

Chic Republic Public Company Limited and its subsidiaries
Review report and consolidated and separate financial information
For the three-month period ended 31 March 2025

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Chic Republic Public Company Limited

I have reviewed the accompanying consolidated financial information of Chic Republic Public Company Limited and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 March 2025, and the related consolidated statements of comprehensive income, 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 Chic Republic Public Company Limited for the same period (collectively "the 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*.

Manee Rattanabunnakit

Certified Public Accountant (Thailand) No. 5313

EY Office Limited

Bangkok: 12 May 2025

Chic Republic Public Company Limited and its subsidiaries

Statements of financial position

As at 31 March 2025

(Unit: Thousand Baht)

Note	Consolidated financial statements		Separate financial statements	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
but reviewed)				
Assets				
Current assets				
Cash and cash equivalents	69,171	82,992	66,396	77,363
Trade and other current receivables	3	75,102	80,071	77,094
Short-term loans to subsidiary	2	-	-	-
Current portion of long-term loans to subsidiary	2	-	-	-
Inventories	4	124,376	110,933	124,376
Advance payment for inventories		4,382	6,298	4,382
Derivative assets		332	412	332
Other current assets		14,538	18,423	14,480
Total current assets		287,901	299,129	287,060
Non-current assets				
Restricted bank deposit		25	25	25
Other non-current financial assets		200	200	200
Investments in subsidiaries		-	-	-
Long-term loans to subsidiary				
- net of current portion	2	-	-	-
Investment properties	5	31,601	32,274	31,601
Building and equipment	6	939,777	940,353	939,777
Right-of-use assets	7	552,900	560,979	552,900
Intangible assets		11,235	6,801	11,235
Deferred tax assets		25,688	25,947	25,688
Other non-current assets		5,407	2,795	4,387
Total non-current assets		1,566,833	1,569,374	1,565,813
Total assets		1,854,734	1,868,503	1,852,873

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

Chic Republic Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 March 2025

(Unit: Thousand Baht)

Note	Consolidated financial statements		Separate financial statements	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity				
Current liabilities				
Short-term loans from banks	8	136,840	118,220	136,840
Trade and other current payables		157,716	182,009	156,463
Current portion of long-term loans	9	61,873	61,432	61,873
Current portion of lease liabilities		10,902	17,434	10,902
Derivative liabilities		-	192	-
Income tax payable		-	4	-
Other current liabilities		4,009	4,975	4,002
Total current liabilities		371,340	384,266	370,080
				381,735
Non-current liabilities				
Long-term loans - net of current portion	9	160,104	143,434	160,104
Lease liabilities - net of current portion		487,834	493,719	487,834
Non-current provision for employee benefits		19,578	19,018	19,578
Other non-current liabilities		8,442	8,239	8,442
Total non-current liabilities		675,958	664,410	675,958
				664,410
Total liabilities		1,047,298	1,048,676	1,046,038
				1,046,145

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

Chic Republic Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 March 2025

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	but reviewed)		but reviewed)	
Shareholders' equity				
Share capital				
Registered				
1,360,000,000 ordinary shares of Baht 0.50 each	680,000	680,000	680,000	680,000
Issued and fully paid-up				
1,360,000,000 ordinary shares of Baht 0.50 each	680,000	680,000	680,000	680,000
Share premium	133,776	133,776	133,776	133,776
Retained earnings (deficits)				
Appropriated - statutory reserve	19,500	19,500	19,500	19,500
Unappropriated	(25,167)	(14,161)	(26,441)	(16,792)
Other components of shareholders' equity	177	92	-	-
Equity attributable to owners of the Company	808,286	819,207	806,835	816,484
Non-controlling interests of the subsidiary	(850)	620	-	-
Total shareholders' equity	807,436	819,827	806,835	816,484
Total liabilities and shareholders' equity	1,854,734	1,868,503	1,852,873	1,862,629
	-	-	-	-

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

.....

Directors

.....

