

STARK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2020

UNIT : BAHT

| | Notes | Consolidated financial statements | | Separate financial statements | |
|--|-------|-----------------------------------|-----------------------|-------------------------------|-----------------------|
| | | As at | As at | As at | As at |
| | | September 30, | December 31, | September 30, | December 31, |
| | | 2020 | 2019 | 2020 | 2019 |
| | | “Unaudited” | | “Unaudited” | |
| ASSETS | | | | | |
| CURRENT ASSETS | | | | | |
| Cash and cash equivalents | 5.1 | 449,823,310 | 1,431,141,561 | 24,686,538 | 25,895,859 |
| Trade and other current receivables | 6 | 5,585,258,425 | 3,464,593,042 | 26,542,308 | 11,412,656 |
| Deferred cost of services | 7 | 7,096,582 | 7,225,598 | - | - |
| Short-term loans to related companies | 8 | 190,834,925 | 30,000,000 | - | - |
| Inventories | 9 | 7,746,120,525 | 3,671,416,870 | - | - |
| Current tax assets | | 354,558 | 1,921,616 | 354,558 | 1,921,616 |
| Cash at bank pledged as collateral - current | 17 | 457,411,500 | - | - | - |
| Derivative assets | 30 | 18,101,616 | 8 | - | - |
| Other current assets | 10 | 54,924,944 | 100,768,796 | 3,192,293 | 1,516,705 |
| Total Current Assets | | 14,509,926,385 | 8,707,067,491 | 54,775,697 | 40,746,836 |
| NON-CURRENT ASSETS | | | | | |
| Cash at bank pledged as collateral | 32.2 | 39,086,524 | 39,074,069 | - | - |
| Investment in an associate | 11 | 64,308,377 | 64,695,636 | - | - |
| Investment in subsidiaries | 12 | - | - | 13,223,784,363 | 13,223,375,263 |
| Long-term loans to related companies | 13 | 43,369,191 | 63,369,191 | - | - |
| Investment properties | | 166,960,004 | 172,429,376 | - | - |
| Property, plant and equipment | 14 | 4,225,969,443 | 2,603,577,079 | - | - |
| Right-of-use assets | 15 | 315,088,363 | - | - | - |
| Copyrights | 16 | 853,770 | - | - | - |
| Goodwill | 1.2 | 6,060,629,790 | 893,468,044 | - | - |
| Deferred tax assets | 24 | 46,998,329 | - | 37,517,341 | - |
| Intangible asset | | 10,101,332 | 13,664,567 | - | - |
| Advance payments for purchases of fixed assets | | 57,108,675 | 83,266,899 | - | - |
| Other non-current assets | | 25,069,941 | 14,079,416 | 1,981,071 | 60,000 |
| Total Non-current Assets | | 11,055,543,739 | 3,947,624,277 | 13,263,282,775 | 13,223,435,263 |
| TOTAL ASSETS | | 25,565,470,124 | 12,654,691,768 | 13,318,058,472 | 13,264,182,099 |

