

**Quality Construction Products Public Company Limited and its Subsidiary**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2024 (Unaudited)**

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**Quality Construction Products Public Company Limited and its Subsidiary**  
**Notes to the interim financial statements**  
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These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai and English languages, and were approved and authorized for issue by the audit committee, as appointed by the Board of Directors of the Company, on 8 August 2024.

**1 General information**

Quality Construction Products Public Company Limited, (the “Company”), is incorporated in Thailand. The Company’s registered office is at 144 Moo 16, Udomsornayuth Road, Tambol Bangkrasan, Amphur Bang pa-in, Ayutthaya, 13160, Thailand.

The parent and ultimate parent companies during the financial period were SCG Building Materials Company Limited and The Siam Cement Public Company Limited. Both are incorporated in Thailand.

The principal businesses of the Company are to produce and distribute of autoclaved aerated concrete blocks, reinforced wall panels, floor panels, and lintels for construction uses.

Details of the Company’s subsidiary as at 30 June 2024 and 31 December 2023 were as follows:

Name of the entity	Type of business	Country of incorporation /nationality	Ownership interest (%)	
			30 June 2024	31 December 2023
<i>Direct subsidiary</i>				
Q-Con Eastern Co., Ltd.	Manufacturer and distributor autoclaved aerated concrete, block, reinforced wall panels, floor panels and lintels for construction uses.	Thailand	100	100

**2 Basis of preparation of the interim financial statements**

*(a) Statement of compliance*

The interim financial statements are presented in the same format as the annual financial statements and together with notes to the interim financial statements on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 “*Interim Financial Reporting*”, guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The interim financial statements focus on new activities, events and circumstances to avoid repetition of information previously reported in annual consolidated and separate financial statements. Accordingly, these interim financial statements should be read in conjunction with the consolidated and separate financial statements of the Group and the Company for the year ended 31 December 2023.

In preparing these interim financial statements, judgements and estimates are made by management in applying the Group’s accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those described in the consolidated and separate financial statements for the year ended 31 December 2023 unless otherwise stated.

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**(b) Functional and presentation currency**

The interim 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 in the notes to the interim financial statements to the nearest thousand Baht unless otherwise stated.

**3 Related parties**

Related parties which have no material changes in relationships with the Group during the six-month period ended 30 June 2024.

Significant transactions with related parties for the three-month and six-month periods ended 30 June are summarized as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	three-month periods		three-month periods	
	2024	2023	2024	2023
	<i>(in thousand Baht)</i>			
<b>Ultimate parent company</b>				
Distribution costs	-	1	-	1
Service fees and others	4,127	5,259	4,090	4,893
<b>Parent company</b>				
Sales of goods	42	-	42	-
Distribution costs	-	48	-	46
Service fee and others	1,242	1,798	1,037	1,411
<b>Shareholder of the company</b>				
Sales of goods	7,349	6,171	7,349	6,171
Other income	110	111	110	111
<b>Subsidiary</b>				
Sales of goods	-	-	213	-
Purchase	-	-	1,031	25,778
Service income	-	-	2,376	2,400
Trademark income	-	-	2,142	2,502
Other income	-	-	11	35
Dividend income	-	-	12,980	10,030
<b>Other related parties</b>				
Sales of goods	341,968	423,544	268,402	330,522
Purchase	84,277	123,602	68,412	100,544
Purchase equipment	29,800	4,402	29,800	2,340
Distribution costs	34	76	34	76
Service fees and others	998	715	856	580
Other income	3,036	3,447	2,214	2,074
Interest income	4,436	1,929	2,032	605

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	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	six-month periods		six-month periods	
	2024	2023	2024	2023
	<i>(in thousand Baht)</i>			
<b>Ultimate parent company</b>				
Distribution costs	5	2	5	2
Service fees and others	8,681	11,041	8,218	9,893
<b>Parent company</b>				
Sales of goods	42	-	42	-
Distribution costs	-	96	-	93
Service fee and others	2,509	3,522	2,144	2,747
<b>Shareholder of the company</b>				
Sales of goods	19,899	17,195	19,899	17,195
Other income	427	90	427	90
<b>Subsidiary</b>				
Sale of goods	-	-	213	-
Purchase	-	-	13,098	49,582
Service income	-	-	4,752	4,800
Trademark income	-	-	4,557	4,916
Other income	-	-	47	50
Dividend income	-	-	12,980	10,030
<b>Other related parties</b>				
Sales of goods	748,897	819,508	596,049	643,351
Purchase	216,206	251,362	173,261	205,159
Purchase equipment	29,800	4,402	29,800	2,340
Distribution costs	160	87	160	87
Service fees and others	1,793	1,259	1,526	1,012
Other income	7,284	6,248	5,399	3,984
Interest income	10,325	3,328	5,568	1,257

Balances as at 30 June 2024 and 31 December 2023 with related parties were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	<i>(in thousand Baht)</i>			
<i>Investment in short-term debt instruments</i>				
Other related parties	<b>530,000</b>	<b>710,000</b>	<b>100,000</b>	<b>280,000</b>
<i>Trade receivables</i>				
Parent company	47	-	47	-
Shareholder of the company	5,921	6,370	5,921	6,370
Subsidiary	-	-	-	68
Other related parties	97,434	78,536	76,615	61,211
<b>Total</b>	<b>103,402</b>	<b>84,906</b>	<b>82,583</b>	<b>67,649</b>

