

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024
AND
INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Thai Future Incorporation Public Company Limited.

Opinion

I have audited the financial statements of Thai Future Incorporation Public Company Limited, which comprise the statement of financial position as at December 31, 2024, and the statements of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Thai Future Incorporation Public Company Limited. as at December 31, 2024, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

I have determined the matters described below to be the key audit matters to be communicated in my report.

Allowance for diminution in value of inventories

As mentioned in Note 8 to the financial statements, regarding inventories as at 31 December 2024, the Company's cost of inventories amounted to Baht 124.58 million and the recorded allowance for diminution in value of inventories was Baht 15.58 million. I focused on consideration of allowance for diminution in value of inventories to net realisable value because the Company's inventories are mainly raw materials and finished goods that are competitive and volatility prices which consist of the mass numbers of product sellers. This may affect the value of inventories at the end of the reporting period and the inventory balance is material to the financial statements. Inventories are measured at the lower of cost or net realisable value and this, together with determination of the related allowance for diminution in value of inventories (if any) which requires the management to consider the reasonableness of the market price used, by comparing it to the expected selling price of the commodities.

The procedures I performed to assess the determination of allowance for diminution in value of inventories included:

- Gaining an understanding and performing tests of the design and operating effectiveness of the controls relevant to the inventory valuation process.
- Assessing the appropriateness of the methodology used to calculate the net realisable value of inventories at the end of the reporting period, through considering the reasonableness of the market prices used by comparing them to the expected selling prices and testing the accuracy of the calculations.
- Assessing the completeness of the adjustments of allowance for diminution in value of inventories in the financial statements and the adequacy of the disclosures made in relation to the estimation of allowance for diminution in value of inventories in the notes to the financial statements.

Revenue recognition

The revenue from sales is the significant amount in the financial statement and is also the key indicator which effect to the corporate performance on which the users of financial statements concern. In addition, The Company has a large number of customers which these reasons I draw special attention to the revenue recognition from sales.

I focused our audit on the following area of revenue recognition related to

- Assessing and testing the Company's its system and internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls which comply to the Company's Revenue Recognition Policy.
- Performed audit on the accuracy of customer bill generation on a sample basis and testing of a sample of the credit and discount applied to customer invoice.
- On a sampling basis, examining supporting documents for actual sales transactions occurring during the year and near the end of the accounting period.
- Audit of accuracy by sample of credit notes that the Company issued after the period-end.
- Audit of accuracy of TFRS 15 "Revenue from contracts with customers" According policies for revenue recognition were disclosed in note 3.13 to the financial statement.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Company's annual report, (but does not include the financial statements and my auditor's report thereon). The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the above mentioned annual report of the Company, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and steps taken to remove obstacles or preventative measures (if any).

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Mrs.Sumana Senivongse

Certified Public Accountant (Thailand) No. 5897

Karin Audit Company Limited

Bangkok

February 24, 2025

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT DECEMBER 31, 2024**

		(Unit : Baht)	
	Notes	2024	2023
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		29,364,973	29,330,968
Trade and other current receivables - net	7	50,774,487	78,371,383
Inventories - net	8	108,998,497	147,739,519
Spare parts and supplies - net		56,359,500	56,541,098
Advance for Investment - net	10	-	-
Other current assets		4,295,981	5,719,740
TOTAL CURRENT ASSETS		249,793,438	317,702,708
NON-CURRENT ASSETS			
Restricted bank deposits	9	2,000,000	2,000,000
Investments in associated companies under absolute order control of property - net	11	-	-
Other long-term investments related parties - net	12	-	-
Land used in operation - at appraised value	13	874,834,000	790,549,500
Plant and equipment used in operation - net	14	1,519,610,595	1,371,541,229
Property, plant and equipment not used in operation - net	15	114,843,388	199,932,379
Right-of-use assets - net	16	4,221,108	5,788,612
Other non-current assets		1,330,860	730,040
TOTAL NON-CURRENT ASSETS		2,516,839,951	2,370,541,760
TOTAL ASSETS		2,766,633,389	2,688,244,468

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

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2024

		(Unit : Baht)	
	Notes	2024	2023
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Trade and other current payables		95,533,830	96,177,843
Short-term borrowings - Related parties	5.1	255,440,791	200,000,000
Current portion of lease liabilities	16	2,676,237	2,600,783
Current provisions for employee benefits	18	-	1,635,712
Other current liabilities		798,257	751,639
TOTAL CURRENT LIABILITIES		354,449,115	301,165,977
NON-CURRENT LIABILITIES			
Lease liabilities - net	16	1,842,199	3,514,606
Deferred tax liabilities	17	399,344,374	351,874,594
Non-current provisions for employee benefits	18	13,899,255	11,223,440
TOTAL NON-CURRENT LIABILITIES		415,085,828	366,612,640
TOTAL LIABILITIES		769,534,943	667,778,617
SHAREHOLDERS' EQUITY			
SHARE CAPITAL			
Authorized share capital			
20,475,000,000 ordinary shares : Baht 1 per share		20,475,000,000	20,475,000,000
Issued and paid-up share capital			
16,826,223,539 ordinary shares : Baht 1 per share		16,826,223,539	16,826,223,539
Discount on shares capital		(13,264,915,008)	(13,264,915,008)
Retained earnings (Deficits) -Unappropriated		(2,826,704,453)	(2,604,459,011)
Other components of shareholders' equity		1,262,494,368	1,063,616,331
TOTAL SHAREHOLDERS' EQUITY		1,997,098,446	2,020,465,851
TOTAL LIABILITIES AND EQUITY		2,766,633,389	2,688,244,468

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

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2024

		(Unit : Baht)	
	Notes	2024	2023
Sales	24	692,633,523	379,981,424
Costs of sales		(843,585,559)	(512,172,662)
Gross profit (loss) margin		(150,952,036)	(132,191,238)
Other income	20	51,058,376	10,413,173
Distribution costs		(30,602,865)	(17,947,649)
Administrative expenses		(225,165,217)	(250,055,137)
Other expenses		-	(1,451,705)
Finance costs		(11,134,472)	(12,025,102)
Profit (loss) before income tax expense		(366,796,214)	(403,257,658)
Tax (expense) income	21	30,724,715	30,403,779
Profit (loss) for the year		(336,071,499)	(372,853,879)
Other comprehensive income (expense)			
Components of other comprehensive income that will not			
be reclassified to profit or loss			
Gains (Loss) on re-measurements of defined benefit plans		-	5,769,180
Gain (loss) from asset revaluation		390,972,475	-
Income tax of item that will not be reclassified subsequently to profit or loss		(78,194,495)	-
Other comprehensive income (expense) for the year - net tax		312,777,980	5,769,180
Total comprehensive income (expense) for the year		(23,293,519)	(367,084,699)
Basic earnings (loss) per share			
Basic earnings (loss) per share from continuing operations (Baht per Share)	22	(0.020)	(0.022)
Diluted earnings (loss) per share			
Diluted earnings (loss) per share from continuing operations (Baht per Share)	23	-	-

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2024

(Unit : Baht)