See condensed notes to the interim financial statements

STARK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT SEPTEMBER 30, 2020

UNIT : BAHT

| | | Consolidated financial statements | | Separate financial statements | |
|--|-------|---|-------------------------------|---|-------------------------------|
| | Notes | As at September 30, 2020 “Unaudited” | As at December 31, 2019 | As at September 30, 2020 “Unaudited” | As at December 31, 2019 |
| LIABILITIES AND SHAREHOLDERS’ EQUITY | | | | | |
| CURRENT LIABILITIES | | | | | |
| Bank overdraft and short-term borrowings | | | | | |
| from financial institutions | 17 | 7,923,294,101 | 1,706,300,588 | - | - |
| Trade and other current payables | 18 | 8,497,648,209 | 4,787,535,748 | 60,875,036 | 24,216,373 |
| Current portion of long-term borrowings | | | | | |
| from financial institutions | 21 | 940,183,543 | 481,271,376 | 15,000,000 | 15,000,000 |
| Current portion of lease liabilities | 15 | 66,077,215 | 17,771,652 | - | - |
| Short-term borrowings from related companies | 19 | 48,000,000 | - | 222,807,041 | 246,807,041 |
| Other short-term borrowings | 20 | 560,809,996 | 822,000,000 | 224,000,000 | 130,000,000 |
| Current portion of other long-term borrowings | 23 | 50,000,000 | 185,000,000 | - | - |
| Derivative liabilities | 30 | - | 53,265,785 | - | - |
| Corporate income tax payable | | 222,393,668 | 65,803,833 | - | - |
| Other current liabilities | | 26,286,396 | 18,557,813 | 445,464 | 396,371 |
| Total Current Liabilities | | 18,334,693,128 | 8,137,506,795 | 523,127,541 | 416,419,785 |
| NON-CURRENT LIABILITIES | | | | | |
| Long-term borrowings from financial institutions | 21 | 2,941,353,951 | 1,588,464,702 | 12,728,847 | 23,978,847 |
| Long-term borrowings from related companies | 22 | 5,695,649 | 5,695,649 | 1,000,000,000 | 1,000,000,000 |
| Lease liabilities | 15 | 136,980,219 | 39,134,959 | - | - |
| Other long-term borrowings | 23 | 325,000,000 | 160,000,000 | - | - |
| Deferred tax liabilities | 24 | 223,496,428 | 237,122,464 | - | - |
| Provisions for employee benefits | | 180,955,599 | 151,443,838 | 206,225 | - |
| Other non-current liabilities | | 22,591,869 | 21,958,061 | - | - |
| Total Non-current Liabilities | | 3,836,073,715 | 2,203,819,673 | 1,012,935,072 | 1,023,978,847 |
| TOTAL LIABILITIES | | 22,170,766,843 | 10,341,326,468 | 1,536,062,613 | 1,440,398,632 |

STARK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT SEPTEMBER 30, 2020

UNIT : BAHT

| | | Consolidated financial statements | | Separate financial statements | |
|--|-------|---|-------------------------------|---|-------------------------------|
| | Notes | As at September 30, 2020 “Unaudited” | As at December 31, 2019 | As at September 30, 2020 “Unaudited” | As at December 31, 2019 |
| LIABILITIES AND SHAREHOLDERS’ EQUITY | | | | | |
| (CONTINUED) | | | | | |
| SHAREHOLDERS’ EQUITY | | | | | |
| SHARE CAPITAL | 25 | | | | |
| Authorized share capital | | | | | |
| 24,292,809,911 ordinary shares of Baht 0.50 each, | | 12,146,404,956 | | 12,146,404,956 | |
| 24,292,809,911 ordinary shares of Baht 0.59 each, | | | 14,332,757,847 | | 14,332,757,847 |
| Issued and paid-up share capital | | | | | |
| 23,812,809,911 ordinary shares of Baht 0.50 each, fully paid | | 11,906,404,956 | - | 11,906,404,956 | - |
| 23,812,809,911 ordinary shares of Baht 0.59 each, fully paid | | - | 14,049,557,847 | - | 14,049,557,847 |
| Discount on ordinary shares | | - | (1,711,142,794) | - | (1,711,142,794) |
| Adjustment of equity interests under reverse acquisition | | (10,542,176,725) | (10,542,176,725) | - | - |
| | | 1,364,228,231 | 1,796,238,328 | 11,906,404,956 | 12,338,415,053 |
| OTHER SURPLUSES | | | | | |
| Discount from business combination under common control | | (640,275,734) | (640,275,734) | - | - |
| Surplus arising from change in ownership interest in a subsidiary | | 147,077,460 | 147,077,460 | - | - |
| RETAINED EARNINGS (DEFICIT) | | | | | |
| Appropriated - legal reserve | | - | - | 5,065,084 | 5,065,084 |
| Unappropriated | | 2,487,234,433 | 964,681,233 | (129,474,181) | (519,696,670) |
| Exchange differences on translating financial statements | | (16,424,971) | - | - | - |
| Total shareholders’ equity attributable to owners of the Company | | | | | |
| | | 3,341,839,419 | 2,267,721,287 | 11,781,995,859 | 11,823,783,467 |
| Non-controlling interests | | 52,863,862 | 45,644,013 | - | - |
| Total Shareholders’ Equity | | 3,394,703,281 | 2,313,365,300 | 11,781,995,859 | 11,823,783,467 |
| Total Liabilities and Shareholders’ Equity | | 25,565,470,124 | 12,654,691,768 | 13,318,058,472 | 13,264,182,099 |

See condensed notes to the interim financial statements

STARK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2020
“UNAUDITED”