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	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	<i>(in thousand Baht)</i>			
<i>Other current receivables</i>				
Ultimate parent company	609	609	511	511
Subsidiary	-	-	750	1,125
Other related parties	402	433	402	433
<b>Total</b>	<b>1,011</b>	<b>1,042</b>	<b>1,663</b>	<b>2,069</b>
<i>Other non-current assets</i>				
Ultimate parent company	<b>2,212</b>	<b>2,517</b>	<b>1,855</b>	<b>2,111</b>
<i>Trade payables</i>				
Subsidiary	-	-	165	7,455
Other related parties	24,633	21,732	20,050	18,645
<b>Total</b>	<b>24,633</b>	<b>21,732</b>	<b>20,215</b>	<b>26,100</b>
<i>Other current payables</i>				
Ultimate parent company	831	2,829	784	2,605
Parent company	313	427	256	307
Other related parties	33,746	5,933	33,326	3,278
<b>Total</b>	<b>34,890</b>	<b>9,189</b>	<b>34,366</b>	<b>6,190</b>

*The Board of Directors and key management compensation*

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2024	2023	2024	2023
	<i>(in thousand Baht)</i>			
<i>For the three-month period ended 30 June</i>				
Short-term employee benefits	6,143	5,984	6,143	5,984
Post-employment benefits	656	606	656	606
<b>Total</b>	<b>6,799</b>	<b>6,590</b>	<b>6,799</b>	<b>6,590</b>
<i>For the six-month period ended 30 June</i>				
Short-term employee benefits	13,806	13,146	13,806	13,146
Post-employment benefits	1,312	1,212	1,312	1,212
<b>Total</b>	<b>15,118</b>	<b>14,358</b>	<b>15,118</b>	<b>14,358</b>

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**4 Trade receivables**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
<i>(in thousand Baht)</i>					
<b>Trade receivables</b>					
<b>Related parties</b>					
Within credit terms		103,346	84,855	82,527	67,598
Overdue:					
Less than 1 month		56	51	56	51
<b>Total</b>	<b>3</b>	<b>103,402</b>	<b>84,906</b>	<b>82,583</b>	<b>67,649</b>
<b>Other companies</b>					
Within credit terms		101,494	189,294	100,362	181,476
Overdue:					
Less than 1 month		5,300	2,031	5,300	1,950
1- 3 months		1,975	87	1,975	54
More than 3 months		1,788	-	1,788	-
<b>Total</b>		<b>110,557</b>	<b>191,412</b>	<b>109,425</b>	<b>183,480</b>
Less allowance for expected credit loss		(133)	-	(133)	-
<b>Net</b>		<b>110,424</b>	<b>191,412</b>	<b>109,292</b>	<b>183,480</b>
<b>Total</b>		<b>213,826</b>	<b>276,318</b>	<b>191,875</b>	<b>251,129</b>

The normal credit terms granted by the Group range from 15 - 60 days.

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**5 Investments in subsidiary**

Investments in subsidiary as at 30 June 2024 and 31 December 2023, and dividend from those investment for the six-month period ended 30 June was as follows:

	<b>Separate financial statements</b>							
	Total direct holding		Paid-up capital		Cost method		Dividend income	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023	30 June 2024	31 December 2023	30 June 2024	30 June 2023
	(%)				<i>(in thousand Baht)</i>			
Q-Con Eastern Co., Ltd.	100	100	590,000	590,000	590,000	590,000	12,980	10,030
<b>Total</b>					<b>590,000</b>	<b>590,000</b>	<b>12,980</b>	<b>10,030</b>

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**6 Business segment information**

The Group operates in a single line of business, produce and distribute of autoclaved aerated concrete blocks, reinforced wall panels, floor panels, and lintels for construction uses, and has therefore only one business segment.

**7 Dividends**

The dividends paid by the Company to shareholders were as follows:

	Approval date	Payment schedule	Separate financial statements	
			Dividend rate per share (Baht)	Amount (in thousand Baht)
<i>2024</i>				
Annual dividend 2023	22 March 2024	19 April 2024	<b>1.00</b>	<b>400,000</b>
<i>2023</i>				
Annual dividend 2022	24 March 2023	21 April 2023	<b>0.75</b>	<b>300,000</b>

**8 Commitments**

	Consolidated financial statements		Separate financial statements	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	<i>(in thousand Baht)</i>			
(a) Bank guarantees issued by banks to state enterprises	11,357	11,357	2,250	2,250
(b) Unused letters of credit	10,304	10,398	6,869	10,398
(c) Commitments				
- Construction, installation of machinery equipment, and others	469,447	26,918	468,661	25,189
- Expenses of dam's construction for the propose of flood protection	4,854	5,505	4,854	5,505
(d) The Company entered into long-term agreements with several local companies to purchase energy for 5 - 15 years. The prices in agreements are agreed based on market price.				