

Karmarts Public Company Limited and its subsidiaries
Review report and interim financial information
For the three-month period ended 31 March 2024

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Karmarts Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Karmarts Public Company Limited and its subsidiaries as at 31 March 2024, the related consolidated statements of income and comprehensive income for the three-month period then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Karmarts Public Company Limited for the same period (collectively "interim financial information"). 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 review 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 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.

Conclusion

Based on my review, 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*.

Chayapol Suppasdtanon

Certified Public Accountant (Thailand) No. 3972

EY Office Limited

Bangkok: 13 May 2024

Karmarts Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2024

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2024	31 December 2023	31 March 2024	31 December 2023
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		870,776	842,255	854,729	829,041
Trade and other receivables	2, 3	567,646	516,801	595,167	543,443
Current portion of lease receivables		3,909	4,208	5,654	5,978
Short-term loans to related party	3	26,000	19,000	70,000	59,000
Inventories		554,615	581,037	528,732	549,813
Other current financial assets	4	840,637	813,608	840,637	813,608
Other current assets		77,634	75,438	76,864	75,205
Total current assets		2,941,217	2,852,347	2,971,783	2,876,088
Non-current assets					
Lease receivables - net of current portion		2,024	2,836	4,482	5,714
Other non-current financial assets	4	232,544	124,450	232,544	124,450
Investments in joint ventures	5	13,006	11,242	8,563	8,563
Investment in associate	6	224,131	225,413	71,030	71,030
Investments in subsidiaries		-	-	218,878	218,878
Investment properties	7	504,271	474,712	199,434	170,084
Property, buildings and equipment	8	485,527	484,519	472,680	472,222
Right-of-use assets	9	52,001	56,010	52,034	56,034
Intangible assets		1,133	1,173	1,126	1,166
Deferred tax assets		340	340	-	-
Other non-current assets		32,066	16,877	31,875	16,699
Total non-current assets		1,547,043	1,397,572	1,292,646	1,144,840
Total assets		4,488,260	4,249,919	4,264,429	4,020,928

The accompanying notes are an integral part of the interim financial statements.

Karmarts Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2024

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2024	31 December 2023	31 March 2024	31 December 2023
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	10	297,939	373,352	297,939	373,352
Trade and other payables	3	282,782	308,934	315,486	332,494
Short-term loans from related parties and persons	3	12,000	16,000	-	-
Current portion of lease liabilities		17,942	18,673	17,917	18,650
Income tax payable		117,482	68,120	115,071	66,345
Other current liabilities		36,600	41,937	35,134	41,454
Total current liabilities		764,745	827,016	781,547	832,295
Non-current liabilities					
Lease liabilities - net of current portion		34,702	38,281	34,951	38,517
Provision for long-term employee benefits		24,474	23,370	24,148	23,090
Deferred tax liabilities		59,775	56,803	59,775	56,803
Total non-current liabilities		118,951	118,454	118,874	118,410
Total liabilities		883,696	945,470	900,421	950,705
Shareholders' equity					
Share capital					
Registered					
1,099,999,996 ordinary shares of Baht 0.60 each		660,000	660,000	660,000	660,000
Issued and fully paid					
1,099,999,996 ordinary shares of Baht 0.60 each		660,000	660,000	660,000	660,000
Share premium		1,551,410	1,551,410	1,551,410	1,551,410
Surplus on capital reduction		15,267	15,267	15,267	15,267
Share premium on changes in proportion					
of investment in subsidiary		135	135	-	-
Retained earnings					
Appropriated - statutory reserve		66,000	66,000	66,000	66,000
Unappropriated		1,141,782	843,626	967,801	674,016
Other components of shareholders' equity		104,688	103,865	103,530	103,530
Equity attributable to owners of the Company		3,539,282	3,240,303	3,364,008	3,070,223
Non-controlling interests of the subsidiaries		65,282	64,146	-	-
Total shareholders' equity		3,604,564	3,304,449	3,364,008	3,070,223
Total liabilities and shareholders' equity		4,488,260	4,249,919	4,264,429	4,020,928
		-	-	-	-

The accompanying notes are an integral part of the interim financial statements.