UNIT : BAHT

| | | Consolidated financial statements | | Separate financial statements | |
|---|-------|-----------------------------------|----------------------|-------------------------------|--------------------|
| | Notes | 2020 | 2019 | 2020 | 2019 |
| REVENUES | | | | | |
| Revenue from sales | | 4,256,931,119 | 2,454,527,646 | - | - |
| Revenue from rendering services | | 393,472,076 | 331,931,748 | - | - |
| Rental income | | 4,768,958 | 11,799,677 | - | - |
| Gain on foreign exchange rate - net | | - | 41,607,909 | 8,160 | 573 |
| Other income | | 5,713,103 | 2,086,708 | - | 89 |
| Total Revenues | 27 | <u>4,660,885,256</u> | <u>2,841,953,688</u> | <u>8,160</u> | <u>662</u> |
| EXPENSES | | | | | |
| Costs of sales | | 3,367,842,584 | 2,112,036,211 | - | - |
| Costs of rendering services | | 323,115,806 | 282,155,739 | - | - |
| Costs of rental | | 4,030,926 | 12,995,244 | - | - |
| Distribution costs | | 114,039,000 | 66,335,473 | - | - |
| Administrative expenses | | 93,859,339 | 91,795,606 | 8,761,817 | 8,517,847 |
| Loss on foreign exchange rate - net | | 110,442,855 | - | - | - |
| Listing license fee | | - | 162,446,940 | - | - |
| Gain on fair value measurement of derivative | | -73,296,226 | - | - | - |
| Total Expenses | 27 | <u>3,940,034,284</u> | <u>2,727,765,213</u> | <u>8,761,817</u> | <u>8,517,847</u> |
| Operating profit (loss) | | <u>720,850,972</u> | <u>114,188,475</u> | <u>-8,753,657</u> | <u>-8,517,185</u> |
| Finance income | | 6,573,940 | 18,012,473 | 749 | 908 |
| Finance costs | | 183,904,726 | 125,332,858 | 19,465,326 | 18,346,414 |
| Reversal of impairment loss determined in accordance with Thai Financial Reporting Standard No. 9 | | -11,402,110 | - | - | - |
| Share of profit from investment in an associate | | 731,619 | 801,007 | - | - |
| PROFIT (LOSS) BEFORE INCOME TAX EXPENSE | | <u>555,653,915</u> | <u>7,669,097</u> | <u>-28,218,234</u> | <u>-26,862,691</u> |
| Income tax expense (income) | 24 | <u>90,411,399</u> | <u>33,497,050</u> | <u>-37,517,341</u> | <u>-</u> |
| Profit (loss) for the period from continued operations | | <u>465,242,516</u> | <u>-25,827,953</u> | <u>9,299,107</u> | <u>-26,862,691</u> |
| Profit (loss) for the period from discontinued operations | | <u>-</u> | <u>-15,782,197</u> | <u>-</u> | <u>88,093,709</u> |
| NET PROFIT (LOSS) FOR THE PERIOD | | <u>465,242,516</u> | <u>-41,610,150</u> | <u>9,299,107</u> | <u>61,231,018</u> |
| OTHER COMPREHENSIVE INCOME (LOSS) | | | | | |
| Items that will be subsequently reclassified to profit or loss | | | | | |
| Exchange differences on translating financial statements | | 39,740,039 | - | - | - |
| TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD | | <u>504,982,555</u> | <u>-41,610,150</u> | <u>9,299,107</u> | <u>61,231,018</u> |
| PROFIT (LOSS) ATTRIBUTABLE TO | | | | | |
| Owners of the Parent Company | | 462,461,154 | -81,084,422 | 9,299,107 | 61,231,018 |
| Non-controlling interests | | 2,781,362 | 39,474,272 | - | - |
| NET PROFIT (LOSS) FOR THE PERIOD | | <u>465,242,516</u> | <u>-41,610,150</u> | <u>9,299,107</u> | <u>61,231,018</u> |

STARK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2020
“UNAUDITED”

UNIT : BAHT

| | | Consolidated financial statements | | Separate financial statements | |
|--|--------|-----------------------------------|--------------------|-------------------------------|-------------------|
| | Notes | 2020 | 2019 | 2020 | 2019 |
| TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO | | | | | |
| Owners of the Parent Company | | 502,201,193 | -81,084,422 | 9,299,107 | 61,231,018 |
| Non-controlling interests | | 2,781,362 | 39,474,272 | - | - |
| TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD | | <u>504,982,555</u> | <u>-41,610,150</u> | <u>9,299,107</u> | <u>61,231,018</u> |
| BASIC EARNINGS (LOSS) PER SHARE | 28 | | | | |
| Earnings (loss) from continued operations | | 0.0194 | (0.0032) | 0.0004 | (0.0013) |
| Earnings (loss) from discontinued operations | | - | (0.0008) | - | 0.0044 |

