AAPICO Hitech Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month period ended 31 March 2023

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of AAPICO Hitech Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of AAPICO Hitech Public Company Limited ("the Company") and its subsidiaries (collectively "the Group") as at 31 March 2023, and the related consolidated statements of income, 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 financial statements. I have also reviewed the separate interim financial information of AAPICO Hitech 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

Except as described in the *Basis for Qualified Conclusion* paragraph, 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.

Basis for Qualified Conclusion

a) Consolidated financial statements: As at 31 March 2023, the Group had an investment in an overseas associate, Sakthi Auto Component Limited ("SACL"), of which the value of investment under the equity method was Baht 2,726 million (Baht 2,576 million under the cost method), which was included under investments in associates in the consolidated statement of financial position as discussed in Note 5 to the interim financial statements. The Group's share of profit of Baht 64 million and share of loss on translation adjustment of SACL of Baht 32 million were included in the consolidated statements of income and comprehensive income for the three-month period then ended, respectively. The investment in SACL under the equity method was valued based on the SACL's management accounts since SACL did not engage an auditor to review the consolidated financial information for such period for group reporting purposes and I was unable to apply other review procedures to reach a conclusion regarding the consolidated financial position and the consolidated financial performance of SACL. I am therefore unable to determine whether and to what extent it is necessary to adjust the value of the investment in SACL under the equity method, share of profit and share of loss on translation adjustment of SACL in the consolidated financial statements for such period. This matter is regarded as a scope limitation imposed by circumstance.

b) Separate financial statements: As at 31 March 2023, the Company had an investment in an overseas subsidiary, Sakthi Global Auto Holdings Limited ("SGAH"), of which the value amounted to Baht 779 million, included in investments in subsidiaries. The loans and interest receivable provided directly and indirectly through the Company's subsidiary to SGAH amounted to Baht 2,291 million, included in loans to related parties and other receivables. Since SGAH's main assets comprised the investment in SACL, as a result of the scope limitation imposed by circumstance, as described in a), I am unable to determine whether and to what extent it is necessary to adjust the recoverable amount of investments in SGAH and loans to and interest receivables from SGAH, together with related expenses, in the separate financial statements for such period.

c) The scope limitation imposed by circumstance referred to in paragraphs a) and b) have existed since 2022 for the same reason. Therefore, the opinion on the consolidated and separate financial statements for the year 2022 and the conclusion on the consolidated and separate financial statements for the three-month period ended 31 March 2022 of another auditor of our firm, were qualified in respect of the above matters. Accordingly, my conclusion on the consolidated and separate financial statements for the three-month period ended 31 March 2023 are qualified in respect of the effects of the above matters as they may affect the comparison of the current periods' figures and the comparative figures.

Qualified Conclusion

Based on my review, except for the possible effects on the matters described in the *Basis for Qualified Conclusion* paragraph, 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.*

Kosum Cha-em

Certified Public Accountant (Thailand) No. 6011

EY Office Limited

Bangkok: 11 May 2023

AAPICO Hitech Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2023	31 December 2022	31 March 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		893,190	767,259	271,095	160,788
Trade and other receivables	*2, 3*	4,408,231	4,330,055	2,052,738	1,868,961
Short-term loans to related parties	*2*	-	-	336,000	336,000
Inventories	*4*	3,859,948	3,784,348	145,933	152,664
Other current financial assets		72,594	95	67,999	-
Other current assets					
Advances for purchases of goods		14,699	58,308	1,279	3,465
Others		255,742	244,049	40,072	29,335
Total current assets		9,504,404	9,184,114	2,915,116	2,551,213
Non-current assets					
Restricted bank deposit		47,600	47,600	-	-
Long-term loans to related parties	*2*	122,064	121,794	3,691,421	3,780,463
Investments in associates	*5*	4,053,160	4,079,604	557,986	542,283
Investments in joint ventures	*6*	150,346	119,699	246,690	202,713
Investments in subsidiaries	*7*	-	-	4,984,419	4,984,419
Property, plant and equipment	*8*	7,821,930	7,912,616	949,837	977,064
Right-of-use assets	*9*	722,732	736,807	18,561	8,383
Goodwill		1,096,130	1,087,945	-	-
Other intangible assets		1,535,073	1,522,582	7,238	8,038
Assets recognised from the costs to fulfill a contract with a customer		595,598	588,291	-	-
Deferred tax assets		-	-	65,796	66,430
Other non-current assets		104,492	67,982	3,548	3,785
Total non-current assets		16,249,125	16,284,920	10,525,496	10,573,578
Total assets		25,753,529	25,469,034	13,440,612	13,124,791