Directors

(Unaudited but reviewed)

Karmarts Public Company Limited and its subsidiaries**Income statement****For the three-month period ended 31 March 2024**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Revenues					
Sales		769,616	568,794	794,774	596,642
Income from warehouse rental		6,538	6,538	6,538	6,538
Other income		10,237	9,504	6,701	6,058
Total revenues		786,391	584,836	808,013	609,238
Expenses					
Cost of sales		357,107	274,898	389,923	307,709
Cost of warehouse rental		18	24	18	24
Selling and distribution expenses		111,791	75,288	111,527	75,093
Administrative expenses		77,903	62,410	73,528	58,839
Total expenses		546,819	412,620	574,996	441,665
Profit from operating activities		239,572	172,216	233,017	167,573
Gain on change in fair value of investments					
in equity instrument		103,429	-	103,429	-
Gain on sale of investment		6,577	-	6,577	-
Share of profit (loss) from investments in joint ventures					
and associate	5, 6	(15)	21,451	-	-
Finance income		7,051	119	7,341	413
Finance cost		(4,423)	(3,357)	(4,351)	(3,301)
Profit before income tax expense		352,191	190,429	346,013	164,685
Tax expense	11	(52,899)	(32,461)	(52,228)	(32,136)
Profit for the period		299,292	157,968	293,785	132,549
Profit or loss attributable to:					
Equity holders of the Company		298,156	157,673		
Non-controlling interests of the subsidiaries		1,136	295		
		299,292	157,968		
(Unit: Baht)					
Earnings per share					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.271	0.179	0.267	0.151
Weighted average number of ordinary shares (thousand shares)		1,100,000	880,000	1,100,000	880,000

The accompanying notes are an integral part of the interim financial statements.

(Unaudited but reviewed)

Karmarts Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 31 March 2024

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Profit for the period	<u>299,292</u>	<u>157,968</u>	<u>293,785</u>	<u>132,549</u>
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Share of gain (loss) from exchange differences on translation of joint venture's financial statements in foreign currency	823	(110)	-	-
Other comprehensive income for the period	<u>823</u>	<u>(110)</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u><u>300,115</u></u>	<u><u>157,858</u></u>	<u><u>293,785</u></u>	<u><u>132,549</u></u>
Total comprehensive income attributable to:				
Equity holders of the Company	298,979	157,563		
Non-controlling interests of the subsidiaries	1,136	295		
	<u><u>300,115</u></u>	<u><u>157,858</u></u>		

The accompanying notes are an integral part of the interim financial statements.

(Unaudited but reviewed)

Karmarts Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2024

(Unit: Thousand Baht)

	Consolidated financial statements												
	Equity attributable to owners of the Company												
	Issued and fully paid share capital		Share premium on changes in proportion of investment in subsidiary		Retained earnings		Other components of shareholders' equity					Non-controlling interests of the subsidiaries	Total shareholders' equity
							Exchange differences		Share of other comprehensive income from associate	Total other components of shareholders' equity	Total equity attributable to owners of the Company		
Statutory reserve	Unappropriated	Surplus on revaluation of assets	on translation of joint venture's financial statements in foreign currency	Share of other comprehensive income from associate	Total other components of shareholders' equity	Total equity attributable to owners of the Company							
Balance as at 1 January 2023	527,999	88,397	15,267	135	52,800	514,852	103,530	(128)	-	103,402	1,302,852	61,943	1,364,795
Profit for the period	-	-	-	-	-	157,673	-	-	-	-	157,673	295	157,968
Other comprehensive income for the period	-	-	-	-	-	-	-	(110)	-	(110)	(110)	-	(110)
Total comprehensive income for the period	-	-	-	-	-	157,673	-	(110)	-	(110)	157,563	295	157,858
Balance as at 31 March 2023	<u>527,999</u>	<u>88,397</u>	<u>15,267</u>	<u>135</u>	<u>52,800</u>	<u>672,525</u>	<u>103,530</u>	<u>(238)</u>	<u>-</u>	<u>103,292</u>	<u>1,460,415</u>	<u>62,238</u>	<u>1,522,653</u>
Balance as at 1 January 2024	660,000	1,551,410	15,267	135	66,000	843,626	103,529	(505)	841	103,865	3,240,303	64,146	3,304,449
Profit for the period	-	-	-	-	-	298,156	-	-	-	-	298,156	1,136	299,292
Other comprehensive income for the period	-	-	-	-	-	-	-	823	-	823	823	-	823
Total comprehensive income for the period	-	-	-	-	-	298,156	-	823	-	823	298,979	1,136	300,115
Balance as at 31 March 2024	<u>660,000</u>	<u>1,551,410</u>	<u>15,267</u>	<u>135</u>	<u>66,000</u>	<u>1,141,782</u>	<u>103,529</u>	<u>318</u>	<u>841</u>	<u>104,688</u>	<u>3,539,282</u>	<u>65,282</u>	<u>3,604,564</u>
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-