Note	Other components of shareholders' equity										
	Share capital issued and paid-up	Discount on share capital	Retained earnings (Deficit)			Other comprehensive income (expense)				Total other components of shareholders' equity	Total
			Appropriated	Unappropriated	Total	Capital surplus from revaluation of assets	Gains (Loss) on re-measurements of defined benefit plans	Total other comprehensive income (expense)			
Balance as at January 1, 2023	16,826,223,539	(13,264,915,008)	-	(2,349,463,957)	(2,349,463,957)	1,175,705,976	-	1,175,705,976	1,175,705,976	2,387,550,550	
Comprehensive income (expense) for the year	-	-	-	(372,853,879)	(372,853,879)	-	5,769,180	5,769,180	5,769,180	(367,084,699)	
Transfer to retained earnings (Loss) - net of income tax	-	-	-	117,858,825	117,858,825	(112,089,645)	(5,769,180)	(117,858,825)	(117,858,825)	-	
Ending balance as at December 31, 2023	<u>16,826,223,539</u>	<u>(13,264,915,008)</u>	<u>-</u>	<u>(2,604,459,011)</u>	<u>(2,604,459,011)</u>	<u>1,063,616,331</u>	<u>-</u>	<u>1,063,616,331</u>	<u>1,063,616,331</u>	<u>2,020,465,851</u>	
Balance as at January 1, 2024	16,826,223,539	(13,264,915,008)	-	(2,604,459,011)	(2,604,459,011)	1,063,616,331	-	1,063,616,331	1,063,616,331	2,020,465,851	
Comprehensive income (expense) for the year	-	-	-	(336,071,499)	(336,071,499)	312,777,980	-	312,777,980	312,777,980	(23,293,519)	
Transfer to retained earnings (Loss) - net of income tax	-	-	-	113,826,057	113,826,057	(113,899,943)	-	(113,899,943)	(113,899,943)	(73,886)	
Ending balance as at December 31, 2024	<u>16,826,223,539</u>	<u>(13,264,915,008)</u>	<u>-</u>	<u>(2,826,704,453)</u>	<u>(2,826,704,453)</u>	<u>1,262,494,368</u>	<u>-</u>	<u>1,262,494,368</u>	<u>1,262,494,368</u>	<u>1,997,098,446</u>	

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

	(Unit : Baht)	
	2024	2023
Cash flows from operating activities		
Profit (loss) for the year	(336,071,499)	(372,853,879)
Adjustments to reconcile profit (loss) for the year to net cash		
Adjustment for Income tax expense (income)	(30,724,715)	(30,403,779)
(Reversal of) allowance for obsoleted stock	(16,523,575)	(3,201,846)
Depreciation	189,384,037	185,537,126
Amortization expenses	11,071,245	17,581,992
Provision for employee benefits	2,855,093	11,086,234
Unclaimed withholding tax	400,440	367,389
Unrealized (gain) loss on exchange rate	(4,392,462)	(324,683)
(Gain) loss on sale assets	(23,113,315)	1,451,705
Loss on written of assets and supplies	17,384	16,265
(Gain)Loss on cancellation of right-of-use assets	(44,387)	-
Interest expenses	9,223,828	11,452,677
Interest incomes	(146,247)	(749,418)
Profit (loss) from operations before changes in operating assets and liabilities	(198,064,173)	(180,040,217)
Operating assets (increase) decrease		
Adjustment for Trade and other current receivables (Increase) Decrease	27,570,623	44,508,881
Adjustment for Inventories (Increase) Decrease	55,215,772	79,160,573
Adjustment for Spare parts and supplies (Increase) Decrease	230,423	2,108,924
Adjustment for Other current assets (Increase) Decrease	(9,647,486)	(14,009,171)
Adjustment for Other non-current assets (Increase) Decrease	(1,001,260)	(304,440)
Operating liabilities increased (decreased)		
Adjustment for Trade and other current payables Increase (Decrease)	(734,490)	62,482,725
Adjustment for Provisions for employee benefits Increase (Decrease)	(1,814,990)	(9,842,586)
Adjustment for Other current liabilities Increase (Decrease)	46,618	(900,453)
Net cash flows provided (used in) from operating activities	(128,198,963)	(16,835,764)

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

	(Unit : Baht)	
	2024	2023
Cash flows from investing activities		
Interest income received	147,628	738,237
Cash received from sales assets - net	-	604,700
Cash received from sales not used in operation assets - net	97,375,000	-
Purchase of property, plant and equipment	(17,414,405)	(104,333,850)
Net cash flows provided (used in) from investing activities	80,108,223	(102,990,913)
Cash flows from financing activities		
Cash paid for interest expenses	(8,372,580)	(11,163,480)
Cash received for short-term borrowings - related companies	154,208,283	-
Cash paid for short - term borrowings - related companies	(94,800,000)	-
Cash paid for lease liabilities	(2,910,958)	(2,300,480)
Net cash flows provided (used in) from financing activities	48,124,745	(13,463,960)
CASH AND CASH EQUIVALENTS INCREASE (DECREASE) - NET	34,005	(133,290,637)
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF YEAR	29,330,968	162,621,605
CASH AND CASH EQUIVALENTS AS AT THE END OF YEAR	29,364,973	29,330,968
Non cash item		
Increase in right-of-use asset under lease	1,646,171	3,350,000
Cash and cash equivalents		
Consist of:		
Cash on hand	199,360	81,164
Cash at banks - current accounts	6,644,342	29,050,597
Cash at banks - savings accounts	21,851,124	181,942
Cash at banks - fixed deposit account	30,214	17,265
Deposits in transit	639,933	-
	29,364,973	29,330,968

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

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

1. GENERAL INFORMATION

1.1 Corporate information

Thai Future Incorporation Public Company Limited was registered in Thailand on March 3, 1983 with the registration number 882/2526. It was later registered a conversion to a public company limited on February 1, 1994 with the registration number 0107537000386.

According to the Extraordinary General Meeting of Shareholders No. 1/2023 of the Company on September 21, 2023, there was a resolution to approve the change of the Company name from "Thai Film Industry Public Company Limited" to "Thai Future Incorporation Public Company Limited" and the company has registered the change of company name with the Ministry of Commerce on September 26, 2023.

The major shareholders are Mahagitsiri family. The Company is engaged in manufacturing of packaging film. Presently, the Company has offices located at the following addresses:

- a) Head Office and Factory : 73/3 Moo 4, Bangna - Trad Road KM.13, Bangchalong, Bangplee, Sumutprakarn.
- b) Factory : 327 Moo 8, Mabkha, Nakhomphattana District, Rayong.

1.2 Going Concern

As at December 31, 2024, the Company has current assets amounted to Baht 249.79 million and current liabilities amounted to Baht 354.45 million. expressed those current liabilities over current assets in total of Baht 104.66 million. However, The Company performance depends on feasibility according to the corporate plan.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards ("TFRS") including related interpretations and guidelines promulgated by the Federation of Accounting Professions (FAP); applicable rules and regulations of the Office of the Securities and Exchange Commission.

The financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2.2 New Financial reporting standards

Financial reporting standards that became effective in the current year

During the year, the Company has adopted the revised and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after January 1, 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

Financial reporting standard that will become effective for fiscal years beginning on or after January 1, 2025

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2025. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

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

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following material items in the statements of financial position:

- Land, plant and machines is measured at appraisal value (Note no.13 and 14)

2.4 Functional and presentation currency

The financial statements are prepared and presented in Thai Baht, which is the Company's functional currency. All financial information presented in Thai Baht has been rounded to the nearest thousand or million in the notes unless otherwise stated.

2.5 Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ from these estimates. Significant judgments and estimates are as follow:

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

Revenue from contracts with customers

Identification of performance obligations

In identifying performance obligations, the management is required to use judgement regarding whether each promise to deliver goods or services is considered distinct, taking into consideration terms and conditions of the arrangement. In other words, if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted for separately.

