### **SIAM STEEL SERVICE CENTER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**

### **CONDENSED NOTES TO INTERIM FINANCIAL STATEMENTS**

### **for the THREE-MONTH AND NINE-month periodS ended 30 SEPTEMBER 2023**

### **(Unaudited but reviewed)**

1. **NATURE OF OPERATIONS AND GENERAL INFORMATION**

Siam Steel Service Center Public Company Limited, (“the Company”), is a company registered in Thailand and listed on the Stock Exchange of Thailand. The Company is engaged in the manufacturing of accessories made from steel, installing metal roofing and wall panel and providing steel cutting services. The registered offices of the Company are in different locations as follow:

|  |  |  |
| --- | --- | --- |
| a)  Head office and - Factory 1 | : | 51/3 Poochao – Samingprai Road, Tumbon Bangyaprak, Amphur Phrapradeang, Samutprakarn |
| b)  Factory 2 | : | 51/11 Poochao - Samingprai Road, Tumbon Bangyaprak, Amphur  Phrapradeang, Samutprakarn |
| c)  Factory 3 | : | 60/6 Moo 3, Tumbon Mabyangporn, Amphur Pluakdeang, Rayong |

The major shareholders of the Company are Okaya & Co., Ltd. (31.50% shareholding) and Siam Steel International Public Company Limited (24.51% shareholding).

1. **BASIS OF INTERIM FINANCIAL STATEMENTS PREPARATION AND CONSOLIDATION**
2. Basis of interim financial statements preparation

The interim financial statements for the three-month and nine-month periods ended 30 September 2023 have been prepared in accordance with Thai Accounting Standard 34, “Interim Financial Reporting” including guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission and are presented in Thai Baht currency which do not include all the information required in annual financial statements in accordance with Thai Financial Reporting Standards. These should therefore be read in conjunction with the full set of financial statements for the year ended 31 December 2022.

The interim financial statements are officially prepared in Thai language. The translation of these statutory financial statements into another language must conform to the Thai financial report.

These interim financial statements were approved by the Company’s Board of Directors on 10 November 2023.

1. Principles of consolidation

The interim consolidated financial statements included the financial statements of Siam Steel Service Center Public Company Limited and its foreign subsidiary and are prepared on the same basis as applied for the preparation of consolidated financial statements for the year ended 31 December 2022. There have been no significant changes in the subsidiary during the period.

The consolidated and separate financial statements as of 30 September 2023 and 31 December 2022 and for the three-month and nine-month periods ended 30 September 2023 and 2022 include assets, liabilities, revenues, and expenses of the foreign subsidiary under the control of the Company, which is not significant to the consolidated financial statements, as follows:

|  |  |  |
| --- | --- | --- |
|  | (Unit : Thousand Baht) | |
|  | 30 September 2023 | 31 December 2022 |
|  |  |  |
| Total assets | 54,411 | 95,057 |
| Total liabilities | 53,082 | 86,467 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  | (Unit : Thousand Baht) | |
|  | For the three-month periods  ended 30 September | | For the nine-month periods  ended 30 September | |
|  | 2023 | 2022 | 2023 | 2022 |
|  |  |  |  |  |
| Revenues | 12,654 | 35,732 | 54,844 | 66,976 |
| Expenses | 2,822 | 3,604 | 8,792 | 9,167 |

1. **SIGNIFICANT ACCOUNTING POLICIES AND CHANGES IN THE FINANCIAL REPORTING STANDARDS**
2. Significant accounting policies

These interim financial statements have been prepared using the same accounting policies used in the preparation of the financial statements of the Group for the year ended 31 December 2022, except for the adoption of the revised Thai Financial Reporting Standards that become effective for the preparation financial statements for the period beginning on or after 1 January 2023.

However, the Group’s management considered that the application has no material impact on the financial statements.

1. Changes in the Financial Reporting Standards

Thai Financial Reporting Standards which are amened and effective for the accounting period beginning on or after 1 January 2023 are as follows:

1. Thai Accounting Standard 16, “Property, Plant and Equipment”

The amendments prescribe the recognition of the proceeds from selling any items, produced while the entity is preparing that assets for its intended use, as revenue instead of deducting from the cost of an item of those property plant and equipment.

1. Thai Accounting Standard 37, “Provisions, Contingent Liabilities and Contingent Assets”

The amendments are to clarify the incremental cost of fulfilling the contract and an allocation of other costs that relate directly to fulfilling contracts which need to be considered whether a contract is onerous.