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

AAPICO Hitech Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2023

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 March 2023	31 December 2022	31 March 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	*10*	1,873,748	1,928,514	-	100,000
Trade and other payables	*2*	7,016,520	7,010,446	735,471	748,975
Current portion of long-term loans	*10*	1,400,432	1,510,117	950,830	1,072,530
Current portion of long-term debentures		299,976	299,958	299,976	299,958
Current portion of lease liabilities		110,981	111,040	6,502	3,724
Short-term loans from related parties	*2*	31,867	32,261	1,516,982	1,059,250
Provision for product warranty		14,562	14,564	-	-
Other current liabilities					
Income tax payable		123,448	71,635	47,282	17,320
Advances received from customers		224,987	190,855	30,934	28,207
Others		52,436	68,052	3,806	5,162
Total current liabilities		11,148,957	11,237,442	3,591,783	3,335,126
Non-current liabilities					
Long-term loans	*10*	2,737,775	2,959,053	1,380,611	1,613,944
Long-term debentures		799,813	799,773	799,813	799,773
Lease liabilities		218,825	233,626	12,425	5,087
Provision for long-term employee benefits		231,447	226,515	40,909	40,285
Deferred tax liabilities		79,837	70,645	-	-
Other non-current liabilities		16,339	12,489	-	-
Total non-current liabilities		4,084,036	4,302,101	2,233,758	2,459,089
Total liabilities		15,232,993	15,539,543	5,825,541	5,794,215

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

AAPICO Hitech Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
354,842,228 ordinary shares of Baht 1 each	354,842	354,842	354,842	354,842
Issued and paid-up				
354,842,012 ordinary shares of Baht 1 each	354,842	354,842	354,842	354,842
Premium on ordinary shares	2,164,354	2,164,354	2,164,354	2,164,354
Premium on treasury shares	33,580	33,580	33,580	33,580
Deficit from the change in the interests in a subsidiary	(1,533)	(1,533)	-	-
Retained earnings				
Appropriated				
Statutory reserve - the Company	59,541	59,541	59,541	59,541
Statutory reserve - subsidiaries	159,594	159,594	-	-
Unappropriated	7,588,999	7,027,181	5,002,754	4,718,259
Other components of shareholders' equity	(158,610)	(186,520)	-	-
Equity attributable to owners of the Company	10,200,767	9,611,039	7,615,071	7,330,576
Non-controlling interests of the subsidiaries	319,769	318,452	-	-
Total shareholders' equity	10,520,536	9,929,491	7,615,071	7,330,576
Total liabilities and shareholders' equity	25,753,529	25,469,034	13,440,612	13,124,791
	-	-	-	-

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

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Directors

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(Unaudited but reviewed)

AAPICO Hitech Public Company Limited and its subsidiaries

Income statement

For the three-month period ended 31 March 2023

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

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Revenues					
Revenues from contracts with customers		8,125,871	6,730,296	964,968	692,425
Other income					
Dividend income	*2, 5*	-	-	132,000	90,330
Others		71,355	84,998	41,055	31,393
Total revenues		8,197,226	6,815,294	1,138,023	814,148
Expenses					
Cost of sales and services		7,099,739	5,984,523	699,842	628,505
Selling and distribution expenses		93,104	83,520	7,992	8,920
Administrative expenses		364,918	308,708	78,938	86,276
Loss on exchange rate		35,386	3,523	25,626	3,907
Total expenses		7,593,147	6,380,274	812,398	727,608
Profit from operating activities		604,079	435,020	325,625	86,540
Share of profit from investments in associates	*5*	136,170	87,625	-	-
Share of loss from investments in joint ventures	*6*	(13,330)	(5,284)	-	-
Finance income		2,875	1,645	40,968	40,204
Finance cost		(91,298)	(81,316)	(50,344)	(52,968)
Profit before income tax expenses		638,496	437,690	316,249	73,776
Income tax expenses		(74,448)	(28,678)	(31,754)	136
Profit for the period		564,048	409,012	284,495	73,912
Profit attributable to					
Equity holders of the Company		561,818	402,463	284,495	73,912
Non-controlling interests of the subsidiaries		2,230	6,549		
		564,048	409,012		
Basic earnings per share					
Profit attributable to equity holders of the Company		1.58	1.13	0.80	0.21