Chic Republic Public Company Limited and its subsidiaries**Statement of comprehensive income****For the three-month period ended 31 March 2025**

(Unit: Thousand Baht, except for earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements		
		2025	2024	2025	2024	
Profit or loss:						
Revenues						
Sales income		117,740	122,188	117,765	118,170	
Services income		12,659	12,743	12,659	11,743	
Revenue from agreement with vendors		14,113	11,479	14,113	12,530	
Other income		757	3,642	424	1,234	
Total revenues		145,269	150,052	144,961	143,677	
Expenses						
Cost of sales		48,185	46,479	47,961	45,376	
Cost of services		4,210	3,582	4,210	3,582	
Selling and distribution expenses		55,489	47,726	55,069	44,531	
Administrative expenses		41,261	35,971	38,746	37,037	
Total expenses		149,145	133,758	145,986	130,526	
Operating profit (loss)		(3,876)	16,294	(1,025)	13,151	
Finance income		45	118	41	517	
Finance cost		(8,382)	(6,267)	(8,382)	(6,022)	
Profit (loss) before income tax expenses		(12,213)	10,145	(9,366)	7,646	
Income tax expenses	10	(263)	(4,011)	(283)	(2,017)	
Profit (loss) for the period		(12,476)	6,134	(9,649)	5,629	
Other comprehensive income:						
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>						
Exchange differences on translation of financial statements in foreign currency		85	(2,895)	-	-	
Other comprehensive income to be reclassified to profit or loss in subsequent periods		85	(2,895)	-	-	
Other comprehensive income for the period		85	(2,895)	-	-	
Total comprehensive income for the period		(12,391)	3,239	(9,649)	5,629	

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

(Unaudited but reviewed)

Chic Republic Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the three-month period ended 31 March 2025

Note	(Unit: Thousand Baht, except for earnings per share expressed in Baht)			
	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Profit (loss) attributable to				
Equity holders of the Company	(11,006)	6,163	(9,649)	5,629
Non-controlling interests of the subsidiary	(1,470)	(29)		
	(12,476)	6,134		
Total comprehensive income attributable to				
Equity holders of the Company	(10,921)	3,268	(9,649)	5,629
Non-controlling interests of the subsidiary	(1,470)	(29)		
	(12,391)	3,239		
Basic earnings per share				
	11			
Profit (loss) attributable to equity holders of the Company (Baht)	(0.0081)	0.0045	(0.0071)	0.0041
Weighted average number of ordinary share (Thousand shares)	1,360,000	1,360,000	1,360,000	1,360,000

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

(Unaudited but reviewed)

Chic Republic Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2025

(Unit: Thousand Baht)

Consolidated financial statements

	Equity attributable to owners of the Company							
					Other			
					components of equity			
					Other			
					comprehensive income			
					Exchange differences		Total	
					on translation of financial statements		equity attributable to owners of the Company	
	Issued and paid-up share capital	Share premium	Retained earnings (deficits)	Appropriated - statutory reserve	in foreign currency		equity attributable to non-controlling interests of the subsidiary	Equity attributable to shareholders' equity
Balance as at 1 January 2024	680,000	133,776	19,500	13,276	295	846,847	2,455	849,302
Profit for the period	-	-	-	6,163	-	6,163	(29)	6,134
Other comprehensive income for the period	-	-	-	-	(2,895)	(2,895)	-	(2,895)
Total comprehensive income for the period	-	-	-	6,163	(2,895)	3,268	(29)	3,239
Balance as at 31 March 2024	680,000	133,776	19,500	19,439	(2,600)	850,115	2,426	852,541
Balance as at 1 January 2025	680,000	133,776	19,500	(14,161)	92	819,207	620	819,827
Loss for the period	-	-	-	(11,006)	-	(11,006)	(1,470)	(12,476)
Other comprehensive income for the period	-	-	-	-	85	85	-	85
Total comprehensive income for the period	-	-	-	(11,006)	85	(10,921)	(1,470)	(12,391)
Balance as at 31 March 2025	680,000	133,776	19,500	(25,167)	177	808,286	(850)	807,436
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-