See condensed notes to the interim financial statements

STARK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020
“UNAUDITED”

UNIT : BAHT

| | | Consolidated financial statements | | Separate financial statements | |
|---|-------|-----------------------------------|----------------------|-------------------------------|---------------------|
| | Notes | 2020 | 2019 | 2020 | 2019 |
| REVENUES | | | | | |
| Revenue from sales | | 10,626,191,757 | 7,552,806,913 | - | - |
| Revenue from rendering services | | 1,258,612,939 | 973,611,182 | - | - |
| Rental income | | 31,802,367 | 35,530,556 | - | - |
| Gain on foreign exchange rate - net | | 258,104,639 | 108,759,846 | 23,508 | 573 |
| Other income | | 42,100,398 | 5,986,328 | - | 89 |
| Total Revenues | 27 | <u>12,216,812,100</u> | <u>8,676,694,825</u> | <u>23,508</u> | <u>662</u> |
| EXPENSES | | | | | |
| Costs of sales | | 8,783,683,875 | 6,619,953,700 | - | - |
| Costs of rendering services | | 975,627,732 | 829,077,665 | - | - |
| Costs of rental | | 33,580,705 | 36,075,984 | - | - |
| Distribution costs | | 274,693,191 | 185,013,968 | - | - |
| Administrative expenses | | 276,159,273 | 243,147,256 | 22,545,549 | 8,517,847 |
| Listing license fee | | - | 162,446,940 | - | - |
| Gain on fair value measurement of derivative | | -62,716,978 | - | - | - |
| Total Expenses | 27 | <u>10,281,027,798</u> | <u>8,075,715,513</u> | <u>22,545,549</u> | <u>8,517,847</u> |
| Operating profit (loss) | | <u>1,935,784,302</u> | <u>600,979,312</u> | <u>-22,522,041</u> | <u>-8,517,185</u> |
| Finance income | | 14,354,587 | 52,195,620 | 694,426 | 908 |
| Finance costs | | 473,504,008 | 380,604,929 | 57,477,334 | 18,346,414 |
| Impairment loss determined in accordance with Thai Financial Reporting Standard No. 9 | | 12,231,158 | - | - | - |
| Share of profit from investment in an associate | | 2,112,742 | 2,568,340 | - | - |
| PROFIT (LOSS) BEFORE INCOME TAX EXPENSE | | <u>1,466,516,465</u> | <u>275,138,343</u> | <u>-79,304,949</u> | <u>-26,862,691</u> |
| Income tax expense (income) | 24 | <u>294,878,306</u> | <u>114,694,840</u> | <u>-37,517,341</u> | <u>-</u> |
| Profit (loss) for the period from continued operations | | <u>1,171,638,159</u> | <u>160,443,503</u> | <u>-41,787,608</u> | <u>-26,862,691</u> |
| Loss for the period from discontinued operations | | <u>-</u> | <u>-15,782,197</u> | <u>-</u> | <u>-156,793,454</u> |
| NET PROFIT (LOSS) FOR THE PERIOD | | <u>1,171,638,159</u> | <u>144,661,306</u> | <u>-41,787,608</u> | <u>-183,656,145</u> |
| OTHER COMPREHENSIVE INCOME (LOSS) | | | | | |
| Items that will be subsequently reclassified to profit or loss | | | | | |
| Exchange differences on translating financial statements | | -16,424,971 | - | - | - |
| TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD | | <u>1,155,213,188</u> | <u>144,661,306</u> | <u>-41,787,608</u> | <u>-183,656,145</u> |
| PROFIT (LOSS) ATTRIBUTABLE TO | | | | | |
| Owners of the Parent Company | | 1,163,886,409 | 51,585,897 | -41,787,608 | -183,656,145 |
| Non-controlling interests | | 7,751,750 | 93,075,409 | - | - |
| NET PROFIT (LOSS) FOR THE PERIOD | | <u>1,171,638,159</u> | <u>144,661,306</u> | <u>-41,787,608</u> | <u>-183,656,145</u> |