The accompanying notes are an integral part of the interim financial statements.

(Unaudited but reviewed)

Karmarts Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2024

(Unit: Thousand Baht)

	Separate financial statements					Other components of shareholders' equity	Total shareholders' equity	
	Issued and fully paid		Surplus on capital reduction	Retained earnings				Surplus on revaluation of assets
	share capital	Share premium		Statutory reserve	Unappropriated			
Balance as at 1 January 2023	527,999	88,397	15,267	52,800	401,779	103,530	1,189,772	
Profit for the period	-	-	-	-	132,549	-	132,549	
Other comprehensive income for the period	-	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	-	132,549	-	132,549	
Balance as at 31 March 2023	<u>527,999</u>	<u>88,397</u>	<u>15,267</u>	<u>52,800</u>	<u>534,328</u>	<u>103,530</u>	<u>1,322,321</u>	
Balance as at 1 January 2024	660,000	1,551,410	15,267	66,000	674,016	103,530	3,070,223	
Profit for the period	-	-	-	-	293,785	-	293,785	
Other comprehensive income for the period	-	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	-	293,785	-	293,785	
Balance as at 31 March 2024	<u>660,000</u>	<u>1,551,410</u>	<u>15,267</u>	<u>66,000</u>	<u>967,801</u>	<u>103,530</u>	<u>3,364,008</u>	
	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	

The accompanying notes are an integral part of the interim financial statements.

(Unaudited but reviewed)

Karmarts Public Company Limited and its subsidiaries

Statement of cash flows

For the three-month period ended 31 March 2024

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Cash flows from operating activities				
Profit before tax	352,191	190,429	346,013	164,685
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	14,513	13,168	13,694	11,976
Reversal of expected credit losses	(762)	(4,857)	(1,261)	(4,692)
Loss from reducing cost of inventories to net realisable value (reversal)	1,707	(8,069)	2,274	(8,214)
Unrealised loss on exchange	875	639	875	639
Gain on disposal of investments in equity instruments	(6,577)	-	(6,577)	-
Loss (gain) on change in fair value of investments in equity instruments	(103,429)	711	(103,429)	711
Written-off of equipment	45	17	45	17
Loss on disposals of equipment	-	17	-	17
Interest income	(6,979)	-	(7,191)	(188)
Dividend income from investments in equity instruments	(1,310)	-	(1,310)	-
Long-term employee benefit expenses	1,104	630	1,058	637
Interest expenses	4,113	3,087	4,043	3,056
Deferred profit on goods sold between the Company and joint ventures	327	-	-	-
Share of (gain) loss from investments in joint ventures and associate	15	(21,451)	-	-
Profit from operating activities before changes in operating assets and liabilities:	255,833	174,321	248,234	168,644
Operating assets (increase) decrease				
Trade and other receivables	(46,895)	(19,876)	(47,274)	(37,864)
Lease receivables	1,111	948	1,556	1,365
Inventories	24,715	(9,432)	18,807	(3,092)
Other current assets	(2,196)	7,080	(1,659)	6,907
Other non-current assets	612	(2,292)	624	(2,292)
Operating liabilities increase (decrease)				
Trade and other payables	(26,753)	12,796	(17,379)	27,860
Other current liabilities	(5,337)	(14,862)	(6,320)	(15,016)
Cash from operating activities	201,090	148,683	196,589	146,512
Cash paid for income tax	(565)	(462)	(530)	(426)
Cash received from income tax refund	-	302	-	-
Net cash flows from operating activities	200,525	148,523	196,059	146,086

The accompanying notes are an integral part of the interim financial statements.

