transactions with related parties.

Business transactions with related parties are summarised below.

|  |  |  | (Unit: Thousand Baht) | |
| --- | --- | --- | --- | --- |
|  | For the three-month periods ended 31 March | | | |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2025 | 2024 | 2025 | 2024 |
| **Transactions with the parent company** |  |  |  |  |
| Rental expense | 4,821 | 4,821 | 4,821 | 4,821 |
| **Transactions with subsidiary**  (eliminated from the consolidated financial statements) |  |  |  |  |
| Sales of goods | - | - | 866 | 1,505 |
| Purchases of goods and services | - | - | 3,380 | - |
| Other income | - | - | 102 | 76 |
| Interest income | - | - | 280 | 114 |
| **Transactions with related companies** |  |  |  |  |
| Sales of goods | 717 | 1,582 | 717 | 1,582 |
| Purchases of goods and services | 838 | 82 | 838 | 82 |
| Other income | 45 | 45 | 45 | 45 |
| Rental expense | 1,782 | 1,572 | 1,782 | 1,572 |
| **Transactions with management and directors** |  |  |  |  |
| Rental expense | 43 | 43 | 43 | 43 |

As at 31 March 2025 and 31 December 2024, the balances of the accounts between the Company and those related parties are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | (Unit: Thousand Baht) | | | |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 31 March 2025 | 31 December 2024 | 31 March 2025 | 31 December 2024 |
|  |  | (Audited) |  | (Audited) |
| **Trade and other current receivables - related parties** |  |  |  |  |
| **(Note 3)** | |  |  |  |
| Subsidiary | - | - | 1,110 | 1,452 |
| Related companies (common shareholders  and directors) | 483 | 2,544 | 483 | 2,544 |
| Total trade and other current receivables - related parties | 483 | 2,544 | 1,593 | 3,996 |
| **Trade and other current payables - related parties** |  |  |  |  |
| Subsidiary | - | - | 3,380 | 33 |
| Related company (common shareholders and directors) | 141 | 235 | 141 | 235 |
| Total trade and other current payables - related parties | 141 | 235 | 3,521 | 268 |
| **Lease liabilities - related parties (Note 8)** |  |  |  |  |
| Parent company | 14,210 | 18,847 | 14,210 | 18,847 |
| Related companies (common shareholders  and directors) | 6,656 | 8,224 | 6,656 | 8,224 |
| Total lease liabilities - related parties | 20,866 | 27,071 | 20,866 | 27,071 |

**Short-term loans to subsidiary**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | (Unit: Thousand Baht) | | | | | |
|  | |  | Separate financial statements | | | |
|  | |  | Balance as at | Increase | Decrease | Balance as at |
| Loans to related party | | Relationship | 1 January 2025 | during the period | during the period | 31 March 2025 |
| Indoguna (Thailand) Company Limited | | Subsidiary | 40,000 | 33,500 | (40,000) | 33,500 |
| Total | |  | 40,000 | 33,500 | (40,000) | 33,500 |

As at 31 March 2025, short-term loans to subsidiary carry interest at a rate of 3.38% per annum, and to be due at call (31 December 2024: 3.38% per annum).

Directors and management’s benefits

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  | (Unit: Million Baht) | |
|  | For the three-month periods ended 31 March | | | |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2025 | 2024 | 2025 | 2024 |
| Short-term employee benefits | 20.8 | 19.3 | 20.8 | 19.3 |
| Post-employment benefits | 0.4 | 0.3 | 0.4 | 0.3 |
| Total | 21.2 | 19.6 | 21.2 | 19.6 |