STARK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020
“UNAUDITED”

UNIT : BAHT

| | | Consolidated financial statements | | Separate financial statements | |
|--|--------|-----------------------------------|--------------------|-------------------------------|---------------------|
| | Notes | 2020 | 2019 | 2020 | 2019 |
| TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO | | | | | |
| Owners of the Parent Company | | 1,147,461,438 | 51,585,897 | -41,787,608 | -183,656,145 |
| Non-controlling interests | | 7,751,750 | 93,075,409 | - | - |
| TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD | | <u>1,155,213,188</u> | <u>144,661,306</u> | <u>-41,787,608</u> | <u>-183,656,145</u> |
| BASIC EARNINGS (LOSS) PER SHARE | 28 | | | | |
| Earnings (loss) from continued operations | | 0.0489 | 0.0030 | (0.0018) | (0.0038) |
| Earnings (loss) from discontinued operations | | - | (0.0007) | - | (0.0224) |

See condensed notes to the interim financial statements

STARK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020
“UNAUDITED”

UNIT : BAHT

| Consolidated financial statements | | | | | | | | | | | |
|--|-------------------------------------|-------------------------------|--------------------------------|--|--|--|-------------------|--|--|------------------------------|----------------------------------|
| Owner of the shareholders' equity | | | | | | | | | | | |
| Notes | Issued and paid-up share capital | Premium on ordinary shares | Discount on ordinary shares | Adjustment of equity interests under reverse acquisition | Other surpluses | | Retained earnings | | Total shareholders' equity attributable to owners of the Company | Non-controlling interests | Total shareholders' equity |
| | | | | | Discount from business combination under common control | Surplus arising from change in ownership interest in a subsidiary | | Exchange differences on translating financial statements | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| Beginning balances as at January 1, 2019 | | | | | | | | | | | |
| - as previously reported | 1,000,000 | - | - | - | - | 147,077,460 | 837,221,579 | - | 985,299,039 | 33,275,195 | 1,018,574,234 |
| Adjustment of equity interests from business combination under common control | - | - | - | - | - | - | - | - | - | 799,066,101 | 799,066,101 |
| Adjustment of equity interests under reverse acquisition | 322,211,005 | 33,851,808 | - | -356,062,813 | - | - | - | - | - | - | - |
| Beginning balances as at January 1, 2019 - as restated | 323,211,005 | 33,851,808 | - | -356,062,813 | - | 147,077,460 | 837,221,579 | - | 985,299,039 | 832,341,296 | 1,817,640,335 |
| Transactions with owners, recorded directly in shareholders' equity | | | | | | | | | | | |
| Capital increase | 1,322,932,240 | - | - | - | - | - | - | - | 1,322,932,240 | - | 1,322,932,240 |
| Adjustment of equity interests under reverse reverse acquisition | 22,166,666,666 | - | -11,508,246,666 | -10,186,113,912 | - | - | - | - | 472,306,088 | - | 472,306,088 |
| Disposal of investment in a subsidiary | - | - | - | - | - | - | - | - | - | 847 | 847 |
| Total transactions with owners, recorded directly in shareholders' equity | 23,489,598,906 | - | -11,508,246,666 | -10,186,113,912 | - | - | - | - | 1,795,238,328 | 847 | 1,795,239,175 |
| Profit or loss and other comprehensive income for the period | | | | | | | | | | | |
| Net profit for the period | - | - | - | - | - | - | 51,585,897 | - | 51,585,897 | 93,075,409 | 144,661,306 |
| Total comprehensive income for the period | - | - | - | - | - | - | 51,585,897 | - | 51,585,897 | 93,075,409 | 144,661,306 |
| Ending balances as at September 30, 2019 | 23,812,809,911 | 33,851,808 | -11,508,246,666 | -10,542,176,725 | - | 147,077,460 | 888,807,476 | - | 2,832,123,264 | 925,417,552 | 3,757,540,816 |
| Beginning balances as at January 1, 2020 | | | | | | | | | | | |
| - as previously reported | 14,049,557,847 | - | (1,711,142,794) | (10,542,176,725) | -640,275,734 | 147,077,460 | 964,681,233 | - | 2,267,721,287 | 45,644,013 | 2,313,365,300 |
| Impact of first-time adoption of new accounting standards | - | - | - | - | - | - | -73,343,306 | - | -73,343,306 | -531,901 | -73,875,207 |
| Beginning balances as at January 1, 2020 - as restated | 14,049,557,847 | - | (1,711,142,794) | (10,542,176,725) | (640,275,734) | 147,077,460 | 891,337,927 | - | 2,194,377,981 | 45,112,112 | 2,239,490,093 |
| Transactions with owners, recorded directly in shareholders' equity | | | | | | | | | | | |
| Decreasing in par value of shares | -2,143,152,891 | - | 1,711,142,794 | - | - | - | 432,010,097 | - | - | - | - |
| Total transactions with owners, recorded directly in shareholders' equity | -2,143,152,891 | - | 1,711,142,794 | - | - | - | 432,010,097 | - | - | - | - |
| Profit or loss and other comprehensive income for the period | | | | | | | | | | | |
| Net profit for the period | - | - | - | - | - | - | 1,163,886,409 | - | 1,163,886,409 | 7,751,750 | 1,171,638,159 |
| Exchange differences on translating financial statements | - | - | - | - | - | - | - | -16,424,971 | (16,424,971) | - | -16,424,971 |
| Total comprehensive income for the period | - | - | - | - | - | - | 1,163,886,409 | -16,424,971 | 1,147,461,438 | 7,751,750 | 1,155,213,188 |
| Ending balances as at September 30, 2020 | 11,906,404,956 | - | - | (10,542,176,725) | -640,275,734 | 147,077,460 | 2,487,234,433 | (16,424,971) | 3,341,839,419 | 52,863,862 | 3,394,703,281 |