(Unaudited but reviewed)

Karmarts Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the three-month period ended 31 March 2024

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Cash flows from investing activities				
Interest received	3,844	-	4,056	188
Dividends received from investments in equity instruments	1,310	-	1,310	-
Increase in short-term loan to related party	(7,000)	-	(11,000)	-
Proceeds from disposals of investments in equity instruments	7,509	-	7,509	-
Acquisitions of investments in equity instruments	(32,626)	(16,400)	(32,626)	(16,400)
Deposits paid for purchase of land	(18,500)	(264)	(18,500)	-
Acquisitions of land, buildings and equipment and intangible assets	(10,042)	(3,733)	(8,911)	(3,690)
Acquisitions of investment properties	(26,859)	(2,347)	(26,650)	-
Investment in a joint venture	-	(500)	-	(500)
Net cash flows used in investing activities	<u>(82,364)</u>	<u>(23,244)</u>	<u>(84,812)</u>	<u>(20,402)</u>
Cash flows from financing activities				
Decrease in short-term loans from financial institutions	(76,143)	(102,200)	(76,143)	(102,200)
Decrease in short-term loans from related party	(4,000)	(5,500)	-	(5,500)
Cash paid for settlement of leases	(5,894)	(5,326)	(5,881)	(5,306)
Interest paid	(3,603)	(2,870)	(3,535)	(2,801)
Net cash flows used in financing activities	<u>(89,640)</u>	<u>(115,896)</u>	<u>(85,559)</u>	<u>(115,807)</u>
Net increase in cash and cash equivalents	28,521	9,383	25,688	9,877
Cash and cash equivalents at beginning of period	842,255	27,631	829,041	12,822
Cash and cash equivalents at end of period	<u>870,776</u>	<u>37,014</u>	<u>854,729</u>	<u>22,699</u>
	-	-	-	-
Supplemental cash flow information:				
Non-cash transactions:				
Payables for acquisitions of equipment and intangible assets	396	128	168	128
Increase in lease liabilities from increasing in lease agreements	1,077	10,416	1,077	10,416

The accompanying notes are an integral part of the interim financial statements.

Karmarts Public Company Limited and its subsidiaries
Notes to interim consolidated financial statements
For the three-month periods ended 31 March 2024

1. Basis of preparation of financial statements

1.1 Basis for the preparation of interim financial information

The interim financial information has been prepared in accordance with Thai Accounting Standard No. 34 “Interim Financial Reporting” with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, statements of income, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial information is 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. This interim financial information should therefore be read in conjunction with the latest annual financial statements.

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

1.2 Basis of consolidation

The interim consolidated financial statements are prepared by applying the same basis as that applied for the preparation of the consolidated financial statements for the year ended 31 December 2023, there have been no significant changes in the composition of the Group during the current period.

1.3 Accounting policies

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 31 December 2023.

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

(Unaudited but reviewed)

2. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2024	2023	2024	2023
		(Audited)		(Audited)
Trade accounts receivable - related parties				
Aged on the basis of due dates				
Not yet due	7,532	8,090	19,166	25,087
Past due				
1 - 3 months	3,157	-	18,731	9,422
Total	10,689	8,090	37,897	34,509
Less: Allowance for expected credit losses	(22)	(3)	(72)	(181)
Net	10,667	8,087	37,825	34,328
Trade accounts receivable - unrelated parties				
Aged on the basis of due dates				
Post dated cheques	9,356	7,473	9,356	7,473
Not yet due	258,577	223,293	258,503	223,293
Past due				
1 - 3 months	251,412	223,142	251,325	223,120
3 - 6 months	31,870	35,170	31,870	35,170
6 - 12 months	280	462	270	270
Over 12 months	5,951	4,755	5,863	4,704
Returned cheques	44	-	44	-
Total	557,490	494,295	557,231	494,030
Less: Allowance for expected credit losses	(9,134)	(9,916)	(9,046)	(9,828)
Net	548,356	484,379	548,185	484,202
Other receivables				
Other receivables - related parties	1,877	907	2,704	2,221
Other receivables - unrelated parties	6,751	23,432	6,725	23,334
Total	8,628	24,339	9,429	25,555
Less: Allowance for expected credit losses	(5)	(4)	(272)	(642)
Net	8,623	24,335	9,157	24,913
Total trade and other receivables - net	567,646	516,801	595,167	543,443

3. Related party transactions

During the periods, the Group had significant business transactions with related persons and parties, which have been concluded on commercial terms and bases agreed upon in the ordinary course of business between the Company and those related persons and companies. There were no significant changes in the pricing policy of transactions with related parties during the current period.

Significant transactions are summarised below.

	(Unit: Thousand Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<u>Transactions with subsidiaries</u>				
(Eliminated from consolidated financial statements)				
Purchases of goods and raw materials	-	-	60,427	44,405
Sales of raw materials	-	-	24,204	28,215
Service income	-	-	1,706	1,567
Service expenses	-	-	1,660	1,009
Rental income	-	-	428	428
Interest income	-	-	290	294
<u>Transactions with joint ventures and associate</u>				
Purchases of goods	503	-	503	-
Sales of goods	7,462	9,262	11,749	9,262
Service income	2,192	-	2,192	-
Interest expense	37	33	37	33
Interest income	114	-	114	-
<u>Transactions with related parties and person</u>				
Purchases of goods	484	201	135	-
Sales of goods	96	82	-	-
Rental income	15	-	15	-
Interest expense	68	69	-	-

(Unaudited but reviewed)

The outstanding balances of the related parties and persons as at 31 March 2024 and 31 December 2023 are presented in the statements of financial position as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31	31	31	31
	March	December	March	December
	2024	2023	2024	2023
		(Audited)		(Audited)
<u>Trade and other receivables - related parties (Note 2)</u>				
Joint ventures	12,496	8,997	12,496	8,997
Associate	44	-	44	-
Subsidiaries	-	-	28,061	27,733
Related companies	26	-	-	-
Total	12,566	8,997	40,601	36,730
Less: Allowance for expected credit losses	(25)	(5)	(343)	(823)
Net	12,541	8,992	40,258	35,907
<u>Lease receivables</u>				
Subsidiaries	-	-	4,203	4,648
<u>Short-term loans to related parties</u>				
Subsidiary	-	-	44,000	40,000
Associate	26,000	19,000	26,000	19,000
Total	26,000	19,000	70,000	59,000
<u>Trade and other payables - related parties and persons</u>				
Joint ventures	487	574	487	574
Subsidiaries	-	-	40,433	35,798
Related company and person	176	95	51	40
Accrued management benefits	330	1,750	330	1,750
Total	993	2,419	41,301	38,162
<u>Short-term loans from related parties and person</u>				
Director	12,000	16,000	-	-
Total	12,000	16,000	-	-

(Unaudited but reviewed)

During the current period, the balances of loans to related parties and loans from related parties and persons and the movements are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	1 January			31 March
	2024	Increase	Decrease	2024
<u>Short-term loans to related party</u>				
Associate				
The Iconic Property Company Limited	19,000	7,000	-	26,000
<u>Short-term loans from related party and person</u>				
Associate				
Director	16,000	-	(4,000)	12,000
Total	16,000	-	(4,000)	12,000

(Unit: Thousand Baht)

	Separate financial statements			
	1 January			31 March
	2024	Increase	Decrease	2024
<u>Short-term loans to related parties</u>				
Subsidiary				
Pa Donphutsa Co., Ltd.	40,000	4,000	-	44,000
Associate				
The Iconic Property Company Limited	19,000	7,000	-	26,000
Total	59,000	11,000	-	70,000

Directors and management benefits

During the three-month periods ended 31 March 2024 and 2023, the Group had employee benefit expenses of their directors and management as below.