Determination of timing of revenue recognition

In determining the timing of revenue recognition, the management is required to use judgement regarding whether performance obligations are satisfied over time or at a point in time, taking into consideration terms and conditions of the arrangement. The Company recognises revenue over time in the following circumstances:

- the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs
- the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point in time, the management is required to determine when the performance obligation under the contract is satisfied.

Costs to obtain contracts

The recognition of costs incurred to obtain a contract as an asset requires management to use judgement regarding whether such costs are the incremental costs of obtaining a contract with a customer as well as what amortisation method should be used.

Recognition and derecognition of assets and liabilities

In considering whether to recognise or to derecognise assets or liabilities, the management is required to make judgment on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and assessments.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

Leases

Determining the lease term with extension and termination options - The Company as a lessee

In determining the lease term, the management is required to exercise judgment in assessing whether the Company is reasonably certain to exercise the option to extend or terminate the lease, considering all relevant factors and circumstances that create an economic incentive for the Company to exercise either the extension or termination option. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

Lease classification - The Company as a lessor

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for expected credit losses of trade receivables and contract assets

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Company's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Depreciation of property, plant and equipment and right-of-use assets

In determining depreciation of plant and equipment and right-of-use assets, the management is required to make estimates of the useful lives and residual values (if any) and to review useful lives and residual values when there are any changes.

In addition, the property, plant and equipment, right-of-use assets are subject to impairment if there is an indication they may be impaired, and impairment losses are recorded in the period when it is determined that their recoverable amount is lower than the carrying amount.

Indications include significant falls in the market value of assets or the future economic benefits of assets, significant changes in the overall business strategy impacting to the future utilization of assets, significant negative industry or economic trends, significant loss of market share, and significant unfavourable regulatory and court decisions that impact the business.

The impairment analysis of property, plant and equipment, right-of-use assets requires management to make subjective judgments concerning estimates of cash flows to be generated by the assets or the cash generating units

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

and to choose a suitable discount rate in order to determine the present value of those cash flows. The cash flow estimates are based on currently available information about the operations and require management to make judgments regarding future market conditions and future revenues and expenses relevant to the assets or the cash generating units subject to the review. Events and factors that may significantly affect the estimates include, among others, competitive forces, changes in revenue growth trends, cost structures, changes in discount rates and specific industry or market sector conditions.

Deferred tax assets

Deferred tax assets are recognised for temporary difference arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes as at the end of reporting period when it is highly probable that the Company will generate sufficient taxable profits from their future operations to utilise these deferred tax assets. If management need to estimate the amounts of the deferred tax assets that the Company should recognise, they take into account the amount of taxable profit expected in each future period.

Post-employment benefits under defined benefit plans

The obligation under defined benefit plan is determined based on actuarial valuations. Inherent within these calculations are assumptions as to discount rates, future salary incremental rate, mortality rates and other demographic factors. In determining the appropriate discount rate, management selects an interest rate that reflects the current economic situation. The mortality rate is based on publicly available mortality tables for the country. Actual post-retirement costs may ultimately differ from these estimates.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2.6 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorised of input to be used in fair value measurement as follows:-

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The Company have significant accounting policies as follows:-

3.1 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at bank, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

3.2 Trade account receivables

Trade receivables are carried invoice amount less any allowance for expected credit losses.

The Company applies the TFRS 9 simplified approach to measuring expected credit losses which uses a simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

3.3 Inventories

Inventories are presented at the lower of cost or net realizable value (NRV.). Cost of inventories is recorded under the basis as follows:

Finished goods and work-in-process	-	at standard cost which approximates to actual average cost
Raw materials and factory supplies	-	at cost (first-in, first-out method)

The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventories. The Company estimates net realizable value from the estimated selling price in the ordinary course of business, less the estimated expenses necessary to make the sale.

3.4 Investments in associated companies

Investment in associated companies are accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any)

3.5 Property, plant and equipment

At the beginning date of transaction, land was recorded at costs while plant and equipment were recorded at cost net of accumulated depreciation and allowance for impairment.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Cost also may include transfers from other comprehensive income of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

However, the Company chose to show value of land, buildings and machines in appraised value (revaluation) which were appraised by independent appraiser. The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation less impairment losses.

Revaluations are performed by independent appraiser with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the statements of financial position date. The Company has a policy to appraise assets every three (3) to five (5) years or whenever the fair value of the appraised assets materially change from the book value.

Accounting method for land, buildings and machines in appraised value

Any increase in value due to appraisal, such increase shall be recorded as capital surplus from asset revaluation by netting from the value that was decreased by appraisal and was already recognised in the statements of comprehensive income and if it is the case that the asset's value decreases due to appraisal, it will be recorded in the statements of comprehensive income for the value only the part that decrease more than capital surplus from asset revaluation that was previously appraised.

In case of any sale of asset that was revalued, the capital surplus from the selling asset revaluation that considered realized shall be transferred directly to retained earnings and shall not recognised as profit or loss from sales assets.

Between the asset is used the surplus may be transferred to retained earnings. In such a case, the amount of the surplus transferred would be the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Transfers from revaluation surplus to retained earnings are not made through profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

The depreciation charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment as follows:

Buildings and improvements	30-50	years
Machinery, equipment and tools	5-35	years
Furniture, fixtures and office equipment	5-10	years
Vehicle	5	years
Other assets	5	years

3.6 Financial assets and financial liabilities

Classification and measurement of financial assets

The classification of financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Company classifies its debt instruments in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortized cost.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

The equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss (FVPL), or ii) at fair value through other comprehensive income (FVOCI) without recycling to profit or loss.

At initial recognition, the Company measures a financial asset at its fair value plus or minus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of debt instruments depends on the Company business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Company classifies as follow:

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

- Amortised cost: A financial asset will be measured at amortised cost when the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. In addition, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in financial income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented in profit or loss.
- FVOCI: A financial assets will be measured at FVOCI when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In addition, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and related foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised on other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of comprehensive income.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Dividends from such investments continue to be recognised in profit or loss when the Company right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

Classification and measurement of financial liabilities and equity

Financial instruments issued by the Company must be classified as financial liabilities or equity securities by considering contractual obligations.

- Where the Company has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Company own equity instruments.
- Where the Company has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

At initial recognition, the Company measures financial liabilities at fair value. The Company reclassifies all financial liabilities as subsequently measured at amortised cost, except for derivatives.

Recognition and derecognition

The Company shall recognise a financial asset or a financial liability in its statement of financial position when, and only when, the Company becomes party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets.

Impairment

The Company assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company applies general approach for credit-impaired consideration.

3.7 Land, building and equipment not used in operations

Land, building and equipment not used in operations are stated at cost net of accumulated depreciation and allowance for loss from impairment of asset.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

3.8 Impairment of non-financial assets

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same times. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

3.9 Leases

Leases - where the Company is the lessee

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, initial direct costs and estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any incentive received.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Company uses the Company incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed payments including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price, under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period; and
- payments of penalties for early termination of a lease if the Company is reasonably certain to terminate early.

To apply a cost model, the Company measures the ROU asset at cost, less accumulated depreciation and accumulated impairment loss and adjusted for any remeasurement of the lease liability. The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. However, if the lease transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the ROU asset reflects that the Company will exercise a purchase option, the Company depreciates the ROU asset from the commencement date to the end of the useful life of the underlying asset. The useful life of the ROU asset is determined on the same basis as those of property, plant and equipment.