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

(Unaudited but reviewed)

Chic Republic Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2025

(Unit: Thousand Baht)

	Separate financial statements				
	Issued and paid-up		Retained earnings (deficits)		Total shareholders' equity
	share capital	Share premium	Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2024	680,000	133,776	19,500	42,563	875,839
Profit for the period	-	-	-	5,629	5,629
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	5,629	5,629
Balance as at 31 March 2024	<u>680,000</u>	<u>133,776</u>	<u>19,500</u>	<u>48,192</u>	<u>881,468</u>
Balance as at 1 January 2025	680,000	133,776	19,500	(16,792)	816,484
Loss for the period	-	-	-	(9,649)	(9,649)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(9,649)	(9,649)
Balance as at 31 March 2025	<u>680,000</u>	<u>133,776</u>	<u>19,500</u>	<u>(26,441)</u>	<u>806,835</u>
	-	-	-	-	-
	-	-	-	-	-

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

(Unaudited but reviewed)

Chic Republic Public Company Limited and its subsidiaries

Cash flow statement

For the three-month period ended 31 March 2025

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Cash flows from operating activities				
Profit (loss) before tax	(12,213)	10,145	(9,366)	7,646
Adjustments to reconcile profit (loss) before tax				
to net cash provided by (paid from) operating activities				
Depreciation and amortisation	26,299	24,585	26,292	22,694
Amortisation of deferred front-end fee	31	17	31	17
Allowance for expected credit losses	323	-	304	2,000
Reduction of inventory to net realisable value (reversal)	(298)	1,139	(103)	580
Loss on write-off of equipment	25	-	-	-
Gain on sales of equipment	(56)	-	-	-
Loss on write-off of intangible assets	4	-	-	-
Unrealised (gain) loss on exchange	19	(648)	19	(648)
Loss (gain) on fair value adjustment of derivatives	(112)	32	(112)	32
Provision for employee benefits	560	503	560	477
Interest income	(45)	(118)	(41)	(517)
Interest expenses	8,351	6,250	8,351	6,005
Profit from operating activities before changes				
in operating assets and liabilities	22,888	41,905	25,935	38,286
Operating assets (increase) decrease				
Trade and other current receivables	4,627	37,014	2,645	36,163
Inventories	(13,145)	(3,967)	(13,358)	(3,977)
Advance payment for inventories	1,916	219	1,916	219
Other current assets	4,908	(2,672)	6,050	(2,730)
Other non-current assets	(2,612)	307	(2,695)	501
Operating liabilities increase (decrease)				
Trade and other current payables	(26,792)	(23,410)	(25,651)	(23,867)
Other current liabilities	(966)	(1,555)	(853)	(1,508)
Paid for employee benefits	-	(2,472)	-	(2,472)
Other non-current liabilities	203	(36)	203	(36)
Cash flows from (used in) operating activities	(8,973)	45,333	(5,808)	40,579
Cash paid for interest expenses	(8,361)	(6,289)	(8,361)	(6,044)
Cash paid for income tax	(1,031)	(1,699)	(1,023)	(1,496)
Net cash flows (used in) from operating activities	(18,365)	37,345	(15,192)	33,039

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

(Unaudited but reviewed)

Chic Republic Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the three-month period ended 31 March 2025