(Unit: Million Baht)

	Consolidated / Separate financial statements	
	<u>2024</u>	<u>2023</u>
	Short-term employee benefits	9

(Unaudited but reviewed)

4. Other current financial assets / Other non-current financial assets

(Unit: Thousand Baht)

	Consolidated / Separate financial statements	
	31 March 2024	31 December 2023
		(Audited)
<u>Debt instruments at amortised cost</u>		
Fixed deposits	795,000	795,000
Total debt instruments at amortised cost - net	795,000	795,000
<u>Equity instruments designated at FVTPL</u>		
Listed equity investments	278,181	143,058
Total equity instruments at FVTPL	278,181	143,058
Total other financial assets - net	1,073,181	938,058
Financial assets - current	840,637	813,608
Financial assets - non-current	232,544	124,450
Total	1,073,181	938,058

As at 10 May 2024, the value of equity instruments designated at fair value through profit or loss is Baht 209.6 million.

5. Investments in joint ventures

Investments in joint ventures represent investments in entities which are jointly controlled by the Company and other companies. Details of these investments are as follows:

Joint ventures	Nature of business	Country of incorporation	Shareholding percentage	
			31 March 2024	31 December 2023
			(%)	(%)
Karmarts Vietnam Company Limited	Distribution of cosmetic products	Vietnam	49.00	49.00
KMGI Company Limited	Distribution of cosmetic products	Thailand	50.00	50.00

(Unaudited but reviewed)

(Unit: Thousand Baht)

Joint ventures	Consolidated financial statements			
	Cost		Carrying amount based on equity method	
	31	31	31	31
	March	December	March	December
2024	2023	2024	2023	
	(Audited)		(Audited)	
Karmarts Vietnam Company Limited	3,563	3,563	9,817	7,095
KMGI Company Limited	5,000	5,000	3,189	4,147
Total	8,563	8,563	13,006	11,242

The Company recognised its share of profit (loss) from investments in joint ventures as follows:

(Unit: Thousand Baht)

Joint ventures	Consolidated financial statements	
	For the three-month periods ended 31 March	
	2024	2023
Karmarts Vietnam Company Limited	1,993	2,163
KMGI Company Limited	(726)	(18)
Total	1,267	2,145

(Unit: Thousand Baht)

Joint ventures	Separate financial statements					
	Cost		Allowance for impairment of investments		Carrying amount based on cost method - net	
	31 March	31 December	31 March	31 December	31 March	31 December
	2024	2023	2024	2023	2024	2023
	(Audited)		(Audited)		(Audited)	
Karmarts Vietnam Company Limited	3,563	3,563	-	-	3,563	3,563
KMGI Company Limited	5,000	5,000	-	-	5,000	5,000
Total	8,563	8,563	-	-	8,563	8,563

As at 31 March 2024 and 31 December 2023, the Company had commitment to pay USD 98,000 in respect of uncalled portion in shares of Karmarts Vietnam Company Limited.

(Unaudited but reviewed)

On 7 May 2024, the Extraordinary General Meeting of the shareholders of KMGI Company Limited approved an increase of Baht 20 million in its share capital (2,000,000 ordinary shares of Baht 10 each). After the increase in capital, this company has the registered share capital of Baht 30 million (3,000,000 ordinary shares of Baht 10 each). The Company acquired 1,000,000 shares of shares increase or Baht 10 million, and other shareholders acquired 1,000,000 shares of share increase or Baht 10 million. After the capital increase, the Company holds 50% in shares of this company and remains joint control in this company.