The lease liability is re-measured when there is a change in future lease payments arising from the following items:

- a change in an index or a rate used to determine those payments
- a change in the Company estimate of the amount expected to be payable under a residual value guarantee
- the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured to reflect changes to the lease payments, the Company recognises the amount of the remeasurement of the lease liability as an adjustment to the ROU asset. However, if the carrying amount of the ROU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the remeasurement in profit or loss.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

Short-term leases and leases of low-value assets

The Company has elected not to recognise ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.10 Trade and other current payables

Trade and other current payables are stated at cost.

3.11 Borrowings

Borrowings is recognised initially at the fair value, net of attributable transaction costs incurred. Borrowings is subsequently stated at amortised cost.

Borrowings is classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowings is derecognised from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

3.12 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company's and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company's. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans

The Company's has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

Actuarial gains and losses arising from defined benefits plans are recognised immediately in other comprehensive income.

Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognizes restructuring-related costs.

3.13 Revenue and Cost of Sales Recognition

Revenue Recognition

Revenue excludes value added taxes and is shown at after deduction of trade discounts.

Revenue from the sale of goods is recognised in the statement of comprehensive income when the power of control and rewards of ownerships have been transferred to the buyer. No revenue is recognised if there are significant uncertainties in advantage receiving from accounting transaction which it can't measure reliable in value of revenue and occurred cost, the probable return of goods or the continuing management involvement with the goods.

Other income and other expenses is recognised as it accrues.

3.14 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company reviews and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

3.15 Earnings (Loss) per share

Basic earnings (Loss) per share

Basic earnings (Loss) per share is determined by dividing the net profit (loss) by the weighted average number of shares outstanding during the year.

Diluted earnings (loss) per share

Diluted earnings (loss) per share is calculated by dividing net income (loss) attributable to ordinary shares by weighted average number of ordinary shares issued and paid during the period, adjusted by the effect of the right to subscribe.

3.16 Foreign currencies

The Foreign Currency transactions in foreign currencies are translated at the rates of the foreign exchange ruling at the date of transaction. The remaining balance of assets and liabilities in foreign currency at the year end date are translated to Baht at the foreign exchange rates ruling at the end of reporting period.

The profit or loss incurred from the translation is regard as revenue or expense in the statements of comprehensive income.

3.17 Provision

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

3.18 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

4. CHANGING IN ACCOUNTING ESTIMATION

On July 1, 2024, the Company referenced appraiser reports on the estimated useful life of its operating machinery. Net book value amounted Baht 892.81 million. The company uses the straight-line method to calculate depreciation. The useful life of 5 - 30 years was changed to an estimated useful life of 5 - 35 years. The change became effective immediately from July 1, 2024, onwards.

The Company records such changes using Prospective change method. The financial statement for the year ended December 31, 2024, has the following effects:

	(Unit : Baht)		
	Book value based on original useful life	Book value based on new useful life	Difference
Statement of financial position			
Machinery used in operation	3,766,400,460	3,766,400,460	-
Less Accumulated depreciation	(2,945,884,116)	(2,873,592,464)	(72,291,652)
Net book value	<u>820,516,344</u>	<u>892,807,996</u>	<u>(72,291,652)</u>
Statement of comprehensive income			
for the year ended December 31, 2024			
Depreciation	<u>203,114,367</u>	<u>130,822,715</u>	<u>72,291,652</u>

5. TRANSACTIONS WITH PERSON AND RELATED PARTIES

Related parties are those parties linked to the Company as shareholders or by common shareholders or directors. Significant related parties' transactions can be summarized as follows:

Related Parties	Type of Relationship
Thai Film Bangladesh Co., Ltd.	Shareholder
PM Group Co., Ltd.	Co shareholders and directors
STROM (THAILAND) Co., Ltd	Co-directors
PM 80 Co., Ltd.	Shareholders and common directors
P80 JET Co., Ltd.	Co-directors
P80 GO Co., Ltd.	Co-directors
PM GROUPWIDE USA INC	Shareholders and common directors

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

5.1 Related assets and liabilities

		(Unit : Thousand Baht)	
		December 31, 2024	December 31, 2023
	Interest rate		
Short-Term Loan from related Party			
	referring to the average commercial bank interest rate at the rate of		
Related company	MOR-2%	105,200	200,000
Related company	1% per annum.	150,241	-
		255,441	200,000

As at December 31 2024 and 2023, the Company have loan form related companies amounted to Baht 255.44 million and Bath 200 million, in the form of a promissory note due at call without any collateral.

5.2 Related- revenues and expenses

For the year ended December 31, 2024 and 2023 as follow:

		(Unit : Thousand Baht)	
		2024	2023
Rental income			
Related companies		5,082	3,935
Interest expenses			
Related companies		8,913	11,163
Key management personnel compensation			
Short-term employee benefits		15,234	9,093
Long-term employee benefits		345	278
Total key management personnel compensation (1)		15,579	9,371

(1) Key management personnel compensation expenses presented in the selling and administrative expenses.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

6. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(Unit : Baht)

	Carrying value			Total
	FVPL	FVOCI	Amortized cost	
Financial Assets				
As at December 31, 2024				
Cash and cash equivalents	-	-	29,364,973	29,364,973
Trade and Other current receivables	-	-	50,774,487	50,774,487
Restricted Bank Deposits	-	-	2,000,000	2,000,000
 As at December 31, 2023				
Cash and cash equivalents	-	-	29,330,968	29,330,968
Trade and Other current receivables	-	-	78,371,383	78,371,383
Restricted Bank Deposits	-	-	2,000,000	2,000,000

As at December 31, 2024 and 2023, the Company has does not classification financial liabilities for measurement at fair value through profit or loss (FVPL).

Financial assets and liabilities measured at amortized cost approximate fair value.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

7. TRADE AND OTHER CURRENT RECEIVABLES - NET

Consist of :-

	(Unit : Baht)	
	December 31, 2024	December 31, 2023
Trade and other current receivables		
- Trade accounts receivable	33,457,361	57,183,138
- Other current receivable	17,317,126	21,188,245
Total trade and other current receivables	<u>50,774,487</u>	<u>78,371,383</u>

The Company has trade accounts receivable were classified by aging as follows:

	(Unit : Baht)	
	December 31, 2024	December 31, 2023
<u>Domestic trade accounts receivable</u>		
Trade accounts receivable within credit term	16,328,620	26,415,757
Aging of trade accounts receivable :-		
Less than 3 months	9,911,783	11,965,473
More than 12 months	703,970	981,159
Total	<u>26,944,373</u>	<u>39,362,389</u>
<u>Foreign trade accounts receivable</u>		
Trade accounts receivable within credit term	570,652	14,570,829
Aging of trade accounts receivable :-		
Less than 3 months	1,596,499	-
Total	<u>2,167,151</u>	<u>14,570,829</u>
Notes receivable	4,345,837	3,249,920
Total Trade accounts receivables – Net	<u>33,457,361</u>	<u>57,183,138</u>
<u>Other current receivables</u>		
Revenue department receivable	10,226,314	2,414,530
Thai customs receivable	452,005	2,036,716
Advance	4,561,844	12,758,794
Advance payment for raw material	568,892	2,811,806
Accrued income	1,133,800	697,180
Other	374,271	469,219
Total other current receivables	<u>17,317,126</u>	<u>21,188,245</u>
Total trade and other current receivables	<u>50,774,487</u>	<u>78,371,383</u>