1. Thai Accounting Standard 41, “Agriculture”

This standard was amended to remove the requirement to exclude cash flows for taxation when measuring fair value of biological assets.

1. Thai Financial Reporting Standard 1, “First-time Adoption of Thai Financial Reporting Standards”

The amendment provides the application for a subsidiary that is a first-time adopter to measure cumulative translation differences for all foreign operations at amounts included in the consolidated financial statements of the parent at the parent's date of transition to TFRS.

1. Thai Financial Reporting Standard 3, “Business Combinations”

This standard was amended to clarify the references to the present Conceptual Framework for Financial Reporting and added a consideration to recognize liabilities and contingent liabilities acquired from business combinations together with the contingent assets that cannot be recognized at the acquisition date.

1. Thai Financial Reporting Standard 9, “Financial Instruments”

The amendment is to clarify the fees in assessing derecognition of financial liabilities when performing the 10 percent test by included those fees paid net from fees received (only fees paid or received between the borrow and the lender, including fee paid or received by either the borrower or lender on the other's behalf).

1. **ESTIMATES AND JUDGEMENT**

When preparing the interim financial statements, management undertakes judgments, estimates and assumptions about recognition and measurement of assets, liabilities, revenues, and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

The judgments, estimates and assumptions applied in the preparation of interim financial statements, including the key sources of estimation, are based on the same basis as applied in the preparation of annual financial statements for the year ended 31 December 2022.

1. **CASH AND CASH EQUIVALENTS**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| (Unit : Thousand Baht) | | | | | | | |
|  | Consolidated Statements | | |  | Separate Statements | | | |
|  | 30 September  2023 |  | 31 December  2022 |  | 30 September  2023 |  | 31 December  2022 | |
|  |  |  |  |  |  |  |  | |
| Cash on hand | 1,002 |  | 1,298 |  | 1,000 |  | 1,000 | |
| Cash at bank - Current accounts | 45,418 |  | 43,163 |  | 42,042 |  | 30,553 | |
| - Savings accounts | 68,763 |  | 100,049 |  | 68,763 |  | 94,404 | |
| Cheques deposited in transit | 40,245 |  | 5,891 |  | 40,245 |  | 5,891 | |
| Total | 155,428 |  | 150,401 |  | 152,050 |  | 131,848 | |

As of 30 September 2023 and 31 December 2022, saving deposits with banks bear interest at 0.10 – 0.60 percent per annum (2022 : 0.05 – 0.35 percent per annum)

1. **TRADE ACCOUNTS RECEIVABLE**

As of 30 September 2023, and 31 December 2022, trade accounts receivable classified by outstanding aging are as follows:

| (Unit : Thousand Baht) | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated Statements | | |  | Separate Statements | | |
|  | 30 September 2023 |  | 31 December 2022 |  | 30 September 2023 |  | 31 December 2022 |
| Trade accounts receivable   - general customers - net | |  |  |  |  |  |  |
| Not yet due | 1,082,516 |  | 1,147,464 |  | 1,082,516 |  | 1,147,464 |
| Overdue: |  |  |  |  |  |  |  |
| Less than 3 months | 28,899 |  | 34,331 |  | 20,227 |  | 17,493 |
| 3 - 6 months | 5,201 |  | - |  | 623 |  | - |
| 6 - 12 months | - |  | 1,736 |  | - |  | - |
| More than 12 months | 20,971 |  | 25,000 |  | 17,786 |  | 23,286 |
| Total | 1,137,587 |  | 1,208,531 |  | 1,121,152 |  | 1,188,243 |
|  |  |  |  |  |  |  |  |
| Less Allowance for expected credit loss | (19,919) |  | (23,579) |  | (19,409) |  | (23,069) |
| Net | 1,117,668 |  | 1,184,952 |  | 1,101,743 |  | 1,165,174 |
|  |  |  |  |  |  |  |  |
| Trade accounts receivable  - related companies | |  |  |  |  |  |  |
| Not yet due | 91,255 |  | 70,571 |  | 91,266 |  | 70,571 |
| Overdue: |  |  |  |  |  |  |  |
| Less than 3 months | - |  | 393 |  | 416 |  | 393 |
| Total | 91,255 |  | 70,964 |  | 91,682 |  | 70,964 |

During the nine-month period ended 30 September 2023, the movements in allowance for expected credit loss are as follow:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | (Unit : Thousand Baht) | | |
|  |  | Consolidated Statements |  | Separate Statements |
|  |  |  |  |  |
| Balance as of 1 January 2023 |  | 23,579 |  | 23,069 |
| Add Allowance for expected credit loss |  | 1,601 |  | 1,601 |
| Less Reversal of allowance |  | (5,261) |  | (5,261) |
| Balance as of 30 September 2023 |  | 19,919 |  | 19,409 |

1. **TRANSACTIONS WITH RELATED PARTIES**

The Group has transactions with related parties involving assets, liabilities, sales, other income, cost of sales and selling and administrative expenses. Those transactions as included in the financial statements are determined at the prices in line with those occurred in the normal course of business based on the market prices in general or the price as stipulated in the agreement, if there is no comparable market price.