6. Investment in associate

Investment in associate represented investment in The Iconic Property Company Limited which is incorporated in Thailand and engaged in property development. The Company invested 33.33% in shares of this company. Value of investment was as follow:

(Unit: Thousand Baht)

Consolidated financial statements		Separate financial statements	
Carrying amount based on equity method		Cost	
31 March 2024	31 December 2023	31 March 2024	31 December 2023
	(Audited)		(Audited)
224,131	225,413	71,030	71,030

(Unit: Thousand Baht)

	Consolidated financial statements	
	For the three-month periods ended 31 March	
	2024	2023
Share of profit (loss) from investment in associate	(1,282)	19,306

During the first quarter of 2023, the associate arranged for an independent valuer to appraise the fair value of its investment properties which are land, using the market approach. Key assumption used in the valuation is a price per square wah. The associate recorded gain on fair value increase of Baht 74 million in its income statement.

(Unaudited but reviewed)

7. Investment properties

Movements of investment properties during the three-month period ended 31 March 2024 were summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Net book value as at 1 January 2024	474,712	170,084
Acquisitions	29,559	29,350
Net book value as at 31 March 2024	<u>504,271</u>	<u>199,434</u>

A part of investment properties of the Company was placed as collateral to secure credit facilities granted by banks.

8. Property, buildings and equipment

Movements of property, buildings and equipment during the three-month period ended 31 March 2024 were summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Net book value as at 1 January 2024	484,519	472,222
Acquisitions during the period - at cost	10,554	9,062
Disposals and written - off during the period		
- net book value	(45)	(45)
Depreciation for the period	(9,501)	(8,559)
Net book value as at 31 March 2024	<u>485,527</u>	<u>472,680</u>

The Company has placed a part of its land with structures thereon as collateral to secure credit facilities granted by banks.

(Unaudited but reviewed)

9. Right-of-use assets

The movements of right-of-use assets for the three-month period ended 31 March 2024 were presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2024	56,010	56,034
Increase during the period	1,077	1,077
Depreciation for the period	(5,086)	(5,077)
Net book value as at 31 March 2024	<u>52,001</u>	<u>52,034</u>

10. Short-term loans from financial institutions

	(Unit: Thousand Baht)			
	Interest rates (percent per annum)		Consolidated / Separate financial statements	
	31 March 2024	31 December 2023 (Audited)	31 March 2024	31 December 2023 (Audited)
Trust receipts	3.45 - 8.08	3.30 - 7.10	284,475	369,601
Promissory notes	7.10	7.10	13,464	3,751
Total			<u>297,939</u>	<u>373,352</u>

Short-term loans from financial institutions are secured by the mortgage of a part of the Company's land with structures thereon and investment properties.

(Unaudited but reviewed)

11. Tax expense

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

Tax expense for the three-month periods ended 31 March 2024 and 2023 were made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Current income tax:				
Interim corporate income tax charge	49,927	29,654	49,256	29,329
Deferred tax:				
Relating to origination and reversal of temporary differences	2,972	2,807	2,972	2,807
Tax expense reported in the income statement	52,899	32,461	52,228	32,136

12. Fair value of financial instrument

Most of the Group's financial instruments are classified as short-term or have interest rates that are close to market rates. Therefore, the carrying amounts of these financial instruments are estimated to approximate their fair value.

(Unaudited but reviewed)

13. Segment information

The Group is organised into business units based on their products and services. During the current period, the Group has not changed the organisation of their reportable segments from the last annual financial statements.

Revenue and profit information regarding the Group's operating segments for the three-month periods ended 31 March 2024 and 2023 were as follow:

(Unit: Thousand Baht)