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

(Unaudited but reviewed)

AAPICO Hitech Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 31 March 2023

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Profit for the period		564,048	409,012	284,495	73,912
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Translation adjustments		59,247	(52,572)	-	-
Share of other comprehensive income from associates	*5*	(32,250)	131,666	-	-
Other comprehensive income for the period		26,997	79,094	-	-
Total comprehensive income for the period		591,045	488,106	284,495	73,912
Total comprehensive income attributable to					
Equity holders of the Company		589,728	483,595	284,495	73,912
Non-controlling interests of the subsidiaries		1,317	4,511		
		591,045	488,106		

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

(Unaudited but reviewed)

AAPICO Hitech Public Company Limited and its subsidiaries

Cash flow statement

For the three-month period ended 31 March 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit before tax	638,496	437,690	316,249	73,776
Adjustments to reconcile profit before tax to net cash				
provided by (paid from) operating activities				
Depreciation and amortisation	311,138	272,549	35,877	33,619
Unrealised loss (gain) on exchange rate	24,667	(2,469)	18,745	3,429
Gain on sales/write-off of equipment	(1,962)	(3,053)	-	(61)
Share of profit from investments in associates				
and joint ventures	(122,840)	(82,341)	-	-
Loss on impairment of investments in associates	14,067	-	-	-
Loss on write-off of other assets	932	1,330	-	-
Reversal of reduction of inventory cost to net realisable value	(158)	(8,438)	(2,544)	(4,488)
Allowance for expected credit losses (reversal)	3,321	(17,028)	(493)	(296)
Provision for product warranty	-	1,120	-	-
Provision for long-term employee benefits	6,424	5,173	1,234	1,122
Dividend income from associates and subsidiaries	-	-	(132,000)	(90,330)
Finance income	(2,875)	(1,645)	(40,968)	(40,204)
Finance cost	91,298	81,316	50,344	52,968
Profit from operating activities before changes in				
operating assets and liabilities	962,508	684,204	246,444	29,535
Operating assets (increase) decrease				
Trade and other receivables	(91,399)	(834,940)	(143,331)	(108,426)
Inventories	(67,185)	(133,631)	9,275	(1,675)
Other current financial assets	(72,499)	51,585	(67,999)	23,000
Other current assets	29,381	(65,216)	(8,551)	16,428
Other non-current assets	1,701	(21,643)	237	(1,113)
Operating liabilities increase (decrease)				
Trade and other payables	88,151	1,060,701	(17,211)	96,310
Other current liabilities	18,516	(31,966)	1,371	(28,722)
Other non-current liabilities	3,850	(1,654)	-	-
Cash flows from operating activities	873,024	707,440	20,235	25,337
Cash paid for long-term employee benefits	(1,492)	(4,714)	(610)	(766)
Cash paid for product warranty	(2)	(546)	-	-
Bad debt recovery	-	240	-	240
Cash paid for income tax	(18,685)	(17,868)	(1,158)	(882)
Cash received from income tax refund	6,845	5,717	-	-
Net cash flows from operating activities	859,690	690,269	18,467	23,929

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

(Unaudited but reviewed)