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED**NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2024****8. INVENTORIES – NET**

Consist of :-

	(Unit : Baht)	
	December 31, 2024	December 31, 2023
Finished goods	68,961,171	83,495,952
Work in process	1,493,444	4,240,190
Raw materials	37,133,622	76,454,076
Packaging	8,445,513	9,912,834
Raw materials in transit	8,548,875	5,695,345
Total	124,582,625	179,798,397
<u>Less</u> Allowance for obsolete/damage inventories	(15,584,128)	(32,058,878)
Net	108,998,497	147,739,519

Allowance for obsolete/damage inventories are changed during the years as follows :-

	(Unit : Baht)	
	December 31, 2024	December 31, 2023
Beginning balance	32,058,878	35,260,724
Increase	-	-
Decrease	(16,474,750)	(3,201,846)
Ending balance	15,584,128	32,058,878

9. RESTRICTED BANK DEPOSITS

As at December 31, 2024 and 2023, the company has fixed deposit guaranteed the forward contracts of foreign currencies with a commercial bank in the amount to Baht 40 million.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

10. ADVANCE FOR INVESTMENT – NET

Consist of :-

	(Unit : Baht)	
	December 31, 2024	December 31, 2023
Advance for investment	45,593,886	45,593,886
<u>Less</u> Allowance for expected credit losses	<u>(45,593,886)</u>	<u>(45,593,886)</u>
Net	<u>-</u>	<u>-</u>

As required by the expansion of the manufacturing base to foreign country, the Company has to establish joint venture with local investor in foreign country. To start with the project, the Company had made cash advance for the purchase of land in the preparation for the site for the construction of the plant. However, before the construction of the plant, there was a dispute among the joint venture investors. The Company therefore, negotiated and took a litigation to claim for the refund of cash advance because of the breach of the investment agreement. The Company had already made full allowance for expected credit losses of the cash advance.

Subsequently, the Company hired a local legal advisory firm in the foreign country to replace the former legal firm to follow up the progress of the claim, and realized the fact that the joint venture entity referred to above had already registered its juristic entity. The cash advance of the Company had already been considered as the payment for capital and used for the purchase of land in the name of the joint venture entity. However, such joint venture entity had been declared as bankrupt entity by the local court in the foreign country. Such entity is in the process of liquidation.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

11. INVESTMENTS IN ASSOCIATED COMPANIES UNDER ABSOLUTE ORDER CONTROL OF PROPERTY – NET

Investments in associated companies in the financial statements as at December 31, 2024 and 2023, consist of:

Company name	Country of business	Type of business	(Million Baht)		(Percent)		(Million Baht)	
			Paid up Capital		Percentage of holding		Cost Method	
			December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Thai Copper Industries Pcl.	Thailand	Pure Copper	8,010	8,010	18.96	18.96	1,518.98	1,518.98
<u>Less Allowance for impairment of investment</u>							<u>(1,518.98)</u>	<u>(1,518.98)</u>
Net							<u>-</u>	<u>-</u>

Thai Copper Industries Pcl. - TCI

The Company has ceased to calculate the equity loss in Thai Copper Industries Pcl. because such associated company has lack in working capital and TCI stopped its operation and lay-off its employees. The Company's equity recognized equally to their investment (zero). In the cost method, the Company set up an allowance for impairment of the investment in full (Baht 1,519 million).

On March 22, 2016, the Central Bankruptcy Court issued absolute receivership order and later on January 18, 2017, the Central Bankruptcy Court sentenced the associate company to bankruptcy.

The latest significant financial data of TCI submitted to Ministry of Commerce are as follows :-

	(Unit : Million Baht)
	As at December 31, 2007
	"Audited"
Total Assets*	23,937
Total liabilities	20,684
Total equity*	3,253

*If TCI had recorded revaluation of assets based on the appraisal report of independent appraiser dated September 28, 2007, total assets and total equity would be decreased by approximately Baht 12,530 million.

Up to present TCI has not yet operated, therefore the mentioned company did not prepare the interim financial statements and the financial statements since year 2009 and did not obtain the audited financial statements for the year 2008.

Net book value of investment in associated company in which the equity method is zero balance. The financial statements in which the equity method is applied for the years ended December 31, 2024 and 2023, present the same amount for the same financial periods.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

12. OTHER LONG-TERM INVESTMENTS-RELATED PARTIES – NET

Consist of :-

Company	Country of business	Type of business	Paid-up capital	Percentage of investments		Value of investment (Unit: Thousand Baht)	
				December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
				Thai Film Bangladesh Co., Ltd. (Bangladesh Taka currency)	Bangladesh	Packaging Film	Taka 112 million
						<u>(37,487)</u>	<u>(37,487)</u>
						<u>-</u>	<u>-</u>

13. LAND USED IN OPERATION – AT APPRAISED VALUE

	(Unit : Baht)
Cost:	
As at December 31, 2023	237,587,153
Purchase	-
Disposal	-
As at December 31, 2024	<u>237,587,153</u>
Differences on revaluation of assets	
As at December 31, 2023	552,962,347
Increase	84,284,500
Decrease	-
As at December 31, 2024	<u>637,246,847</u>
Net book value	
As at December 31, 2023	<u>790,549,500</u>
As at December 31, 2024	<u>874,834,000</u>

As at December 31, 2024, land used in operation was re-appraised according to the report of independent appraiser (Thai Property Appraisal Lynn Phillips Co., Ltd.) at market approach value date May 31, 2024, which appraisal date was May 14, 17 and 23, 2024.

As at December 31, 2023, land used in operation was re-appraised according to the report of independent appraiser (Thai Property Appraisal Lynn Phillips Co., Ltd.) at market approach value date November 24, 2020 which appraisal date was November 6, 13 and 16, 2020.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

14. PLANT AND EQUIPMENT USED IN OPERATION – NET

Consist of :-

	(Unit : Baht)							
	Buildings and improvements	Machineries	Equipment and tools	Furnitures, fixtures and office equipments	Vehicles	Spare parts and supplies	Machinery and Equipment Under installation	Total
Cost								
As at December 31, 2023	464,876,156	2,700,077,890	60,062,356	32,522,013	491,024	153,643,197	49,532,137	3,461,204,773
Increased	-	-	613,533	617,782	-	5,531,950	10,651,140	17,414,405
Disposal	-	-	-	-	-	-	-	-
Transfer in/(out)	-	52,443,162	-	-	-	-	(52,443,162)	-
Amortized	-	(185,000)	(1,127,959)	(1,175,662)	-	(10,580,691)	-	(13,069,312)
As at December 31, 2024	<u>464,876,156</u>	<u>2,752,336,052</u>	<u>59,547,930</u>	<u>31,964,133</u>	<u>491,024</u>	<u>148,594,456</u>	<u>7,740,115</u>	<u>3,465,549,866</u>
Accumulated Depreciation								
As at December 31, 2023	(384,106,379)	(2,380,577,953)	(52,859,465)	(24,926,506)	(491,023)	(18,317,524)	-	(2,861,278,850)
Depreciation for the year	(4,389,877)	(11,611,206)	(2,150,379)	(2,010,166)	-	(13,479,073)	-	(33,640,701)
Disposal	-	-	-	-	-	-	-	-
Amortized	-	184,998	1,125,103	1,163,077	-	10,578,750	-	13,051,928
As at December 31, 2024	<u>(388,496,256)</u>	<u>(2,392,004,161)</u>	<u>(53,884,741)</u>	<u>(25,773,595)</u>	<u>(491,023)</u>	<u>(21,217,847)</u>	<u>-</u>	<u>(2,881,867,623)</u>