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Cash flows from investing activities				
Increase in short-term loans to subsidiary	-	-	-	(1,600)
Decrease in long-term loans to subsidiary	-	-	-	900
Cash paid for acquisition of investment properties	-	(1,963)	-	(1,963)
Cash paid for acquisition of building and equipment	(12,777)	(5,856)	(12,777)	(5,856)
Cash paid for acquisition of intangible assets	(4,873)	(286)	(4,873)	(286)
Proceeds from sales of equipment	143	-	-	-
Proceeds from sales of intangible assets	48	-	-	-
Interest received	45	118	41	781
Net cash flows used in investing activities	(17,414)	(7,987)	(17,609)	(8,024)
Cash flows from financing activities				
Increase (decrease) in short-term loans from banks	18,620	(22,714)	18,620	(22,714)
Proceeds from long-term loans	34,638	-	34,638	-
Repayment of long-term loans	(17,557)	37,800	(17,557)	37,800
Repayment of principal portion of lease liabilities	(13,867)	(14,358)	(13,867)	(14,358)
Dividend paid	-	(18,507)	-	(18,296)
Net cash flows from (used in) financing activities	21,834	(17,779)	21,834	(17,568)
Translation adjustments	124	(4,700)	-	-
Net increase (decrease) in cash and cash equivalents	(13,821)	6,879	(10,967)	7,447
Cash and cash equivalents at beginning of period	82,992	96,192	77,363	87,874
Cash and cash equivalents at end of period	69,171	103,071	66,396	95,321
	-	-	-	-

Supplemental cash flows information

Non-cash transactions

Increase in accounts payable from assets	2,522	453	2,522	427
Additions to right-of-use assets and lease liabilities	1,450	35,361	1,450	35,361

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

Chic Republic Public Company Limited and its subsidiaries
Condensed notes to interim financial statements
For the three-month period ended 31 March 2025

1. General information

1.1 Corporate information

Chic Republic Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the distribution and installation of all kinds of furniture, house and garden decoration including related services. The registered office of the Company’s head office is at No. 90 Soi Yothinpatana, Praditmanutham Road, Klongjan Sub-district, Bangkapi District, Bangkok.

As at 31 March 2025, the Company and its subsidiaries have 6 branches in Thailand and 1 branch in Cambodia (The Company only has 6 branches in Thailand).

1.2 Basis for preparation of interim financial statements

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

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

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

1.3 Basis of consolidation

These interim consolidated financial statements include the financial statements of Chic Republic Public Company Limited (“the Company”) and its subsidiary companies (“the subsidiaries”) (collectively as “the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2024, with no significant change in shareholding structure of subsidiaries during the current period.

1.4 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 companies and related persons. Such transactions arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related companies and related persons. There were no significant changes in the transfer pricing policy of transactions with related parties during the current period.

Summaries significant business transactions with related parties as follows.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	For the three-month periods ended 31 March			
	2025	2024	2025	2024
Transactions with subsidiaries				
(eliminated from the consolidated financial statements)				
Sales income	-	-	253	875
Management income	-	-	-	269
Rental income	-	-	-	5
Interest income	-	-	-	424
Transactions with related companies				
Sales income	343	-	343	-
Transactions with management and directors				
Sales income	65	24	65	24

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

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
		(Audited)		(Audited)
<u>Trade receivables - related parties (Note 3)</u>				
Subsidiaries	-	-	10,569	10,317
Less: Allowance for expected credit losses	-	-	(10,298)	(10,317)
	<hr/>	<hr/>	271	<hr/>
<u>Interest receivable - related party (Note 3)</u>				
Subsidiary	-	-	801	801
Less: Allowance for expected credit losses	-	-	(801)	(801)
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Other current receivables - related party</u>				
(Note 3)				
Subsidiary	-	-	1,735	<hr/>
<u>Advance payment - related party</u>				
Subsidiary	-	-	<hr/>	1,735

Loans to subsidiary

The loans to subsidiary represent loans to Chic Republic Co., Ltd. with details as follows.

	Loans to	Interest rate (per annum)	(Unit: Thousand Baht)	
			Separate financial statements	
			31 March 2025	31 December 2024
			(Audited)	
Short-term loans				
		1.00	8,800	8,800
Less: Allowance for expected credit losses			(8,800)	(8,800)
			<hr/>	<hr/>
Long-term loans				
		1.00	12,090	9,840
- Current portion			16,010	18,260
- Net of current portion			(28,100)	(28,100)
			<hr/>	<hr/>

Directors and management's benefits

The Group had employee benefit expenses payable to its directors and management as below.