AAPICO Hitech Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the three-month period ended 31 March 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Decrease (increase) in loans to related parties	(270)	-	64,001	(23,536)
Acquisitions of investments in associates, joint ventures and subsidiaries	(59,680)	-	(59,680)	(15,530)
Dividend received from associates and subsidiaries	132,000	-	132,000	15,530
Proceeds from sales of equipment	10,013	14,589	-	66
Acquisitions of property, plant and equipment, other intangible assets and assets recognised from the costs to fulfill a contract with a customer	(317,403)	(226,825)	(11,304)	(18,085)
Interest received	2,783	909	1,015	683
Net cash flows from (used in) investing activities	(232,557)	(211,327)	126,032	(40,872)
Cash flows from financing activities				
Increase (decrease) in short-term loans from banks	(54,766)	347,119	(100,000)	411,000
Increase (decrease) in short-term loans from related parties	-	(2,647)	457,732	494,271
Cash received from long-term loans	65,055	104,485	-	-
Repayments of long-term loans	(400,336)	(362,473)	(349,185)	(332,642)
Repayments of long-term debentures	-	(500,000)	-	(500,000)
Payments of lease liabilities	(28,172)	(25,459)	(1,705)	(1,645)
Interest paid	(83,213)	(78,370)	(41,034)	(47,473)
Net cash flows from (used in) financing activities	(501,432)	(517,345)	(34,192)	23,511
Increase in translation adjustments	230	31,768	-	-
Net increase (decrease) in cash and cash equivalents	125,931	(6,635)	110,307	6,568
Cash and cash equivalents at beginning of period	767,259	690,391	160,788	40,700
Cash and cash equivalents at end of period	893,190	683,756	271,095	47,268
	-		-	
Supplemental cash flows information				
Non-cash items consist of				
Increase (decrease) in accounts payable for purchase and construction of assets	(89,595)	(48,953)	(5,097)	2,293
Increase (decrease) in deposits for purchases of assets	38,211	(199)	-	-
Transfer equipment to right-of-use assets	-	73,940	-	-
Transfer assets under construction to inventories	8,257	-	-	-
Transfer right-of-use assets to equipment	-	324	-	-
Increase in right-of-use assets from lease liabilities	13,312	28,042	11,821	-
Increase in dividend receivable	-	74,800	-	74,800
Conversion of short-term loans from banks to lease liabilities	-	74,263	-	-

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

(Unaudited but reviewed)

AAPICO Hitech Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2023

(Unit: Thousand Baht)

	Consolidated financial statements												
	Equity attributable to the Company's shareholders												
								Other components of shareholders' equity - other comprehensive income					
	Issued and paid-up share capital	Premium on ordinary shares	Premium on treasury shares	Deficit from the change in the interests in a subsidiary	Retained earnings: Appropriated - Statutory reserve: The Company	Retained earnings: Appropriated - Statutory reserve: Subsidiaries	Retained earnings: Unappropriated	Translation adjustments	Share of other comprehensive income from associates	Total	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
Balance as at 1 January 2022	354,842	2,164,354	33,580	(1,533)	59,541	159,594	5,537,584	134,695	70,347	205,042	8,513,004	301,796	8,814,800
Profit for the period	-	-	-	-	-	-	402,463	-	-	-	402,463	6,549	409,012
Other comprehensive income for the period	-	-	-	-	-	-	-	(50,534)	131,666	81,132	81,132	(2,038)	79,094
Total comprehensive income for the period	-	-	-	-	-	-	402,463	(50,534)	131,666	81,132	483,595	4,511	488,106
Balance as at 31 March 2022	354,842	2,164,354	33,580	(1,533)	59,541	159,594	5,940,047	84,161	202,013	286,174	8,996,599	306,307	9,302,906
Balance as at 1 January 2023	354,842	2,164,354	33,580	(1,533)	59,541	159,594	7,027,181	(63,574)	(122,946)	(186,520)	9,611,039	318,452	9,929,491
Profit for the period	-	-	-	-	-	-	561,818	-	-	-	561,818	2,230	564,048
Other comprehensive income for the period	-	-	-	-	-	-	-	60,160	(32,250)	27,910	27,910	(913)	26,997
Total comprehensive income for the period	-	-	-	-	-	-	561,818	60,160	(32,250)	27,910	589,728	1,317	591,045
Balance as at 31 March 2023	354,842	2,164,354	33,580	(1,533)	59,541	159,594	7,588,999	(3,414)	(155,196)	(158,610)	10,200,767	319,769	10,520,536
	-	-			-	-	-				-	-	-
	-	-			-	-	-				-	-	-

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

(Unaudited but reviewed)