See condensed notes to the interim financial statements

STARK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020
“UNAUDITED”

UNIT : BAHT

| | Note | Separate financial statements | | | | | |
|---|------|--|----------------------------------|-----------------------------------|-------------------------------|----------------|----------------------------------|
| | | Issued and paid-up share capital | Premium on ordinary shares | Discount on ordinary shares | Retained earnings (deficit) | | Total shareholders’ equity |
| | | | | | Appropriated Legal reserve | Unappropriated | |
| Beginning balances as at January 1, 2019 | | 323,211,005 | 33,851,808 | - | 5,065,084 | -311,257,492 | 50,870,405 |
| Transactions with owners, recorded directly in shareholders’ equity | | | | | | | |
| Capital increase | | 1,989,598,906 | - | -266,666,666 | - | - | 1,722,932,240 |
| Capital increase for the entire business transfer | | 21,500,000,000 | - | -11,241,580,000 | - | - | 10,258,420,000 |
| Total transactions with owners, recorded directly in shareholders’ equity | | 23,489,598,906 | - | -11,508,246,666 | - | - | 11,981,352,240 |
| Profit or loss and other comprehensive income for the period | | | | | | | |
| Loss for the period | | - | - | - | - | -183,656,145 | -183,656,145 |
| Total comprehensive loss for the period | | - | - | - | - | -183,656,145 | -183,656,145 |
| Ending balances as at September 30, 2019 | | 23,812,809,911 | 33,851,808 | -11,508,246,666 | 5,065,084 | -494,913,637 | 11,848,566,500 |
| Beginning balances as at January 1, 2020 | | 14,049,557,847 | - | -1,711,142,794 | 5,065,084 | -519,696,670 | 11,823,783,467 |
| Transactions with owners, recorded directly in shareholders’ equity | | | | | | | |
| Decreasing in par value of shares | 25 | -2,143,152,891 | - | 1,711,142,794 | - | 432,010,097 | - |
| Total transactions with owners, recorded directly in shareholders’ equity | | -2,143,152,891 | - | 1,711,142,794 | - | 432,010,097 | - |
| Profit or loss and other comprehensive income for the period | | | | | | | |
| Loss for the period | | - | - | - | - | -41,787,608 | -41,787,608 |
| Total comprehensive loss for the period | | - | - | - | - | -41,787,608 | -41,787,608 |
| Ending balances as at September 30, 2020 | | 11,906,404,956 | - | - | 5,065,084 | -129,474,181 | 11,781,995,859 |

See condensed notes to the interim financial statements

STARK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020
“UNAUDITED”