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	For the three-month periods ended 31 March	
	2025	2024
Short-term employee benefits	7,198	6,509
Post-employment benefits	560	477
Total	7,758	6,986

3. Trade and other current receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2025	2024	2025	2024
	(Audited)		(Audited)	
Trade receivables - related parties (Note 2)				
Aged on the basis of due dates				
Not yet due	-	-	11	170
Past due				
Up to 3 months	-	-	430	397
3 - 6 months	-	-	396	218
6 - 12 months	-	-	436	399
Over 12 months	-	-	9,296	9,133
Total	-	-	10,569	10,317
Less: Allowance for expected credit losses	-	-	(10,298)	(10,317)
Total trade receivables - related parties, net	-	-	271	-
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	11,960	13,974	11,946	13,965
Past due				
Up to 3 months	3,218	3,872	3,218	3,872
3 - 6 months	708	340	708	340
6 - 12 months	424	356	424	356
Over 12 months	400	131	400	131
Total	16,710	18,673	16,696	18,664
Less: Allowance for expected credit losses	(554)	(231)	(554)	(231)
Total trade receivables - unrelated parties, net	16,156	18,442	16,142	18,433
Total trade receivables - net	16,156	18,442	16,413	18,433

(Unaudited but reviewed)

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
<u>Other current receivables</u>				
Retention receivables	24,905	23,760	24,905	23,760
Accrued income	33,526	37,763	33,526	37,763
Interest receivable - related party (Note 2)	-	-	801	801
Other current receivables (Note 2)	-	-	1,735	-
Other current receivables	515	106	515	106
Total	<u>58,946</u>	<u>61,629</u>	<u>61,482</u>	<u>62,430</u>
Less: Allowance for expected credit losses	-	-	(801)	(801)
Total other current receivables - net	<u>58,946</u>	<u>61,629</u>	<u>60,681</u>	<u>61,629</u>
Trade and other current receivables - net	<u>75,102</u>	<u>80,071</u>	<u>77,094</u>	<u>80,062</u>

The Group has accrued income from projects which have not been invoiced by delivering period are as follows.

	(Unit: Thousand Baht)			
	Consolidated/Separate financial statements			
	31 March 2025		31 December 2024	
	(Audited)		(Audited)	
<u>Have been delivered</u>				
Up to 3 months		26,908		17,200
3 - 6 months		4,694		16,317
6 - 12 months		1,924		3,795
Over 12 months		-		451
Total		<u>33,526</u>		<u>37,763</u>

4. Inventories

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
	(Audited)	(Audited)	(Audited)	(Audited)
<u>Inventories - cost</u>				
Inventories - cost	139,243	126,098	139,243	125,885
Reduce cost to net realisable value	(14,867)	(15,165)	(14,867)	(14,970)
Inventories - net	<u>124,376</u>	<u>110,933</u>	<u>124,376</u>	<u>110,915</u>

5. Investment properties

As at 31 March 2025, the Company has mortgaged investment properties amounting to approximately Baht 7.60 million (31 December 2024: Baht 7.69 million) as collateral against credit facilities received from banks.

6. Building and equipment

As at 31 March 2025, the Company has mortgaged building and building improvement amounting to approximately Baht 384.95 million (31 December 2024: Baht 382.34 million) as collateral against credit facilities received from banks.

7. Right-to-use assets

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

	(Unit: Thousand Baht)
	Consolidated/Separate financial statements
Net book value as at 1 January 2025	560,979
Addition during the period	1,450
Amortisation for the period	(9,529)
Net book value as at 31 March 2025	552,900

As at 31 March 2025, the Company has mortgaged right-of-use assets amounting to approximately Baht 173.35 million (31 December 2024: Baht 175.76 million) as collateral against credit facilities received from banks.

The land lease agreements contain conditions about agreement renewal whereby the Company has a right to be the first to select whether to purchase or continue to lease the land after the expiration of the agreements and upon the termination of the land lease agreements, the Company will transfer building on the leased land to the lessee or remove building from such land. Some of land lease agreements stipulated the Company to remove the building from the land at the end of the lease term. However, the management did not record the assets retirement obligation as the management had reviewed that the Company will not incur additional costs of removing the building.