Significant transactions with related for the three-month and nine-month periods ended 30 September 2023 and 2022 are as follow:

|  |  |  |  | (Unit : Thousand Baht) | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | Consolidated Statements | | |  | Separate Statements | | |
|  |  |  |  | For the three-month periods ended 30 September | | | | | | |
|  |  | The pricing policy |  | 2023 |  | 2022 |  | 2023 |  | 2022 |
|  |  |  |  |  |  |  |  |  |  |  |
| Sales and installation services income |  | Market prices |  | 96,405 |  | 54,600 |  | 96,405 |  | 54,711 |
| Steel cutting services income and other income |  | Market prices |  | 3,397 |  | 3,320 |  | 3,397 |  | 3,320 |
| Rental income |  | Market prices |  | 1,203 |  | 1,067 |  | 1,203 |  | 1,067 |
| Purchase of raw materials |  | Market prices |  | 882,817 |  | 1,057,559 |  | 882,817 |  | 1,057,559 |
| Expenses and other purchases |  | Market prices |  | 6,367 |  | 7,825 |  | 6,367 |  | 7,825 |
| Purchase of assets |  | Market prices |  | 74 |  | 10 |  | 74 |  | 10 |
| Interest income |  | Agreed rate |  | - |  | - |  | 354 |  | 145 |
|  |  |  |  |  |  |  |  |  |  |  |
| Key directors and management personnel compensation | | |  |  |  |  |  |  |  |  |
| Current directors and management benefits | | |  | 6,080 |  | 6,288 |  | 6,080 |  | 6,288 |
| Post - employment benefits | | |  | 320 |  | 362 |  | 320 |  | 362 |
| Total | | |  | 6,400 |  | 6,650 |  | 6,400 |  | 6,650 |

|  |  |  |  | (Unit : Thousand Baht) | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | Consolidated Statements | | |  | Separate Statements | | |
|  |  |  |  | For the nine-month periods ended 30 September | | | | | | |
|  |  | The pricing policy |  | 2023 |  | 2022 |  | 2023 |  | 2022 |
|  |  |  |  |  |  |  |  |  |  |  |
| Sales and installation services income |  | Market prices |  | 231,929 |  | 144,544 |  | 232,736 |  | 144,851 |
| Steel cutting services income and other income |  | Market prices |  | 9,412 |  | 10,467 |  | 9,412 |  | 10,467 |
| Rental income |  | Market prices |  | 3,406 |  | 3,108 |  | 3,406 |  | 3,108 |
| Purchase of raw materials |  | Market prices |  | 2,585,612 |  | 2,938,893 |  | 2,585,612 |  | 2,938,893 |
| Expenses and other purchases |  | Market prices |  | 22,010 |  | 22,400 |  | 22,010 |  | 22,400 |
| Purchase of assets |  | Market prices |  | 76 |  | 34 |  | 76 |  | 34 |
| Interest income |  | Agreed rate |  | - |  | - |  | 906 |  | 667 |
|  |  |  |  |  |  |  |  |  |  |  |
| Key directors and management personnel compensation | | |  |  |  |  |  |  |  |  |
| Current directors and management benefits | | |  | 18,740 |  | 18,952 |  | 18,740 |  | 18,952 |
| Post - employment benefits | | |  | 961 |  | 1,087 |  | 961 |  | 1,087 |
| Total | | |  | 19,701 |  | 20,039 |  | 19,701 |  | 20,039 |