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

	(Unit : Baht)							
	Buildings and improvements	Machineries	Equipment and tools	Furnitures, fixtures and office equipments	Vehicles	Spare parts and supplies	Machinery and Equipment Under installation	Total
Differences on revaluation of assets								
As at December 31, 2023	471,799,665	735,251,576	-	-	-	-	-	1,207,051,241
Increase	27,759,905	278,928,071	-	-	-	-	-	306,687,976
Decrease	-	(115,239)	-	-	-	-	-	(115,239)
As at December 31, 2024	499,559,570	1,014,064,408	-	-	-	-	-	1,513,623,978
Accumulated depreciation – differences on revaluation of assets								
As at December 31, 2023	(68,075,029)	(362,418,146)	-	-	-	-	-	(430,493,175)
Depreciation for the year	(23,089,535)	(119,211,508)	-	-	-	-	-	(142,301,043)
Amortized	-	41,352	-	-	-	-	-	41,352
As at December 31, 2024	(91,164,564)	(481,588,302)	-	-	-	-	-	(572,752,866)
Allowance for impairment								
As at December 31, 2023	-	-	-	-	-	(4,942,760)	-	(4,942,760)
As at December 31, 2024	-	-	-	-	-	(4,942,760)	-	(4,942,760)
Net book value								
As at December 31, 2023	484,494,413	692,333,367	7,202,891	7,595,507	1	130,382,913	49,532,137	1,371,541,229
As at December 31, 2024	484,774,906	892,807,997	5,663,189	6,190,538	1	122,433,849	7,740,115	1,519,610,595
Depreciation in the statement of comprehensive income								
December 31, 2023	26,249,850	128,126,134	1,713,617	1,262,098	-	15,168,725	-	172,520,424
December 31, 2024	27,479,412	130,822,714	2,150,379	2,010,166	-	13,479,073	-	175,941,744

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

Depreciation for years ended December 31, 2024 and 2023, amount to Baht 59.86 million and Baht 38.81 million, respectively is included in cost of sales, and Baht 116.09 million and Baht 133.71 million, respectively is included in selling and administrative expenses

As at December 31, 2024 and 2023, the Company has building, machineries and equipment at book value that fully depreciated but still in use at Baht 148.32 million and Baht 148.32 million, respectively.

As at December 31, 2024, the Company has building and machineries used in operation was re-appraised according to the report of independent appraiser (Thai Property Appraisal Lynn Phillips Co., Ltd.) at cost approach date May 31, 2024, which appraisal date was May 14, 17 and 23, 2024 (for building), and May 17, 2024 (for machineries).

As December 31, 2023, the Company has building and machineries used in operation was re-appraised according to the report of independent appraiser (Thai Property Appraisal Lynn Phillips Co., Ltd.) at cost approach date November 24, 2020, which appraisal date was November 6 and 13, 2020 (for building), and November 9, 2020 (for machineries).

15. PROPERTY, PLANT AND EQUIPMENT NOT USED IN OPERATION - NET

consisted of :

	(Unit : Baht)			
	Land	Land improvement	Machineries and others	Total
Cost :				
As at December 31, 2023	74,005,000	300,000	671,547,222	745,852,222
Disposal	(74,005,000)	(300,000)	-	(74,305,000)
As at December 31, 2024	-	-	671,547,222	671,547,222
Accumulated Depreciation:				
As at December 31, 2023	-	(30,822)	(511,018,599)	(511,049,421)
Depreciation for the year	-	(12,493)	(10,814,813)	(10,827,306)
Amortized	-	43,315	-	43,315
As at December 31, 2024	-	-	(521,833,412)	(521,833,412)
Allowance for impairment:				
As at December 31, 2023	-	-	(34,870,422)	(34,870,422)
As at December 31, 2024	-	-	(34,870,422)	(34,870,422)
Net book value:				
As at December 31, 2023	74,005,000	269,178	125,658,201	199,932,379
As at December 31, 2024	-	-	114,843,388	114,843,388

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

	(Unit : Baht)			
	Land	Land improvement	Machineries and others	Total
Depreciation in the statement of comprehensive income:				
December 31, 2023	-	30,000	10,814,812	10,844,812
December 31, 2024	-	12,493	10,814,813	10,827,306

As at December 31, 2024 the machineries not used in operation, which cost of Baht 671.55 million. were re-appraised according to reports of independent appraiser (Thai Property Appraisal Lynn Phillips Co., Ltd.) date May 31, 2024. That using cost approach. Which allowances for impairment of machineries were amount of Baht 34.87 million.

As at December 31, 2023 the lands and machineries not used in operation, which cost of Baht 74 million and 671.55 million, respectively were re-appraised according to reports of independent appraiser (Thai Property Appraisal Lynn Phillips Co., Ltd.) date November 24, 2020, which appraisal date was November 6, 2020 (for land), and November 9, 2020 (for machineries). That using market approach and cost approach , respectively. And allowance for impairment of such lands and machineries were amount of Baht 34.87 million.

16. RIGHT OF USE ASSET - NET AND LEASE LIABILITY - NET

	(Unit : Baht)	
	December 31, 2024	December 31, 2023
Right-of-use assets		
Vehicles	2,639,164	2,978,834
Office equipments	1,581,944	2,809,778
Total Right-of-use assets, net	4,221,108	5,788,612
Lease liabilities		
Current	2,676,237	2,600,783
Non-current	1,842,199	3,514,606
Total lease liabilities- net	4,518,436	6,115,389

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

Movements in total right-of-use assets - net during the year are as follows:

	(Unit : Baht)
	<u>Financial statements</u>
Net book value on December 31, 2023	5,788,612
Right-of-use assets - Increase	1,646,171
Right-of-use assets – Decrease (Cancel contract)	(598,688)
<u>Less : Depreciation</u>	<u>(2,614,987)</u>
Net book value on December 31, 2024	<u><u>4,221,108</u></u>

17. DEFERRED TAX LIABILITIES

As at December 31, 2024 and 2023, the components of deferred tax liabilities are as follows:

	(Unit : Baht)	
	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Amortization Expenses	859,196	1,143,948
Plant and equipment	82,861,586	84,826,563
Capital surplus from assets revaluation	315,623,592	265,904,083
Total	<u><u>399,344,374</u></u>	<u><u>351,874,594</u></u>

Movements in total deferred tax assets and liabilities during the year are as follows:

	(Unit : Thousand Baht)			
	<u>Charged / (credited) to:</u>			
	January 1,	Other		December 31,
	2024	(Profit) or loss	comprehensive income	2024
<i>Deferred tax liabilities</i>				
Amortization Expenses	1,144	(285)	-	859
Plant and equipment	84,826	(1,965)	-	82,861
Capital surplus from assets revaluation	265,905	(28,475)	78,194	315,624
Total	<u><u>351,875</u></u>	<u><u>(30,725)</u></u>	<u><u>78,194</u></u>	<u><u>399,344</u></u>

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

(Unit : Thousand Baht)

	Charged / (credited) to:			December 31, 2023
	January 1, 2023	(Profit) or loss	Other comprehensive income	
<i>Deferred tax liabilities</i>				
Amortization Expenses	1,859	(715)	-	1,144
Plant and equipment	86,493	(1,667)	-	84,826
Capital surplus from assets revaluation	293,927	(28,022)	-	265,905
Total	382,279	(30,404)	-	351,875