8. Short-term loans from banks

(Unit: Thousand Baht)

Consolidated/ Separate

	Interest rate (% per annum)		financial statements	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
			(Audited)	(Audited)
Promissory notes	2.75 - 3.20	2.84 - 2.85	120,000	100,000
Trust receipt	2.60	2.90	16,840	18,220
Total			136,840	118,220

Some loans are secured by the mortgage of leasehold land, building and construction of the Company.

9. Long-term loans

Movements of the long-term loans account during the three-month period ended 31 March 2025 are summarised below.

(Unit: Thousand Baht)

Consolidated/Separate
financial statements

Balance as at 1 January 2025	204,865
Add: Amortisation of deferred front-end fee	31
Add: Proceeds during the period	34,638
Less: Repayments during the period	(17,557)
Balance as at 31 March 2025	221,977
Less: Current portion	(61,873)
Long-term loans - net of current portion	160,104

On 15 January 2025, the Company entered into a loan agreement amounting to Baht 26 million, bearing interest at the rate of MLR - 2.25% per annum. Monthly installments of principal will start from May 2025 and will be fully settled in August 2028 at a monthly installment of Baht 500,000 and the last installment will settle the outstanding principal.

The loans are secured by the mortgage of leasehold land, building and construction of the Company.

The loan agreements contain several covenants which, among other things, require the Company to maintain debt-to-equity ratio, etc.

10. Income tax

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	For the three-month periods ended 31 March			
	2025	2024	2025	2024
Current income tax:				
Interim corporate income tax charge	4	1,846	-	1,643
Deferred tax:				
Relating to origination and reversal of temporary differences	259	2,165	283	374
Income tax expenses reported in profit or loss	263	4,011	283	2,017

11. Earnings per share

Basic earnings per share is calculated by dividing profit (loss) for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

12. Segment information

The Group is principally engaged in the distribution and installation of furniture, house and garden decoration including related services.

13. Commitments and contingent liabilities**13.1 Capital commitments**

As at 31 March 2025, the Company had capital commitments of approximately Baht 2.16 million (31 December 2024: Baht 3.77 million), relating to the construction of building, building improvement and computer software installation.

13.2 Purchase commitments

As at 31 March 2025, the Company had commitments relating to purchases of goods of approximately USD 0.36 million and RMB 0.76 million (31 December 2024: USD 0.25 million and RMB 0.54 million).

13.3 Service commitments

The Group has entered into service agreements. The terms of the agreements are 3 years and 9 years.

The Group has future minimum payments required under these non-cancellable service contracts were as follows.

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	31 March 2025	31 December 2024
(Audited)		
Payable		
In up to 1 year	8.04	6.95
In over 1 year and up to 5 years	15.40	17.41
	<u>23.44</u>	<u>24.36</u>

13.4 Guarantee of brand sublicensing commitment

The Company entered into a trademark license agreement with a vendor, the licensee for the right to use the ASHLEY FURNITURE HOMESTORE Brand. This agreement grants the Company the right to sell products under the "ASHLEY" brand names as stipulated in the agreement, without any payments for trademark license fee. The agreement is effective for a period of 3 years and will be renewed for further periods of 2 years. The agreement requires the major shareholders of the Company to guarantee the performance of the terms and conditions of the agreement.

13.5 Guarantees

As at 31 March 2025, there were outstanding bank guarantees of approximately Baht 44.12 million (31 December 2024: Baht 35.02 million) issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee amounting to Baht 35.86 million (31 December 2024: Baht 26.76 million) to guarantee contractual performance with customers and Baht 8.26 million (31 December 2024: Baht 8.26 million) to guarantee electricity use.

14. Financial instrument

14.1 Fair value of financial instrument

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.

14.2 Fair value hierarchy

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

15. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 12 May 2025.