UNIT : BAHT

| | | Consolidated financial statements | | Separate financial statements | |
|--|-------|-----------------------------------|--------------------|-------------------------------|--------------------|
| | Notes | 2020 | 2019 | 2020 | 2019 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Profit (loss) before income tax expense | | 1,466,516,465 | 259,356,146 | (79,304,949) | (145,601,487) |
| Adjustments for: | | | | | |
| Depreciation | | 256,460,254 | 138,752,991 | - | 3,926,139 |
| Amortization of copyrights | | 182,797 | - | - | 12,254,987 |
| Amortization of leasehold rights | | - | - | - | 198,532 |
| Amortization of intangible assets | | 5,538,432 | 5,232,096 | - | - |
| Loss from write-off equipment | | - | 6,517,269 | - | 628,977 |
| Gain on sales of property, plant and equipment | | -1,102,275 | - | - | -107,475 |
| Listing license fee | | - | 162,446,940 | - | - |
| Share of profit from investments in an associate | 11 | -2,112,741 | -2,568,340 | - | - |
| Expected credit losses | | 12,231,158 | - | - | - |
| Allowance for doubtful account (reversal) | | - | -14,723,639 | - | -4,288,290 |
| Loss on slow-moving inventories (reversal) | | -265,216 | 493,274 | - | 38,951,214 |
| Provision for discount on returned books (reversal) | | - | - | - | -70,572,043 |
| Estimated cost of returned books (reversal) | | - | - | - | 36,971,866 |
| Gain from sales of investment in a subsidiary | | - | - | - | -96,461,400 |
| Unrealized (gain) loss from foreign exchange rate | | 6,755,696 | (60,642,826) | - | - |
| Unrealized (gain) loss from derivatives | | (62,716,978) | 32,601,884 | - | - |
| Employee benefit expenses | | 18,516,210 | 46,468,677 | 206,225 | 815,285 |
| Interest income | | -14,354,587 | -52,195,620 | -694,426 | -21,723 |
| Interest expense | | 473,504,008 | 383,110,118 | 57,477,334 | 32,079,140 |
| | | 2,159,153,223 | 904,848,970 | -22,315,816 | -191,226,278 |
| (Increase) decrease in operating assets | | | | | |
| Trade and other current receivables | | -1,236,746,268 | 1,823,740,242 | -15,129,652 | 105,866,893 |
| Deferred cost of services | | 129,016 | 735,823 | - | - |
| Inventories | | -1,261,647,108 | -980,063,654 | - | 88,580,788 |
| Current tax asset | | 1,567,058 | 17,096,822 | 1,567,058 | 2,613,265 |
| Other current assets | | 57,477,041 | -38,903,957 | -1,675,588 | -368,279 |
| Other non-current assets | | -3,321,211 | -2,139,660 | -1,921,071 | 677,323 |
| Increase (decrease) in operating liabilities | | | | | |
| Trade and other current payables | | 3,026,300,491 | -724,681,953 | -6,510,264 | -28,829,717 |
| Other current liabilities | | -571,057 | -17,677,902 | 49,093 | -2,679,167 |
| Other non-current liabilities | | -263,206 | -1,556,294 | - | -50,400 |
| Cash generated from (paid in) from operations | | 2,742,077,979 | 981,398,437 | -45,936,240 | -25,415,572 |
| Cash paid for employee benefit obligations | | -5,709,438 | -7,178,007 | - | -240,841 |
| Cash received from interest income | | 6,861,718 | 9,318,308 | 694,426 | 86,110 |
| Cash repaid for interest expense | | -565,528,664 | -458,825,776 | -14,308,407 | -14,817,647 |
| Cash paid for income tax | | -182,932,451 | -117,549,276 | - | - |
| Net cash provided by (used in) operating activities | | 1,994,769,144 | 407,163,686 | -59,550,221 | -40,387,950 |

STARK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

“UNAUDITED”