AAPICO Hitech Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2023

(Unit: Thousand Baht)

	Separate financial statements					
	Issued and paid-up share capital	Premium on ordinary shares	Premium on treasury shares	Retained earnings		Total shareholders' equity
				Appropriated - Statutory reserve	Unappropriated	
Balance as at 1 January 2022	354,842	2,164,354	33,580	59,541	3,554,612	6,166,929
Profit for the period	-	-	-	-	73,912	73,912
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	73,912	73,912
Balance as at 31 March 2022	354,842	2,164,354	33,580	59,541	3,628,524	6,240,841
Balance as at 1 January 2023	354,842	2,164,354	33,580	59,541	4,718,259	7,330,576
Profit for the period	-	-	-	-	284,495	284,495
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	284,495	284,495
Balance as at 31 March 2023	354,842	2,164,354	33,580	59,541	5,002,754	7,615,071
	-	-	-	-	-	-
	-	-	-	-	-	-

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

AAPICO Hitech Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2023

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 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statement 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 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 interim financial statements.

1.2 Basis of consolidation

The interim consolidated financial statements include the financial statements of AAPICO Hitech Public Company Limited (hereinafter called as “the Company”) and its subsidiaries (hereinafter called 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 2022. During the current period, there was no significant change in the structure of the Group.

1.3 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2022.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023, do not have any significant impact on the Group’s financial statements.

2. Related party transactions

2.1 The Group had significant business transactions with related parties. Such transactions arose in the ordinary course of business and were conducted on the basis of commercial terms agreed upon between the Group and the related parties. During the current period, there were no significant changes in the transfer pricing policy of transactions with related parties.

During the three-month periods ended 31 March 2023 and 2022, business transactions with related parties are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Sales of goods and services				
Subsidiaries	-	-	129,145	114,483
Associates	78,187	59,469	11,304	2,875
Joint ventures	105	4,975	-	-
Total	78,292	64,444	140,449	117,358
Dividend income				
Subsidiaries	-	-	-	15,530
Associates	-	-	132,000	74,800
Total	-	-	132,000	90,330
Interest income				
Subsidiaries	-	-	39,984	39,476
Associates	-	39	-	39
Joint ventures	984	688	983	688
Related companies (common director)	145	-	-	-
Total	1,129	727	40,967	40,203
Rental income				
Subsidiaries	-	-	390	390
Associates	2,760	3,583	411	385
Total	2,760	3,583	801	775
Management fee income				
Subsidiaries	-	-	30,167	20,421
Associates	4,296	3,590	4,296	3,590
Joint ventures	32	32	32	32
Total	4,328	3,622	34,495	24,043

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Other income				
Subsidiaries	-	-	3,770	3,717
Associates	2,556	2,142	975	968
Joint ventures	29	119	29	23
Related companies (common director)	1,398	2,435	-	-
Total	3,983	4,696	4,774	4,708
Purchases of goods and services				
Subsidiaries	-	-	96,415	127,885
Associates	85,338	77,271	32,138	44,612
Total	85,338	77,271	128,553	172,497
Other expenses				
Subsidiaries	-	-	2,699	7,645
Associates	129	35	-	21
Total	129	35	2,699	7,666
Interest expense				
Subsidiaries	-	-	9,513	10,057
Total	-	-	9,513	10,057

2.2 As at 31 March 2023 and 31 December 2022, 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 2023	31 December 2022	31 March 2023	31 December 2022
Trade and other receivables - related parties (Note 3)				
Subsidiaries	-	-	1,444,725	1,400,177
Associates	68,821	90,102	15,956	17,134
Joint ventures	4,480	4,292	1,226	1,042
Related companies (common directors)	82,330	82,139	20,791	20,791
Total	155,631	176,533	1,482,698	1,439,144
Less: Allowance for expected credit losses	(79,310)	(79,310)	(82,957)	(82,957)
Net	76,321	97,223	1,399,741	1,356,187