**3. Trade and other current receivables**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | (Unit: Thousand Baht) | | | |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 31 March | 31 December | 31 March | 31 December |
|  | 2025 | 2024 | 2025 | 2024 |
|  |  | (Audited) |  | (Audited) |
| Trade receivables - related parties |  |  |  |  |
| Aged on the basis of due dates |  |  |  |  |
| Not yet due | 483 | 2,529 | 1,221 | 3,583 |
| Total trade receivables - related parties | 483 | 2,529 | 1,221 | 3,583 |
| Trade receivables - unrelated parties |  |  |  |  |
| Aged on the basis of due dates |  |  |  |  |
| Not yet due | 901,321 | 1,229,015 | 891,527 | 1,214,805 |
| Past due |  |  |  |  |
| Up to 3 months | 429,008 | 603,535 | 427,085 | 600,019 |
| 3 - 6 months | 5,421 | 6,254 | 4,580 | 5,622 |
| 6 - 12 months | 2,401 | 690 | 1,666 | 597 |
| Over 12 months | 17,636 | 20,626 | 16,906 | 19,973 |
| Total | 1,355,787 | 1,860,120 | 1,341,764 | 1,841,016 |
| Less: Allowance for expected credit losses | (20,271) | (26,326) | (18,599) | (24,675) |
| Total trade receivables - unrelated parties, net | 1,355,516 | 1,833,794 | 1,323,165 | 1,816,341 |
| Total trade receivables - net | 1,335,999 | 1,836,323 | 1,324,386 | 1,819,924 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | (Unit: Thousand Baht) | | | |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 31 March | 31 December | 31 March | 31 December |
|  | 2025 | 2024 | 2025 | 2024 |
|  |  | (Audited) |  | (Audited) |
| Other current receivables |  |  |  |  |
| Other current receivables - related parties | - | 15 | 372 | 413 |
| Other current receivables - unrelated party | - | 3,034 | - | 3,034 |
| Advances | 20,017 | 26,636 | 20,002 | 26,636 |
| Total other current receivables | 20,017 | 29,685 | 20,374 | 30,083 |
| Trade and other current receivables - net | 1,356,016 | 1,866,008 | 1,344,760 | 1,850,007 |

**4. Inventories / Allowance for diminution in value of inventories**

Movement in the allowance of diminution in value of inventories account during the three-month period ended 31 March 2025 were summarised below.

|  | (Unit: Thousand Baht) | |
| --- | --- | --- |
|  | Consolidated financial statements | Separate financial statements |
| Balance as at 1 January 2025 | 86,408 | 84,374 |
| Add: Decrease during the period | (12,403) | (11,943) |
| Balance as at 31 March 2025 | 74,005 | 72,431 |

**5. Other financial assets**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  | | (Unit: Thousand Baht) | | |
|  | Consolidated financial statements | | | | Separate financial statements | |
|  | 31 March | | 31 December | | 31 March | 31 December |
|  | 2025 | | 2024 | | 2025 | 2024 |
|  |  | | (Audited) | |  | (Audited) |
| Financial assets at FVTPL: |  | |  | |  |  |
| Investment units | 84,586 | | 19,086 | | 84,586 | 19,086 |
| Derivative assets | 825 | | 230 | | 825 | 230 |
| Financial assets at FVOCI: |  | |  | |  |  |
| Listed equity instruments | 15,416 | | 17,245 | | 15,416 | 17,245 |
| Total other financial assets | 100,827 | | 36,561 | | 100,827 | 36,561 |
|  |  | |  | |  |  |
| Current | 85,411 | | 19,316 | | 85,411 | 19,316 |
| Non-current | 15,416 | | 17,245 | | 15,416 | 17,245 |
| Total | 100,827 | | 36,561 | | 100,827 | 36,561 |

**6. Restricted bank deposits**

These represent fixed deposit pledged with the bank as business collateral.

**7. Property, plant and equipment**

|  | (Unit: Thousand Baht) | |
| --- | --- | --- |
|  | Consolidated financial statements | Separate financial statements |
| Net book value as at 1 January 2025 | 2,618,397 | 2,615,915 |
| Acquisitions - at cost | 36,590 | 36,585 |
| Disposals and write-off - net book value | (6,104) | (6,104) |
| Depreciation for the period | (38,791) | (38,578) |
| Reversal of impairment during the period | 209 | - |
| Net book value as at 31 March 2025 | 2,610,301 | 2,607,818 |

**8. Short-term loans from banks**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | |  | | (Unit: Thousand Baht) | | | | | |
|  | | Interest rates (% per annum) | | | Consolidated  financial statements | | | Separate  financial statements | | | |
|  | | 31 March 2025 | 31 December 2024 | | 31 March 2025 | | 31 December 2024 | | 31 March 2025 | 31 December 2024 |
|  | |  |  | |  | | (Audited) | |  | (Audited) |
| Trust receipts | | 2.50 - 3.25 | 2.80 - 3.34 | | 279,024 | | 432,226 | | 235,911 | 410,178 |
| Promissory notes | | 2.60 - 3.00 | 2.55 - 3.29 | | 945,184 | | 1,085,363 | | 945,184 | 1,085,363 |
| Total | |  |  | | 1,224,208 | | 1,517,589 | | 1,181,095 | 1,495,541 |

As at 31 March 2025, the Group has available bank overdraft and short-term loans facility amounted to Baht 3,725 million (31 December 2024: Baht 3,331 million) (the Company only: Baht 3,668 million (31 December 2024: Baht 3,253 million)).