As of 30 September 2023, and 31 December 2022, the outstanding balances with related companies are as follows:

|  |  | | |  | (Unit : Thousand Baht) | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated Statements | | |  | Separate Statements | | |
|  | 30 September 2023 |  | 31 December 2022 |  | 30 September 2023 |  | 31 December 2022 |
|  |  |  |  |  |  |  |  |
| Trade accounts receivable |  |  |  |  |  |  |  |
| Subsidiary | - |  | - |  | 427 |  | - |
| Related companies | 91,255 |  | 70,964 |  | 91,255 |  | 70,964 |
| Total | 91,255 |  | 70,964 |  | 91,682 |  | 70,964 |
|  |  |  |  |  |  |  |  |
| Amounts due from |  |  |  |  |  |  |  |
| Subsidiary | - |  | - |  | 688 |  | 180 |
| Related companies | 13 |  | 91 |  | 13 |  | 92 |
| Total | 13 |  | 91 |  | 701 |  | 272 |
|  |  |  |  |  |  |  |  |
| Short-term loan to |  |  |  |  |  |  |  |
| Subsidiary | - |  | - |  | 33,676 |  | 17,196 |

As of 30 September 2023, and 31 December 2022, the movements in short-term loan to subsidiary (Siam Steel Vietnam Co., Ltd.) are as follow:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | (Unit : Thousand Baht) | | |
|  |  | Separate Statements | | |
|  |  | 30 September 2023 |  | 31 December 2022 |
|  |  |  |  |  |
| Balance - beginning of the period |  | 17,196 |  | 14,961 |
| Add Additional loan granted |  | 25,451 |  | 28,401 |
| Less Receipt of repayment |  | (8,857) |  | (25,949) |
| Unrealized loss on foreign exchange rate |  | (114) |  | (217) |
| Balance - ending of the period |  | 33,676 |  | 17,196 |

Short-term loan to Siam Steel Vietnam Co., Ltd. bears interest at the rate of 2.65 - 6.90% per annum without collateral. The loans are due within one year.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | |  | (Unit : Thousand Baht) | | |
|  | Consolidated Statements | | |  | Separate Statements | | |
|  | 30 September 2023 |  | 31 December 2022 |  | 30 September 2023 |  | 31 December 2022 |
|  | |  |  |  |  |  |  |
| Trade accounts payable | |  |  |  |  |  |  |
| Related companies | 127,173 |  | 109,293 |  | 125,652 |  | 87,350 |
|  |  |  |  |  |  |  |  |
| Key management personnel compensation | |  |  |  |  |  |  |
| Post - employment benefit | 18,599 |  | 19,061 |  | 18,599 |  | 19,061 |

1. **CONTRACTS ASSETS AND CONTRACTS LIABILITIES**

The Group has outstanding balances of contract assets and contract liabilities with customers as follow:

|  |  |  | |  | (Unit : Thousand Baht) | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated Statements | | |  | Separate Statements | | |
|  | 30 September 2023 |  | 31 December 2022 |  | 30 September 2023 |  | 31 December 2022 |
|  |  |  |  |  |  |  |  |
| **Contracts assets** |  |  |  |  |  |  |  |
| Unbilled accrued income | 95,316 |  | 102,418 |  | 95,316 |  | 102,418 |
| Retention receivables | 19,054 |  | 14,752 |  | 19,054 |  | 14,752 |
| Total contracts assets | 114,370 |  | 117,170 |  | 114,370 |  | 117,170 |
|  |  |  |  |  |  |  |  |
| **Contracts liabilities** |  |  |  |  |  |  |  |
| Advances from customers | 19,707 |  | 28,009 |  | 19,707 |  | 20,890 |
| Total contract liabilities | 19,707 |  | 28,009 |  | 19,707 |  | 20,890 |

1. Unbilled accrued income and advances from customers

|  |  | | |  | | (Unit : Thousand Baht) | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated Statements | | |  | | Separate Statements | | | |
|  | 30 September 2023 |  | 31 December 2022 | |  | | 30 September 2023 |  | 31 December 2022 |
|  |  |  |  | |  | |  |  |  |
| **Unbilled accrued income** |  |  |  | |  | |  |  |  |
| Contract sales | 404,744 |  | 412,323 | |  | | 404,744 |  | 412,323 |
| Accumulated amount recognized as revenues by percentage of completion basis | 307,283 |  | 258,337 | |  | | 307,283 |  | 258,337 |
| Less Amounts billed | (211,967) |  | (155,919) | |  | | (211,967) |  | (155,919) |
| Unbilled accrued income | 95,316 |  | 102,418 | |  | | 95,316 |  | 102,418 |
|  |  |  |  | |  | |  |  |  |
| **Retentions receivable** | 19,054 |  | 14,752 | |  | | 19,054 |  | 14,752 |
|  |  |  |  | |  | |  |  |  |
| **Advances from customers** |  |  |  | |  | |  |  |  |
| Amounts received per contracts | 158,812 |  | 150,479 | |  | | 129,202 |  | 123,014 |
| Amounts billed | 106,670 |  | 100,696 | |  | | 106,670 |  | 100,696 |
| Less Accumulated amount recognized as revenues by percentage of completion basis | (86,963) |  | (72,687) | |  | | (86,963) |  | (79,806) |
| Advances from customers | 19,707 |  | 28,009 | |  | | 19,707 |  | 20,890 |