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Trade and other payables - related parties				
Subsidiaries	-	-	55,029	74,932
Associates	71,889	81,196	34,387	37,672
Joint ventures	6	208	-	-
Related company (common director)	4,645	4,847	-	-
Total	76,540	86,251	89,416	112,604
Short-term loans to related parties				
Subsidiaries	-	-	360,000	360,000
Less: Allowance for expected credit losses	-	-	(24,000)	(24,000)
Net	-	-	336,000	336,000
Long-term loans to related parties				
Subsidiaries	-	-	3,717,671	3,806,713
Joint ventures	99,750	99,750	99,750	99,750
Related companies (common director)	551,475	551,205	368,708	368,708
Total	651,225	650,955	4,186,129	4,275,171
Less: Allowance for expected credit losses	(529,161)	(529,161)	(494,708)	(494,708)
Net	122,064	121,794	3,691,421	3,780,463
Short-term loans from related parties				
Subsidiaries	-	-	1,516,982	1,059,250
Related company (common director)	31,867	32,261	-	-
Total	31,867	32,261	1,516,982	1,059,250

2.3 Movements in the loan receivables and payables between the Group and those related parties during the three-month period ended 31 March 2023 are summarised below.

(Unit: Thousand Baht)

Loans to related parties	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2023	121,794	4,116,463
Increase	270	640,132
Decrease	-	(704,133)
Effect from foreign exchange rate	-	(25,041)
Net book value as at 31 March 2023	122,064	4,027,421

(Unaudited but reviewed)

(Unit: Thousand Baht)

Loans from related parties	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2023	32,261	1,059,250
Increase	-	2,792,098
Decrease	-	(2,334,366)
Translation adjustments	(394)	-
Balance as at 31 March 2023	31,867	1,516,982

2.4 Directors and management's benefits

During the three-month periods ended 31 March 2023 and 2022, the Group had employee benefit expenses payable to its directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Short-term employee benefits	8,124	8,463	8,124	8,463
Post-employment and other long-term benefits	25	55	25	55
Total	8,149	8,518	8,149	8,518

2.5 Guarantee obligations with related parties

The Company has outstanding guarantee obligations for credit facilities of its related parties, as described in Note 11.4 to the interim financial statements.

3. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due and past due not over 3 months	62,305	82,077	64,745	58,407
Past due 3 - 12 months	1,797	2,110	-	-
Past due more than 12 months	53,472	53,472	-	-
Total	117,574	137,659	64,745	58,407
Less: Allowance for expected credit losses	(53,472)	(53,472)	-	-
Total trade receivables - related parties, net	64,102	84,187	64,745	58,407

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due and past due not over 3 months	4,178,110	4,033,289	605,435	441,507
Past due 3 - 12 months	30,661	45,987	1,819	11,016
Past due more than 12 months	13,061	11,304	1,319	1,421
Total	4,221,832	4,090,580	608,573	453,944
Less: Allowance for expected credit losses	(19,142)	(15,521)	(1,354)	(1,547)
Total trade receivables - unrelated parties, net	4,202,690	4,075,059	607,219	452,397
Total trade receivables - net	4,266,792	4,159,246	671,964	510,804
Other receivables				
Advances - unrelated parties	16,494	30,126	-	-
Interest receivable - related parties	24,932	24,840	1,387,509	1,353,291
Accrued income - unrelated parties	96,006	118,996	45,718	60,377
Others - related parties	13,125	14,034	30,444	27,446
Others - unrelated parties	81,948	74,179	17,448	17,688
Total	232,505	262,175	1,481,119	1,458,802
Less: Allowance for expected credit losses	(91,066)	(91,366)	(100,345)	(100,645)
Total other receivables - net	141,439	170,809	1,380,774	1,358,157
Total trade and other receivables - net	4,408,231	4,330,055	2,052,738	1,868,961

As at 31 March 2023, a subsidiary has pledged trade receivables of Baht 60.1 million (31 December 2022: Baht 42.4 million) as collateral to secure loans from banks.

4. Inventories

As at 31 March 2023, certain subsidiaries have pledged finished goods of Baht 532 million (31 December 2022: Baht 407 million) as collateral to secure loans from banks.