	For the three-month periods ended 31 March							
	Manufacture and distribution of consumer products		Warehouse rental		Investment properties and distribution of by-products and agriculture		Consolidated	
	2024	2023	2024	2023	2024	2023	2024	2023
Revenue from external customers	769,597	568,767	6,538	6,538	19	27	776,154	575,332
Cost of sales and services	(357,069)	(274,880)	(18)	(24)	(38)	(18)	(357,125)	(274,922)
Segment gross profit (loss)	412,528	293,887	6,520	6,514	(19)	9	419,029	300,410
Gain on change in fair value of investments in equity instrument and gain on sale of investment	110,006	-	-	-	-	-	110,006	-
Other income	4,440	4,074	-	-	5,797	5,430	10,237	9,504
Selling and administrative expenses	(187,498)	(135,479)	-	-	(2,196)	(2,219)	(189,694)	(137,698)
Share of gain (loss) from investments in joint ventures and associate	(15)	21,451	-	-	-	-	(15)	21,451
Finance income	7,051	119	-	-	-	-	7,051	119
Finance cost	(4,355)	(3,357)	-	-	(68)	-	(4,423)	(3,357)
Tax expense	(51,595)	(31,158)	(1,304)	(1,303)	-	-	(52,899)	(32,461)
Segment profit	290,562	149,537	5,216	5,211	3,514	3,220	299,292	157,968

14. Commitments and contingent liabilities**14.1 Lease and service agreements commitments**

The Company had future minimum payments required under non-cancellable leases contracts that have not yet commenced and leases that have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, and non-cancellable service agreements as follows:

	(Unit: Million Baht)
	<u>31 March 2024</u>
Payable:	
Within 1 year	23.1
Over 1 and up to 3 years	5.3

14.2 Capital commitments

As at 31 March 2024, the Group had capital commitments of Baht 167.6 million (the Company only: Baht 167.6 million) relating to the acquisition of computer software, land and buildings.

14.3 Bank guarantees

As at 31 March 2024, there were outstanding bank guarantees of Baht 0.6 million issued by the banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business.

14.4 Litigation

On 21 August 2022, a warehousing and logistics management service provider filed a lawsuit against the Company with the Civil Court, claiming for damages of Baht 43.36 million because the Company failed to make payments for warehouse service fees for the period from April 2021 to September 2021 as well as damages arising from the purported unlawful termination of the agreement. Subsequently, on 31 August 2022, the Company filed a testimony and counterclaim, asserting its position and demanding payment for damages of Baht 30.61 million, contending that the Company did not breach the agreement. Subsequently on 25 December 2023, the Civil Court made a ruling in this case and ordered the Company to pay for such service fees including penalty and certain damages inclusive of interest totaling Baht 19.9 million. The management believes that the Company is likely to pay for such service fees and damages, as a result, the Company recorded an additional provision for contingent liabilities arising from such litigation in 2023 amounted to Baht 7.6 million in addition to the related service fees of Baht 2.3 million previously recorded in 2021.

On 9 April 2024, the Company filed an appeal with the Court. Currently, the case is under consideration by the Appeal Court.

15. Events after the reporting period

On 26 April 2024, the General Meeting of shareholders of the Company passed and approved the following resolutions:

1. Dividends paid for 2023 of Baht 358.6 million to its shareholders. After deducting the interim dividends of Baht 248.6 million, the final dividend is Baht 110.0 million (1,100 million ordinary shares of Baht 0.10 each). Payments of dividend will be made on 24 May 2024.
2. Stock dividends paid in form of ordinary shares not exceeding 184 million shares with a par value of Baht 0.60 each to its shareholders in the ratio of 6 current shares for 1 dividend share, totaling not exceeding Baht 110.4 million and additional cash dividends at a rate of Baht 0.01 per share not exceeding Baht 11.0 million, totaling not exceeding Baht 121.4 million from its retained earnings. Payments of dividend will be made on 24 May 2024.
3. An increasing in its share capital by Baht 132.0 million from Baht 660.0 million to Baht 792.0 million through the issuance of 220 million new ordinary shares with a par value of 0.60 each.

The Company registered the increase of its share capital with the Ministry of Commerce on 30 April 2024.

On 13 May 2024, the Company's Board of Directors Meeting passed a resolution to approve the payment of an interim dividend of Baht 0.10 per share, from the operating results of the first quarter of 2024, or a total of Baht 110.0 million. The dividend payment will be made on 12 June 2024.

16. Approval of interim financial information

The interim financial information was authorised for issue by the Audit Committee and the Company's Board of Directors on 13 May 2024.