1. Revenues expected to be recognized from existing contracts

As of 30 September 2023, the Group expects to recognize revenues in the future from performance of work that are still uncompleted (or partially completed) under existing contracts with customers totalling Baht 272.87 million (Separate financial statement - totalling Baht 255.91 million).

1. **INVENTORIES**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | |  | (Unit : Thousand Baht) | | |
|  | Consolidated Statements | | |  | Separate Statements | | |
|  | 30 September  2023 |  | 31 December  2022 |  | 30 September 2023 |  | 31 December  2022 |
|  |  |  |  |  |  |  |  |
| Raw materials | 1,106,316 |  | 1,306,697 |  | 1,092,499 |  | 1,276,298 |
| Finished goods | 203,511 |  | 213,275 |  | 203,511 |  | 213,275 |
| Work in process | 114,912 |  | 97,112 |  | 108,424 |  | 87,931 |
| Spare parts and supplies | 49,814 |  | 48,129 |  | 49,814 |  | 48,129 |
| Raw materials in transit | 34,260 |  | 80,339 |  | 34,260 |  | 80,339 |
| Total | 1,508,813 |  | 1,745,552 |  | 1,488,508 |  | 1,705,972 |
| Less Allowance for decline value of  inventories | (5,930) |  | - |  | (5,930) |  | - |
| Net | 1,502,883 |  | 1,745,552 |  | 1,482,578 |  | 1,705,972 |

The Company and subsidiary have movements in allowances for decline value of inventories for the nine-month period ended 30 September 2023 as follow:

|  |  |  |
| --- | --- | --- |
|  |  | (Unit : Thousand Baht) |
|  |  | Consolidated and  Separate Statements |
|  |  | 2023 |
|  |  |  |
| Balance as of 1 January 2023 |  | - |
| Increase |  | 5,930 |
| Balance as of 30 September 2023 |  | 5,930 |

Costs of inventories which were recognized as expenses for the nine-month period ended 30 September 2023 and 2022 are as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | |  | (Unit : Thousand Baht) | | |
|  | Consolidated Statements | | |  | Separate Statements | | |
|  | 2023 |  | 2022 |  | 2023 |  | 2022 |
|  |  |  |  |  |  |  |  |
| Costs of goods sold | 3,602,684 |  | 3,666,690 |  | 3,551,815 |  | 3,602,063 |
| Allowance for decline value of inventories | 5,930 |  | - |  | 5,930 |  | - |
| Total | 3,608,614 |  | 3,666,690 |  | 3,557,745 |  | 3,602,063 |

1. **INVESTMENT IN SUBSIDIARY COMPANY**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | |  | (Unit : Thousand Baht) | |
|  |  | Paid–up | Percentage of holding | | | Separate Statements | |
| Company | Type of business | share capital | 30 Sep 2023 | 31 Dec 2022 | | 30 Sep 2023 | 31 Dec 2022 |
|  | |  |  |  | |  |  |
| Investment in subsidiary company | |  |  |  | |  |  |
| Siam Steel Vietnam  Co., Ltd. | Manufacturing and sale of roll-formed steel products for construction, furniture, automobile and electronics industries | 26,698 | 90.00 | 90.00 | | 24,029 | 24,029 |
| Total |  |  |  |  | | 24,029 | 24,029 |

1. **INVESTMENT PROPERTY**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | (Unit : Thousand Baht) | | |
|  |  | Consolidated and Separate Statements | | |
|  |  | 30 September 2023 |  | 31 December 2022 |
|  |  |  |  |  |
| Land |  | 24,621 |  | 24,621 |
| Land and buildings |  | 6,734 |  | 6,734 |
| Total |  | 31,355 |  | 31,355 |

As of 30 September 2023, the fair value of above investment property, based on the comparison with latest average market price of properties in the nearby areas on 31 December 2022, was approximately Baht 60.36 million (2022: Baht 60.36 million).