5. Investments in associates

Movements in the investments in associates account during the three-month period ended 31 March 2023 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2023	4,079,604	542,283
Increase	15,703	15,703
Share of profit	136,170	-
Share of comprehensive income	(32,250)	-
Dividend income	(132,000)	-
Loss on impairment	(14,067)	-
Net book value as at 31 March 2023	4,053,160	557,986

The value of the investment under the equity method of Sakthi Auto Component Limited (“SACL”) in the consolidated financial statements as at 31 March 2023 of Baht 2,726 million (31 December 2022: Baht 2,694 million) has been accounted for based on the financial information prepared by the management of SACL, which has not been audited or reviewed by the auditor of SACL.

In March 2023, the Company purchased additional shares of Sanoh Industries (Thailand) Company Limited from an unrelated existing shareholder at a price of Baht 15.7 million, leading to the increase in the Company’s shareholding percentage from 20% to 23.08%.

In March 2023, Hyundai Motor (Thailand) Company Limited entered into an agreement to transfer the majority of its assets and liabilities to another company and terminated the employment of its employees in a phased manner under its business dissolution plan. As a result, the Company recognised a loss on impairment of such investment amounting to Baht 14.1 million in the consolidated income statement for the current period to reflect the carrying amount of the investment under the equity method to the expected recoverable amount.

6. Investments in joint ventures

Movements in the investments in joint ventures account during the three-month period ended 31 March 2023 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2023	119,699	202,713
Increase	43,977	43,977
Share of loss	(13,330)	-
Net book value as at 31 March 2023	150,346	246,690

In February 2023, PUREM AAPICO Company Limited decreased its the registered share capital from Baht 205.0 million to Baht 141.0 million by decreasing 6,400,000 ordinary shares with a par value of Baht 10 each, resulting in the reduction in the number of shares held by the Company from 10,045,000 to 6,909,000 shares. However, the Company's shareholding percentage remained unchanged at 49%. PUREM AAPICO Company Limited also called up the remaining registered capital of Baht 89.8 million, and the Company fully paid Baht 44.0 million of its portion of the additionally called-up capital.

7. Investments in subsidiaries

During the current period, there have been no significant changes with respect to the appropriation of shares of SGAH as disclosed in Note 7.2 to the financial statements for the year 2022.

8. Property, plant and equipment

Movements in the property, plant and equipment account during the three-month period ended 31 March 2023 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2023	7,912,616	977,064
Acquisitions - at cost	126,019	6,207
Transfer to inventories	(8,257)	-
Disposals/write-off - net book value	(8,051)	-
Depreciation	(222,145)	(33,434)
Translation adjustments	21,748	-
Net book value as at 31 March 2023	7,821,930	949,837

Certain subsidiaries have mortgaged their land, building, machinery and vehicles with net book value as at 31 March 2023 of Baht 1,010 million (31 December 2022: Baht 1,055 million) to secure the credit facilities granted by banks.

9. Right-of-use assets

Two subsidiaries have mortgaged their right-of-use assets in land with net book value as at 31 March 2023 of Baht 220 million (31 December 2022: Baht 224 million) to secure the credit facilities granted by banks.

10. Loans from banks

Certain bank overdrafts, short-term loans and long-term loans from banks of the Group are secured by the pledge of bank deposit, inventories, right-of-use assets of land, land, buildings, machinery and vehicles, a letter of guarantee, a letter of credit, and guarantees provided by the Company or subsidiaries, with a negative pledge of assets by the Group.

Movements in the long-term loans from banks account during the three-month period ended 31 March 2023 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2023	4,475,357	2,691,161
Additions	65,055	-
Repayments	(400,336)	(349,185)
Effect from foreign exchange rate	(6,296)	(6,296)
Translation adjustments	10,104	-
Balance as 31 March 2023	4,143,884	2,335,680
Less: Deferred financial fees	(5,677)	(4,239)
Long-term loans - net	4,138,207	2,331,441
Less: Portion due within one year	(1,400,432)	(950,830)
Portion due more than one year	2,737,775	1,380,611

As at 31 March 2023, the short-term and long-term credit facilities of the Group which have not been drawn down amounted to Baht 4,529 million (31 December 2022: Baht 4,179 million).

11. Commitments and contingent liabilities

11.1 Capital commitments

As at 31 March 2023 and 31 December 2022, the Group had capital commitments relating to installation of computer software, acquisitions of machinery and constructions of building from unrelated parties as follows.