As at December 31, 2024 and 2023, the Company did not recognise deferred tax assets on some deductible temporary differences and unused tax losses totaling Baht 533.93 million and Baht 521.47 million respectively. A deferred tax asset shall be recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized as follows:

	(Unit : Baht)	
	December 31, 2024	December 31, 2023
Provision for impairment of investment	320,812,429	320,812,429
Provision for impairment of fixed asset	7,962,636	7,962,636
Provision for employees benefits	2,779,851	2,571,830
Provision for impairment of other asset	437,369	3,671,098
Loss carry forward	201,936,432	186,449,608
Total	533,928,717	521,467,601

The tax losses will be expired in 2024 - 2029. The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognized in respect of these items because the Company had loss carry forward.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

18. PROVISIONS FOR EMPLOYEE BENEFITS

An independent actuary carried out an evaluation of the Company's obligations for post-employment benefit and other long term employee benefit using the projected unit credit method. The Company has provided the provision for post-employment benefit and other long term employee benefit as at December 31, as consist :

	(Unit : Baht)	
	December 31, 2024	December 31, 2023
Post-employment benefit	13,306,730	12,336,252
Other long term employee benefit - Long Service Year Gifts	592,525	522,900
Total	13,899,255	12,859,152
<u>Less</u> Current provisions for employee benefits	-	(1,635,712)
Provision for employee benefits - ending	13,899,255	11,223,440

Provisions for employee benefits as follows :

	(Unit : Baht)					
	2024			2023		
	Post-employment benefit	Other long term employee benefit	Total	Post-employment benefit	Other long term employee benefit	Total
Provision for employee benefits - beginning	12,336,252	522,900	12,859,152	16,243,565	1,141,119	17,384,684
Recognized in profit or loss:						
Past service cost and (Gain) loss from payment employee benefits	-	-	-	91,368	(683,866)	(592,498)
Current service cost	2,217,151	136,077	2,353,228	1,871,107	113,755	1,984,862
Interest cost	309,039	13,548	322,587	265,192	11,892	277,084
Expense of termination benefits	179,278	-	179,278	9,416,786	-	9,416,786
	2,705,468	149,625	2,855,093	11,644,453	(558,219)	11,086,234
Recognized in other comprehensive income:						
Actuarial (gain) loss in other comprehensive income	-	-	-	(5,769,180)	-	(5,769,180)
Other						
Benefits paid during the year	(1,734,990)	(80,000)	(1,814,990)	(9,782,586)	(60,000)	(9,842,586)
Provision for employee benefits ending	13,306,730	592,525	13,899,255	12,336,252	522,900	12,859,152

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

Actuarial gains (losses) recognized in the other comprehensive income at the reporting date arising from:

	(Unit : Baht)
	December 31, 2023
Financial assumptions changes	(627,470)
Demographic assumptions changes	(196,388)
Experience adjustments	(4,945,322)
Total	(5,769,180)

Principal actuarial assumptions (Actuarial basis)

	December 31, 2024	December 31, 2023
Discount rate (% per year)	2.6	2.6
Future salary increases (% per year)	3	3
Retirement age (year)	60	60

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2024 are summarized below:

	(Unit : Baht)			
	Change of the present value of the employee benefit obligations increase (decrease)			
	Increase		Decrease	
	Post- employment benefit	Other long term employee benefit	Post- employment benefit	Other long term employee benefit
Discount rate (+/- 1%)	(851,589)	(35,341)	946,813	39,237
Salary increase rate (+/- 1%)	1,128,969	-	(1,026,668)	-
Turnover rate (+/- 1 year)	64,487	1,604	(64,129)	(1,603)

The sensitivity analysis presented above may not be representative of the actual change in employee benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED**NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2024**

As at December 31, 2024, the maturity analyses of undiscounted cash flows of benefit payments are as follows:

(Unit : Baht)

	Post-employment benefit	Other long term employee benefit	Total
Within 1 year	-	60,000	60,000
Over 1 year and up to 5 years	9,380,229	360,000	9,740,229
Over 5 years	55,436,336	5,350,000	60,786,336

19. WARRANT**19.1 Warrant**

The Stock Exchange of Thailand has granted a listing of certificates representing the rights to purchase shares (warrants) (TFI-W1) of the Company from February 3, 2021, (Trade date) with the following details:

Type of Warrant	: Warrant to buy common share of Thai Future Incorporation Public Company Limited No.1 (Warrant) or (TFI-W1)
Amount of right warrant proposed to sell	: 6,142,499,996 Units
Proposing price per unit	: Baht 0.00 per unit (Zero baht).
Exercise Price	: Baht 0.15 per unit, except for cases where the exercise price is adjusted in accordance with the conditions of the right adjustment.
Term of warrant	: 5 years from the date of issuance
Allocation method of warrant	: Allocated to the existing shareholders (Right Offering) of the company in proportion to their shareholding (Right Issue). And overbooking from rights (Excess Rights) in the ratio of 2 ordinary shares allocated per 1 unit of warrant (2:1) without charge. Exercise ratio: 1 unit of warrant per 1 new ordinary share. And the exercise price of the warrants is 0.15 baht per share, totaling not more than 6,142,499,996 units, in the event that there is a fraction from the calculation according to the ratio of the said warrants allocation, the whole amount shall be rounded off. And in the event that there are remaining warrants after the allocation, the company will proceed to cancel the remaining warrants.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

19.2 Balance

	(Unit : Million Unit)
	December 31, 2024
The total number of rights to purchase shares	6,142
The number of accumulated rights at the beginning of year	(2,494)
<u>Less</u> number of exercise during the year	-
The number of accumulated rights at the end of year	(2,494)
Balance total number of rights to purchase shares	<u>3,648</u>

20. OTHER INCOME

For the year ended December 31, 2024 and 2023 are as follows:

	(Unit : Baht)	
	2024	2023
Gain on exchange rate	11,619,094	1,164,167
Interest income	146,247	749,418
Gain on sale assets	23,113,315	-
Gain on cancellation of right-of-use assets	44,387	-
Other income	16,135,333	8,499,588
Total	<u>51,058,376</u>	<u>10,413,173</u>

21. INCOME TAX

Income tax (expenses) revenue for the year ended December 31, 2024 and 2023 are made up as follows:

	(Unit : Baht)	
	2024	2023
Current Income tax:		
Income tax	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	(30,724,715)	30,403,779
Income tax (expense) revenue reported in the statements of comprehensive income	<u>(30,724,715)</u>	<u>30,403,779</u>

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit : Baht)	
	2024	2023
Accounting profit (loss) before tax	(366,796,214)	(403,257,658)
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by income tax rate	(73,359,243)	(80,651,531)
Effects of:		
Expenses (revenue) not treated as expenses (revenue) under the Revenue Code	237,098	213,911
Expenses that are deductibles at a greater amount	(363,471)	(147,821)
Effects of adjustment deferred tax assets	(2,662,711)	3,499,335
Losses in the current year are not recognized to assets	45,423,612	46,682,327
Income tax expenses (income) reported in the income statement	(30,724,715)	(30,403,779)

Income tax reduction

Revenue code Amendment Act No. 42 B.E. 2016 dated on March 3, 2016 grants a reduction of the corporate income tax to 20% of net taxable profit for accounting periods which begin on or after on January 1 2016.