1. **PROPERTY, PLANT AND EQUIPMENT**

Condensed movements in property, plant, and equipment for the nine-month period ended 30 September 2023 are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| (Unit : Thousand Baht) | | | | |
|  | | Consolidated Statements |  | Separate Statements |
|  | |  |  |  |
| Net book value as of 1 January 2023 | | 1,049,023 |  | 1,036,647 |
| Add | Additional purchases | 33,174 |  | 33,095 |
| Less | Disposal and written - off - net | (51,451) |  | (51,451) |
|  | Depreciation for the period  Accumulated depreciation of disposed assets | (46,774)  51,445 |  | (45,931)  51,445 |
| Net book value as of 30 September 2023 | | 1,035,417 |  | 1,023,805 |

1. **BANK OVERDRAFTS AND SHORT–TERM LOANS FROM FINANCIAL INSTITUTIONS**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  | (Unit: Thousand Baht) | | |
|  | Interest rate per annum | | |  | Consolidated Statements | | |
|  | 30 September 2023 |  | 31 December 2022 |  | 30 September 2023 |  | 31 December 2022 |
|  |  |  |  |  |  |  |  |
| Bank overdraft | 7.27 – 7.33 |  | 6.32 – 6.33 |  | 1,245 |  | 3,405 |
| Liabilities under trust receipts | 2.60 – 2.81 |  | 1.98 – 2.18 |  | 70,628 |  | 205,739 |
| Short - term loans | 2.46 – 8.90 |  | 1.28 – 8.90 |  | 360,403 |  | 578,071 |
| Total |  |  |  |  | 432,276 |  | 787,215 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  | (Unit : Thousand Baht) | | |
|  | Interest rate per annum | | |  | Separate Statements | | |
|  | 30 September 2023 |  | 31 December 2022 |  | 30 September 2023 |  | 31 December 20212 |
|  |  |  |  |  |  |  |  |
| Bank overdraft | 7.27 – 7.33 |  | 6.32 – 6.33 |  | 1,245 |  | 3,405 |
| Liabilities under trust receipts | 2.60 – 2.81 |  | 1.98 – 2.18 |  | 70,628 |  | 205,739 |
| Short - term loans | 2.46 – 3.04 |  | 1.28 – 2.23 |  | 349,017 |  | 550,166 |
| Total |  |  |  |  | 420,890 |  | 759,310 |

As of 30 September 2023, and 31 December 2022, the Group has credit facilities in the forms of bank overdraft, promissory note, liabilities under trust receipt agreements, and others totaling Baht 6,140 million.

1. **EMPLOYEE BENEFITS OBLIGATION**

|  |  |  |  |
| --- | --- | --- | --- |
|  | (Unit : Thousand Baht) | | |
|  | Consolidated/Separate Statements | | |
|  | 30 September 2023 |  | 31 December 2022 |
|  |  |  |  |
| Beginning balance | 106,395 |  | 106,761 |
| Current service cost | 6,218 |  | 8,131 |
| Finance cost | 1,704 |  | 2,198 |
| Employee benefits paid during the period | (5,848) |  | (10,695) |
| Total | 108,469 |  | 106,395 |
| Less Current portion due within 1 year | (1,269) |  | (5,793) |
| Ending balance | 107,200 |  | 100,602 |
|  |  |  |  |
| Total unfunded accrual | 108,469 |  | 106,395 |

1. **DIVIDENT PAYMENT**

On 28 April 2023, at the 2023 Annual General meeting, the shareholders passed a resolution to approve the payment of cash dividend to the common shareholders from operating results for the year ended 31 December 2022 at Baht 0.185 per share for 639,997,880 common share, amounting to Baht 118,399,607.80. The Company paid such dividend on 26 May 2023.

1. **REVENUES**

The Group’s revenues classified based on income recognition methods are as follows:

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | (Unit : Thousand Baht) | | | | | | | | | |
|  | Consolidated statements | | | | | | | | | |
|  | For the three-month period ended 30 September | | | | | | | | | |
|  | 2023 | | | | | 2022 | | | | |
|  | Sales and revenue from installation - net | Steel cutting services income | Tran- sportation income | Eliminated | Total | Sales and revenue from installation - net | Steel cutting services income | Tran-  sportation income | Eliminated | Total |
|  |  |  |  |  |  |  |  |  |  |  |
| At point in time | 1,006,357 | 76,983 | 17,440 | - | 1,100,780 | 1,034,749 | 86,112 | 18,203 | - | 1,139,064 |
| Over time | 243,041 | - | 137 | - | 243,178 | 248,382 | - | 220 | (112) | 248,490 |
| Total | 1,249,398 | 76,983 | 17,577 | - | 1,343,958 | 1,283,131 | 86,112 | 18,423 | (112) | 1,387,554 |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | (Unit : Thousand Baht) | | | | | | | | | |
|  | Separate statements | | | | | | | | | |
|  | For the three-month period ended 30 September | | | | | | | | | |
|  | 2023 | | | | | 2022 | | | | |
|  | Sales and revenue from installation - net | Steel cutting services income | Tran- sportation income | Eliminated | Total | Sales and revenue from installation - net | Steel cutting services income | Tran-  sportation income | Eliminated | Total |
|  |  |  |  |  |  |  |  |  |  |  |
| At point in time | 1,006,357 | 76,983 | 17,440 | - | 1,100,780 | 1,034,749 | 86,112 | 18,203 | - | 1,139,064 |
| Over time | 230,388 | - | 137 | - | 230,525 | 212,650 | - | 220 | - | 212,870 |
| Total | 1,236,745 | 76,983 | 17,577 | - | 1,331,305 | 1,247,399 | 86,112 | 18,423 | - | 1,351,934 |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | (Unit : Thousand Baht) | | | | | | | | | |
|  | Consolidated statements | | | | | | | | | |
|  | For the nine-month period ended 30 September | | | | | | | | | |
|  | 2023 | | | | | 2022 | | | | |
|  | Sales and revenue from installation - net | Steel cutting services income | Tran- sportation income | Eliminated | Total | Sales and revenue from installation - net | Steel cutting services income | Tran-  sportation income | Eliminated | Total |
|  |  |  |  |  |  |  |  |  |  |  |
| At point in time | 3,093,007 | 237,216 | 55,033 | - | 3,385,256 | 3,243,609 | 251,929 | 51,012 | - | 3,546,550 |
| Over time | 741,626 | - | 221 | (807) | 741,040 | 631,288 | - | 566 | (308) | 631,546 |
| Total | 3,834,633 | 237,216 | 55,254 | (807) | 4,126,296 | 3,874,897 | 251,929 | 51,578 | (308) | 4,178,096 |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | (Unit : Thousand Baht) | | | | | | | | | |
|  | Separate statements | | | | | | | | | |
|  | For the nine-month period ended 30 September | | | | | | | | | |
|  | 2023 | | | | | 2022 | | | | |
|  | Sales and revenue from installation - net | Steel cutting services income | Tran- sportation income | Eliminated | Total | Sales and revenue from installation - net | Steel cutting services income | Tran-  sportation income | Eliminated | Total |
|  |  |  |  |  |  |  |  |  |  |  |
| At point in time | 3,093,007 | 237,216 | 55,033 | - | 3,385,256 | 3,243,609 | 251,929 | 51,012 | - | 3,546,550 |
| Over time | 686,782 | - | 221 | - | 687,003 | 564,312 | - | 566 | - | 564,878 |
| Total | 3,779,789 | 237,216 | 55,254 | - | 4,072,259 | 3,807,921 | 251,929 | 51,578 | - | 4,111,428 |

1. **SEGMENT REPORTING**

The Group is engaged in steel accessories production and services for steel industry. Details of core revenues for the three-month and nine-month periods ended 30 September 2023 and 2022 are as follows:

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | (Unit : Thousand Baht) | | | | | | | | | |
|  | Consolidated Statements | | | | | | | | | |
|  | For the three-month period ended 30 September | | | | | | | | | |
|  | 2023 | | | | | 2022 | | | | |
|  | Sales and revenue from installation - net | Steel cutting services income | Tran- sportation income | Eliminated | Total | Sales and revenue from installation - net | Steel cutting services income | Tran- sportation income | Eliminated | Total | |
|  |  |  |  |  |  |  |  |  |  |  | |
| Revenues information by geographic areas |  |  |  |  |  |  |  |  |  |  | |
| Thailand | 1,236,745 | 76,983 | 17,577 | - | 1,331,305 | 1,247,399 | 86,112 | 18,423 | - | 1,351,934 | |
| Vietnam | 12,653 | - | - | - | 12,653 | 35,732 | - | - | (112) | 35,620 | |
| Total | 1,249,398 | 76,983 | 17,577 | - | 1,343,958 | 1,283,131 | 86,112 | 18,423 | (112) | 1,387,554 | |
| Costs of sales and services | (1,101,924) | (74,147) | (7,682) | 57 | (1,183,696) | (1,138,622) | (74,950) | (4,888) | 144 | (1,218,316) | |
| **Gross profit** | 147,474 | 2,836 | 9,895 | 57 | 160,262 | 144,509 | 11,162 | 13,535 | 32 | 169,238 | |
|  |  |  |  |  |  |  |  |  |  |  | |
| Profit (loss) on exchange rate | |  |  |  | 319 |  |  |  |  | (332) | |
| Depreciation | |  |  |  | (15,876) |  |  |  |  | (17,555) | |
| Transportation expense |  |  |  |  | (40,653) |  |  |  |  | (40,302) | |
| Finance cost |  |  |  |  | (5.567) |  |  |  |  | (4,446) | |
| Profit before income tax | |  |  |  | 73,617 |  |  |  |  | 79,226 | |
|  | |  |  |  |  |  |  |  |  |  | |
| Total assets | |  |  |  | 4,096,470 |  |  |  |  | 4,407,920 | |
| Total liabilities | |  |  |  | 924,501 |  |  |  |  | 1,348,737 | |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | (Unit : Thousand Baht) | | | | | | | | | |
|  | Consolidated Statements | | | | | | | | | |
|  | For the nine-month period ended 30 September | | | | | | | | | |
|  | 2023 | | | | | 2022 | | | | |
|  | Sales and revenue from installation - net | Steel cutting services income | Tran- sportation income | Eliminated | Total | Sales and revenue from installation - net | Steel cutting services income | Tran- sportation income | Eliminated | Total | |
|  |  |  |  |  |  |  |  |  |  |  | |
| Revenues information by geographic areas |  |  |  |  |  |  |  |  |  |  | |
| Thailand | 3,779,789 | 237,216 | 55,254 | - | 4,072,259 | 3,807,921 | 251,929 | 51,578 | - | 4,111,428 | |
| Vietnam | 54,844 | - | - | (807) | 54,037 | 66,976 | - | - | (308) | 66,668 | |
| Total | 3,834,633 | 237,216 | 55,254 | (807) | 4,126,296 | 3,874,897 | 251,929 | 51,578 | (308) | 4,178,096 | |
| Costs of sales and services | (3,370,304) | (218,856) | (20,397) | 943 | (3,608,614) | (3,427,717) | (224,625) | (14,770) | 422 | (3,666,690) | |
| **Gross profit** | 464,329 | 18,360 | 34,857 | 136 | 517,682 | 447,180 | 27,304 | 36,808 | 114 | 511,406 | |
|  |  |  |  |  |  |  |  |  |  |  | |
| Profit on exchange rate | |  |  |  | 920 |  |  |  |  | 534 | |
| Depreciation | |  |  |  | (46,774) |  |  |  |  | (54,292) | |
| Transportation expense |  |  |  |  | (120,290) |  |  |  |  | (117,191) | |
| Finance cost |  |  |  |  | (15,412) |  |  |  |  | (10,256) | |
| Profit before income tax | |  |  |  | 260,581 |  |  |  |  | 245,109 | |
|  | |  |  |  |  |  |  |  |  |  | |
| Total assets | |  |  |  | 4,096,470 |  |  |  |  | 4,407,920 | |
| Total liabilities | |  |  |  | 924,501 |  |  |  |  | 1,348,737 | |

1. **Foreign exchange risk**

The Group has exposure to foreign currency risk relating to the export sales and the import of production materials, short-term loans to subsidiary, bank overdraft and short-term loans from financial institutions denominated in foreign currencies. As of 30 September 2023, and 31 December 2022, the Group’s assets and liabilities in foreign currencies are not covered by currency hedging as it has receivables and payables in foreign currencies from normal trading transactions which are considered natural hedging as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | In Thousand Foreign Currencies | | |
|  | 30 September 2023 |  | 31 December 2022 |
|  |  |  |  |
| Assets in foreign currency |  |  |  |
| USD | 524 |  | 537 |
| JPY | 65,050 |  | - |
|  |  |  |  |
| Liabilities in foreign currency |  |  |  |
| USD | 2,430 |  | 2,075 |
| JPY | - |  | 22,000 |

1. **COMMITMENTS**

As of 30 September 2023, the Group has commitments as follow:

1. The Company has commitments to deliver products and services under a contract for installation of  
   approximately of Baht 331.53 million.
2. The Company has outstanding guarantees of approximately Baht 26.21 million, issued by financial institutions on behalf of the Company, as required in the normal course of business.