**9. Right-of-use assets / Lease liabilities**

Movements of the right of use assets and lease liabilities during the three-month period ended 31 March 2025 are summarise below.

**Right-of-use assets**

|  |  |  |
| --- | --- | --- |
|  | (Unit: Thousand Baht) | |
|  | Consolidated financial statements | Separate financial statements |
| Net book value as at 1 January 2025 | 111,395 | 111,066 |
| Additions during the period | 7,891 | 7,891 |
| Depreciation for the period | (14,743) | (14,602) |
| Net book value as at 31 March 2025 | 104,543 | 104,355 |

**Lease liabilities**

|  |  |  |
| --- | --- | --- |
|  | (Unit: Thousand Baht) | |
|  | Consolidated financial statements | Separate financial statements |
| Net book value as at 1 January 2025 | 115,492 | 115,160 |
| Additions | 7,891 | 7,891 |
| Accretion of interest | 1,420 | 1,417 |
| Repayments | (16,337) | (16,192) |
| Net book value as at 31 March 2025 | 108,466 | 108,276 |

|  |  |  | (Unit: Thousand Baht) | |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 31 March | 31 December | 31 March | 31 December |
|  | 2025 | 2024 | 2025 | 2024 |
|  |  | (Audited) |  | (Audited) |
| Lease payments | 116,847 | 124,505 | 116,656 | 124,170 |
| Less: Deferred interest expenses | (8,381) | (9,013) | (8,380) | (9,010) |
| Total | 108,466 | 115,492 | 108,276 | 115,160 |
| Less: Portion due within one year | (51,251) | (56,466) | (51,061) | (56,134) |
| Lease liabilities - net of current portion | 57,215 | 59,026 | 57,215 | 59,026 |

**10. Income tax**

Income tax expense was calculated on profit before income tax for the period multiplied by the estimated average tax rate as follows.

|  |  |  | (Unit: Thousand Baht) | |
| --- | --- | --- | --- | --- |
|  | For the three-month periods ended 31 March | | | |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2025 | 2024 | 2025 | 2024 |
| Current income tax: |  |  |  |  |
| Current income tax for the period | 27,761 | 30,762 | 27,761 | 30,762 |
| Deferred tax: |  |  |  |  |
| Deferred tax from temporary |  |  |  |  |
| differences and reversal of  temporary differences | 4,492 | (11,277) | 4,492 | (11,277) |
| Income tax expense reported in  income statement | 32,253 | 19,485 | 32,253 | 19,485 |

**11. Segment information**

The Group is principally engaged in the importing, manufacturing and distribution of food and bakery products. 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.

Geographic information

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

|  |  |  |
| --- | --- | --- |
|  | (Unit: Thousand Baht) | |
|  | Consolidated financial statements | Separate financial statements |
| Revenue from external customers |  |  |
| Local | 1,959,089 | 1,926,970 |
| Overseas | 77,440 | 77,440 |
| Total | 2,036,529 | 2,004,410 |

**12. Commitments and contingent liabilities**

**12.1  Purchasing goods and other materials commitments**

As at 31 March 2025, the Company had commitments with respect to purchasing of goods and other materials of Baht 210.4 million, USD 25.6 million, EUR 5.2 million and DKK 2.3 million (31 December 2024: Baht 582.9 million, USD 24.9 million, EUR 4.3 million, and DKK 1.6 million) (The subsidiary: Nil).

**12.2 Capital commitments**

As at 31 March 2025, the Company had capital commitments of Baht 134.0 million (31 December 2024: Baht 84.1 million), relating to building renovation and acquisitions of machine and computer software (The subsidiary: Nil).