22. BASIC EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share for the for the years ended December 31, 2024 and 2023, was based on the profit (loss) for the year attributable to equity holders of the Company and weighted average number of ordinary shares (Basic) issued during for the years ended December 31, 2024 and 2023.

	(Unit : Million Baht)	
	2024	2023
Net Profit (loss) for the years ended December 31,	(336)	(373)

Weighted average number of ordinary shares (Basic)

	(Unit : Million Share)	
	2024	2023
Number of ordinary shares outstanding at the beginning of the years	16,826	16,826
Effect of shares issued during the year	-	-
Weighted average number of ordinary shares outstanding during the years (Basic)	16,826	16,826
Basic earnings (loss) per share from continuing operations (Baht per share)	(0.020)	(0.022)

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

23. DILUTED EARNINGS PER SHARE

Diluted earnings (loss) per share are calculated by dividing net income (loss) attributable to ordinary shares by weighted average number of ordinary shares Issued and paid during the period, adjusted by the effect of the right to subscribe.

As at December 31, 2024 and 2023, there is no effect from the exercise of rights to purchase ordinary shares in the amount of 3,648,776,457 shares because the exercise price per unit of the warrants to buy ordinary shares is higher than the average market price of the ordinary shares of the Company.

24. DISCLOSURE OF BUSINESS OPERATING SEGMENT

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The one main reportable operating segment of the Company is engaged in mainly in manufacturing of packaging film and the several geographical regions area of their operations is Thailand, Asia, Europe, America and others.

For the year ended December 31, 2024 and 2023, the detail are as follows: -

	(Unit : Million Baht)	
	2024	2023
Revenue from sales - Domestic	297	231
Revenue from sales - Overseas		
Asia	332	93
Europe	10	12
American	4	4
Others	50	40
Total revenue from sales	693	380

Major Customer

For the year ended December 31, 2024, the Company has 2 major customer (2023: 1) amount to Baht 251.80 million (2023: Baht 43.98 million), accounted for 36 % of the Company's total revenue (2023: 11 %)

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED**NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2024****25. EXPENSES BY NATURE**

For the years ended December 31, 2024 and 2023 details of significant expenses by nature are as follows :-

	(Unit : Baht)	
	2024	2023
Salary and wages and other employee benefits	85,083,569	80,996,311
Depreciation	189,384,037	185,537,126
Amortization expenses	11,071,245	17,581,992
Shut down expenses	141,584,524	175,978,200
Raw materials and consumables used	633,578,025	349,445,688
Changes in inventories of finished goods and work in process	18,731,160	29,243,979
Loss on written-off assets and supplies	17,384	16,265
(Gain) Loss on sale assets	-	1,451,705
Loss on impairment of spare parts supplies and raw materials (Reversal)	(16,523,575)	(3,201,846)
Unclaimed withholding tax	400,440	367,389

26. FINANCIAL INSTRUMENTS*Policy to manage financial risk*

The Company possesses risk regarding to the change of market interest rate and in currency exchange rate and from nonperformance of contractual obligations by counter parties. The Company will consider using derivative instruments, as and when it considers appropriating to manager such risks. However, the Company does not hold any policy to hold or issue any financial instruments for speculation or for trading.

Interest Rate Risk

Interest rate risk arises from the fluctuation of market interest rates, which may have an impact to current and future operations of the Thai Future Incorporation Public Company Limited. Thai Future Incorporation Public Company Limited exposure to interest rate risk relates primarily to their cash and cash equivalents and short-term borrowings-Related companies, which bear interest. However, since financial assets and liabilities bear floating interest rates which are close to the market rates. The management considers that the interest rate risk is minimal, hence, the Thai Future Incorporation Public Company Limited has no hedging agreement to protect against such risk.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

	(Unit : Baht)								
	Fixed interest rates		Floating interest rate		Non – interest bearing		Total		Interest rate
	2024	2023	2024	2023	2024	2023	2024	2023	% per annum
Financial assets									
Cash and cash equivalents	30,214	17,265	21,851,124	181,942	7,483,635	29,131,761	29,364,973	29,330,968	0.15 – 0.50
Trade and other current account receivables	-	-	-	-	50,774,487	78,371,383	50,774,487	78,371,383	-
Restricted Bank Deposits	2,000,000	2,000,000	-	-	-	-	2,000,000	2,000,000	0.50
Financial liabilities									
Trade and other current payables - other	-	-	-	-	95,533,830	96,177,843	95,533,830	96,177,843	-
Short-term borrowings - Related parties	150,240,791	-	105,200,000	200,000,000	-	-	255,440,791	200,000,000	referring to the average commercial bank interest rate at the rate of MOR-2% and 1% per annum.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

Exchange Rate Risk

Risks on exchange rates mainly involve with sales of goods and imports of raw material because of business transaction are foreign currencies. As at December 31, 2024 and 2023, the Company possessed material assets and liabilities in foreign currencies as follows :-

	Currency	(Unit : Thousand)	
		December 31, 2024	December 31, 2023
Assets	US Dollar	56	351
Liabilities	US Dollar	8,674	627
	GBP	103	103

Credit Risk

The Company has risk on credit regarding to trade accounts receivable which the counter party unaffordable or unwillingly follow the agreements. However, the Company pursues conservative lending policy and the numbers of debtors are several, the Company does not anticipate any material damage from debt collections.

Carrying amount and fair value

Since the majority of the Company financial instruments are short - term in nature or carrying interest at rates close to the market interest rates, the company their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

- a) For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, trade and other current receivables and trade and other current payables, their carrying amounts in the statement of financial position approximate their fair value.
- b) For lease liability with carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair value.

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

27. FAIR VALUE HIERARCHY

As at December 31, 2024, and 2023, the Company has assets measured at fair value. As shown the cost amount and fair value of assets, including their levels in the fair value hierarchy, are as follows:

(Unit : Million Baht)

	Financial Statement				
	As at December 31, 2024				
	Cost Amount - Net	Fair Value - Net			Total
	Level 1	Level 2	Level 3		
<u>Assets measured at fair value</u>					
Land used in operations	238	-	875	-	875
Building and machineries used in operations	437	-	-	1,378	1,378
Total	675	-	875	1,378	2,253

(Unit : Million Baht)

	Financial Statement				
	As at December 31, 2023				
	Cost Amount - Net	Fair Value - Net			Total
	Level 1	Level 2	Level 3		
<u>Assets measured at fair value</u>					
Land used in operations	238	-	791	-	791
Building and machineries used in operations	400	-	-	1,177	1,177
Total	638	-	791	1,177	1,968

The company have no transaction transfer between Level 1, Level 2, and Level 3 of the fair value hierarchy during the year.

The following methods and assumptions are used in estimating fair values of financial instruments (Level 2, Level 3) as disclosed

Type	Valuation technique
Land used in operations (Level 2)	Market Approach
Building and machineries used in operations (Level 3)	Cost Approach

THAI FUTURE INCORPORATION PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

Fair Value Hierarchy

In applying the above-mentioned valuation techniques, the Company endeavors to use relevant observable inputs as much as possible. TFRS 13 Fair Value Measurement establishes a fair value hierarchy categorizing such inputs into three levels as follows:-

Level 1 - inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 - inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.

Level 3 - inputs are unobservable inputs for the asset or liability.

28. APPROVAL OF FINANCIAL STATEMENTS

Board of directors of Thai Future Incorporation Public Company Limited has approved these financial statements on February 24, 2025.