UNIT : BAHT

| | | Consolidated financial statements | | Separate financial statements | |
|--|--------------|--|--------------------|--------------------------------------|--------------------|
| | Notes | 2020 | 2019 | 2020 | 2019 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Cash paid for purchase of investment in subsidiaries | 1.2 | -6,526,233,400 | - | -409,100 | - |
| Cash received from business acquisition | 1.2 | 246,284,356 | - | - | - |
| Cash received from sale of investment in a subsidiary | | - | 350,000,000 | - | 350,000,000 |
| Increase in deposit at bank used as collateral - current | | -229,593,000 | - | - | - |
| Decrease in deposit at bank used as collateral | | 27,287,545 | 11,986,739 | - | 12,000,000 |
| Cash received from short-term loans to related companies | 5.4 | - | 27,000,000 | - | - |
| Cash paid for short-term loans to related companies | 5.4 | -74,004,200 | -27,000,000 | - | - |
| Cash received from long-term loan to related company | 5.4 | 51,290,000 | 127,820,000 | - | - |
| Cash paid for long-term loans to related companies | 5.4 | -31,290,000 | -44,269,191 | - | - |
| Cash paid for long-term loans to other company | 5.4 | - | - | - | -9,000,000 |
| Cash received from sale of leasehold rights | | - | - | - | 2,262,043 |
| Cash received from sales of property, plant and equipment | | 3,543,557 | - | - | 107,475 |
| Cash paid for purchase of investment in subsidiaries | | - | - | - | -999,700 |
| Dividend received from an associate | | 2,500,000 | 3,750,000 | - | - |
| Cash paid in advance for purchases of fixed assets | | -62,053,018 | -28,138,178 | - | - |
| Cash paid for purchase of property, plant and equipment | 5.2 | -171,360,167 | -297,474,753 | - | -35,408 |
| Cash paid for intangible assets | 5.2 | -184,597 | -396,400 | - | - |
| Cash paid for purchases of copyrights | 5.2 | - | - | - | -3,621,314 |
| Net cash provided by (used in) investing activities | | -6,763,812,924 | 123,278,217 | -409,100 | 350,713,096 |

STARK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020
“UNAUDITED”

UNIT : BAHT

| | | Consolidated financial statements | | Separate financial statements | |
|---|--------------|--|-----------------------------|--------------------------------------|-----------------------------|
| | Notes | 2020 | 2019 | 2020 | 2019 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | |
| Cash received from reverse acquisition | | - | 400,009,062 | - | - |
| Cash received from increase in share capital | | - | 1,322,932,240 | - | 1,722,932,240 |
| Cash received from business acquisition | | - | - | - | 1,120,609 |
| Cash received from bank overdraft and short-term borrowing | | | | | |
| from financial institutions | 5.3 | 6,623,217,467 | 874,530,000 | - | -42,446,358 |
| Cash repaid for bank overdraft and short-term borrowing | | | | | |
| from financial institutions | 5.3 | -3,265,359,772 | -62,900,407 | - | - |
| Cash received from short-term borrowings from related companies | 5.3 | 151,000,000 | 40,000,000 | 41,000,000 | 3,000,000 |
| Cash repaid for short-term borrowings from related companies | 5.3 | -103,000,000 | -339,334,247 | -65,000,000 | - |
| Cash received from other short-term borrowings | 5.3 | 124,000,000 | 55,000,000 | 94,000,000 | - |
| Cash repaid for other short-term borrowings | 5.3 | -385,190,004 | -22,400,000 | - | -17,900,000 |
| Cash repaid for short-term borrowings from a related person | 5.3 | -504,205,160 | -145,000,000 | - | - |
| Cash received from long-term borrowings from financial institutions | 5.3 | 1,665,592,000 | 68,000,000 | - | - |
| Cash repaid for long-term borrowings from financial institutions | 5.3 | -503,504,523 | -677,714,000 | -11,250,000 | -242,600,000 |
| Cash received from other long-term borrowings | 5.3 | 165,000,000 | - | - | - |
| Cash repaid for other long-term borrowings | 5.3 | -135,000,000 | - | - | -7,000,000 |
| Cash repaid for lease liabilities | 5.3 | -44,462,004 | -12,678,011 | - | - |
| Net cash provided by financing activities | | <u>3,788,088,004</u> | <u>1,500,444,637</u> | <u>58,750,000</u> | <u>1,417,106,491</u> |
| Net increase (decrease) in cash and cash equivalents | | -980,955,776 | 2,030,886,540 | -1,209,321 | 1,727,431,637 |
| Cash and cash equivalents as at January 1, | | 1,431,141,561 | 655,106,258 | 25,895,859 | 9,997,629 |
| Effect of exchange rate changes on balance held in foreign currencies | | -362,475 | - | - | - |
| Cash and cash equivalents as at September 30, | 5.1 | <u><u>449,823,310</u></u> | <u><u>2,685,992,798</u></u> | <u><u>24,686,538</u></u> | <u><u>1,737,429,266</u></u> |

See condensed notes to the interim financial statements