**12.3 Service agreements and operating lease commitments**

The Company has entered into several service and lease of equipment agreements. The terms of the agreements are generally between 1 and 3 years. The Company has future minimum service fees, and lease payments required under these non-cancellable service and lease agreements as follows.

|  |  |  |
| --- | --- | --- |
|  | (Unit: Million Baht) | |
|  | 31 March 2025 | 31 December 2024 |
| Payable: |  |  |
| In up to 1 year | 6.4 | 5.5 |
| In over 1 and up to 3 years | 5.0 | 6.2 |

(The subsidiary: Nil)

**12.4 Bank guarantees**

Bank guarantees issued by banks on behalf of the Company were summarised below.

|  |  |  |
| --- | --- | --- |
|  | (Unit: Million Baht) | |
|  | 31 March 2025 | 31 December 2024 |
| Guarantee for |  |  |
| Contractual performance | 4.1 | 3.2 |
| Electricity usage | 15.4 | 15.4 |
| Total | 19.5 | 18.6 |

(The subsidiary: Nil)

**13. Financial instruments**

**13.1 Fair value 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.

**13.2 Financial assets and liabilities in foreign currency**

As at 31 March 2025, the balances of financial assets and liabilities denominated in foreign currencies were summarised below.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Foreign currency | Financial assets | | Financial liabilities | | Average exchange rate | |
|  | Consolidated financial statements | Separate financial statements | Consolidated financial statements | Separate financial statements | Consolidated financial statements | Separate financial statements |
|  | (Million) | (Million) | (Million) | (Million) | (Baht per 1 foreign currency unit) | |
| Swiss Franc | - | - | 0.08 | 0.08 | 38.5960 | 38.5960 |
| Danish Krone | - | - | 0.71 | 0.71 | 4.9254 | 4.9254 |
| Euro | - | - | 1.93 | 1.93 | 36.7392 | 36.7392 |
| Japanese Yen | - | - | 5.51 | 5.51 | 0.2272 | 0.2272 |
| Yuan | - | - | 0.09 | 0.09 | 4.6723 | 4.6723 |
| Pound sterling | - | - | 0.01 | 0.01 | 43.9348 | 43.9348 |
| US Dollar | 2.27 | 2.27 | 5.90 | 5.84 | 33.9265 | 33.9265 |

**13.3 Foreign exchange contracts**

As at 31 March 2025, the outstanding foreign exchange contracts outstanding were as follows.

The Company

|  |  |  |  |
| --- | --- | --- | --- |
|  | Bought |  | Contractual |
| Foreign currency | amount | Contractual exchange rate | maturity date |
|  | (Million) | (Baht per 1 foreign currency unit) |  |
| US Dollar | 7.3 | 32.8550 - 34.5380 | June 2025 - March 2026 |
| Euro | 1.0 | 35.7000 - 39.1585 | July - October 2025 |
| Danish Krone | 0.1 | 4.7850 | July 2025 |

(The subsidiary: Nil)

**13.4 Fair value hierarchy**

As at 31 March 2025, the Group had financial assets and liabilities that were measured at fair value using different levels of inputs as follows

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| (Unit: Million Baht) | | | | |
|  | Consolidated and Separate financial statements | | | |
|  | Level 1 | Level 2 | Level 3 | Total |
| **Assets measured at fair value** |  |  |  |  |
| Financial assets measured at FVOCI |  |  |  |  |
| Equity investments | 15.4 | - | - | 15.4 |
| Financial assets measured at FVTPL |  |  |  |  |
| Investment units | - | 84.6 | - | 84.6 |
| Derivatives |  |  |  |  |
| Foreign currency forward contracts | - | 0.8 | - | 0.8 |
| **Liabilities measured at fair value** |  |  |  |  |
| Derivatives |  |  |  |  |
| Foreign currency forward contracts | - | 1.0 | - | 1.0 |

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

**14. Event after the reporting period**

On 28 April 2025, the Company’s Annual General Meeting of shareholders passed a resolution to approve the dividend payment from the 2024 net profit at Baht 0.41 per share, totalling Baht 223.5 million. The dividend payment is scheduled to be paid on 23 May 2025, and no interim dividend payment during the year 2024.

**15. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company’s Board of Directors on 13 May 2025.