(Unit: Million)

	Consolidated financial statements		Separate financial statements	
Currency	31 March 2023	31 December 2022	31 March 2023	31 December 2022
THB	21.4	26.8	4.9	5.9
RMB	15.5	21.0	-	-

11.2 Long-term investment commitments

As at 31 March 2023 and 31 December 2022, the Group had outstanding commitments in respect of uncalled portion of investments as follows.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
Investment type	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Investments in subsidiaries	-	-	77	77
Investments in associates	25	25	25	25
Investments in joint ventures	67	143	67	143

11.3 Long-term service commitments

Two local subsidiaries have entered into technical assistance agreements with a Japanese company and a German company, under which they have to pay fees at rates stipulated in the agreements, on sales of certain products. The first agreement is for one year and automatically renews annually for a further period of one year, while the other agreement is effective until 2027. Other two local subsidiaries have entered into memorandums with a Japanese company, under which the subsidiaries have to pay royalty fees at certain rates on sales of particular products. These agreements are effective for as long as the products are sold.

11.4 Guarantees

a) As at 31 March 2023 and 31 December 2022, the Company has guaranteed bank credit facilities of its local associate amounting to Baht 100 million.

b) As at 31 March 2023, two foreign subsidiaries have provided guarantees for bank credit facilities of another foreign subsidiary amounting to RM 22.1 million (31 December 2022: RM 18 million).

c) As at 31 March 2023 and 31 December 2022, there were outstanding bank guarantees issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business as follows.

	Consolidated financial statements		Separate financial statements	
Letter of guarantee	31 March 2023	31 December 2022	31 March 2023	31 December 2022
Contractual performance	Baht 78 million	Baht 78 million	Baht 78 million	Baht 78 million
Electricity use and others	Baht 33 million RM 0.5 million	Baht 31 million RM 0.5 million	Baht 14 million	Baht 14 million

11.5 Contingent liabilities

During the current period, there have been no significant changes with respect to contingent liabilities as disclosed in Note 35.5 to the financial statements for the year 2022.

12. Financial Instrument

12.1 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.

12.2 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 and there were no transfers between the levels of the fair value hierarchy.

13. Segment information

The Group is organised into business units based on its products and services. During the current period, the Group has not changed the organisation of its reportable segments.

The following tables present revenues and profit (loss) information regarding the Group's operating segments for the three-month periods ended 31 March 2023 and 2022.

(Unit: Million Baht)

	Manufacture of auto parts segment		Sales of automobiles and automobiles repair service segment		Others		Total segments		Adjustments and eliminations		Consolidated financial statements	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenues from contracts with customers												
External customers	5,947	5,127	2,160	1,596	19	7	8,126	6,730	-	-	8,126	6,730
Inter-segment	549	468	335	180	4	4	888	652	(888)	(652)	-	-
Total revenues	6,496	5,595	2,495	1,776	23	11	9,014	7,382	(888)	(652)	8,126	6,730
Operating results												
Segment profit (loss)	587	410	19	23	(3)	2	603	435	-	-	603	435
Share of profit from investments in associates and joint ventures											123	82
Finance income											3	2
Finance cost											(91)	(81)
Profit before income tax expenses											638	438
Income tax expenses											(74)	(29)
Profit for the period											564	409

Geographic information for the three-month periods ended 31 March 2023 and 2022 are as follows.

(Unit: Million Baht)

	2023	2022
Revenues from external customers based on country of domicile		
Thailand	5,481	4,303
China	305	333
Malaysia	1,146	933
Portugal	1,194	1,161
Total	8,126	6,730

14. Events after the reporting period

On 27 April 2023, the Annual General Meeting of the Company's shareholders passed a resolution to pay a dividend of Baht 0.96 per share to the holders of 354,842,012 shares, or a total of not more than Baht 340.6 million from the operating results of the Company for the accounting period from 1 July 2022 to 31 December 2022. The dividend will be paid on 25 May 2023.

On 11 May 2023, the Board of Directors' Meeting of the Company passed a resolution approving an additional investment in AAPICO Maia, S.A., amounting to EUR 10 million or approximate Baht 368 million.

15. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 11 May 2023.