

SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED
AND SUBSIDIARY
AUDITOR'S REPORT AND INTERIM FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023
(UNAUDITED/REVIEWED ONLY)

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

To The Shareholders of SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED

I have reviewed the consolidated and separate statements of financial position of SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARY and of SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED as at September 30, 2023, and the related consolidated and separate statements of comprehensive income for the three-month and nine-month periods ended September 30, 2023, consolidated and separate statements of changes in shareholders' equity, and consolidated and separate statements of cash flows for the nine-month periods then ended and the summary of significant accounting policies and other notes. The Company's management is responsible for the preparation and presentation of these interim financial statements, in all material respects, in accordance with Thai Financial Reporting Standards. My responsibility is to express a conclusion on these interim financial statements based on my reviews.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements No. 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion on these reviewed interim financial statements.

Conclusion

Based on my reviews, nothing has come to my attention that causes me to believe that the consolidated and separate interim financial statements are not presented fairly, in all material respects, the consolidated and separate financial positions of SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARY and of SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED as at September 30, 2023 and the results of consolidated and separate operations for the three-month and nine-month periods ended September 30, 2023, and consolidated and separate cash flows for the nine-month periods then ended in accordance with Thai Financial Reporting Standards.

D I A International Audit Co., Ltd.

(Mr. Wirote Satjathamnukul)

C.P.A. (Thailand)

Registration No. 5128

November 13, 2023

SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2023 (UNAUDITED/REVIEWED ONLY)

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Assets					
Current assets					
Cash and cash equivalents	4	83,472,973.07	93,842,355.76	80,747,660.94	89,205,989.95
Trade and other current receivables	5	758,795,927.74	577,676,039.44	582,547,495.44	520,823,426.81
Trade and other current receivables to related party	6, 23	-	-	48,817,037.81	20,745,817.25
Inventories	7	1,109,080,233.47	1,004,786,049.07	1,078,025,801.06	946,721,827.52
Non-current assets classified as held for sale	8	154,257,150.00	-	154,257,150.00	-
Total current assets		2,105,606,284.28	1,676,304,444.27	1,944,395,145.25	1,577,497,061.53
Non-current assets					
Investment in subsidiary	9	-	-	115,810,303.01	115,810,303.01
Other long-term investments	10	2,250,000.00	6,780,846.16	2,250,000.00	6,780,846.16
Investment property	11	68,175,627.05	69,590,130.77	68,175,627.05	69,590,130.77
Property, plant and equipment	12	1,533,346,775.21	1,668,329,945.43	1,461,335,111.16	1,591,928,927.84
Right-of-use assets	13	15,103,987.32	15,829,445.44	681,276.83	1,145,559.11
Other intangible assets	14	2,183,067.17	2,445,030.17	2,183,067.17	2,445,030.17
Bank deposit with obligations	15	8,545,333.26	8,545,325.60	8,545,333.26	8,545,325.60
Deferred tax assets	21	18,931,057.18	22,584,810.85	18,931,057.18	22,584,810.85
Other non-current assets	16	1,728,724.30	1,094,640.32	533,213.24	408,131.02
Total non-current assets		1,650,264,571.49	1,795,200,174.74	1,678,444,988.90	1,819,239,064.53
Total assets		3,755,870,855.77	3,471,504,619.01	3,622,840,134.15	3,396,736,126.06

Notes to financial statements are parts of these financial statements.

SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION (Cont'd)

AS AT SEPTEMBER 30, 2023 (UNAUDITED/REVIEWED ONLY)

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Liabilities and shareholders' equity					
Current liabilities					
Short-term borrowings from					
financial institutions	17	1,242,225,354.91	1,361,203,072.14	1,242,225,354.91	1,361,203,072.14
Trade and other current payables	18	862,390,683.77	437,341,771.09	856,660,257.90	432,387,523.58
Trade accounts payable from related party	23	162,831.53	169,752.29	162,831.53	169,752.29
Current portion of lease liabilities	19	89,794.94	566,519.14	89,794.94	566,519.14
Short-term borrowings		-	4,000,000.00	-	4,000,000.00
Total current liabilities		2,104,868,665.15	1,803,281,114.66	2,099,138,239.28	1,798,326,867.15
Non-current liabilities					
Lease liabilities	19	-	-	-	-
Non-current provisions for employee benefit	20	10,652,455.25	10,897,195.00	10,652,455.25	10,897,195.00
Total non-current liabilities		10,652,455.25	10,897,195.00	10,652,455.25	10,897,195.00
Total liabilities		2,115,521,120.40	1,814,178,309.66	2,109,790,694.53	1,809,224,062.15

Notes to financial statements are parts of these financial statements.

SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION (Cont'd)

AS AT SEPTEMBER 30, 2023 (UNAUDITED/REVIEWED ONLY)

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Liabilities and shareholders' equity					
Shareholders' equity					
Share capital					
Authorized share capital					
1,085,670,000 common shares of Baht 1 each		1,085,670,000.00	1,085,670,000.00	1,085,670,000.00	1,085,670,000.00
Issued and paid-up share capital					
1,045,125,093 common shares of Baht 1 each		1,045,125,093.00	1,045,125,093.00	1,045,125,093.00	1,045,125,093.00
Share premium		918,494,598.54	918,494,598.54	918,494,598.54	918,494,598.54
Retained earnings (deficit)					
Appropriated					
Legal reserve	22	35,179,082.30	35,179,082.30	35,179,082.30	35,179,082.30
Unappropriated		(395,323,063.12)	(356,794,378.30)	(485,749,334.22)	(411,286,709.93)
Other components of equity		36,874,024.65	15,321,913.81	-	-
Total shareholders' equity		1,640,349,735.37	1,657,326,309.35	1,513,049,439.62	1,587,512,063.91
Total liabilities and shareholders' equity		3,755,870,855.77	3,471,504,619.01	3,622,840,134.15	3,396,736,126.06

Notes to financial statements are parts of these financial statements.

SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2023

(UNAUDITED / REVIEWED ONLY)

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Revenues from sales		1,456,413,821.82	1,176,140,219.52	1,445,510,963.33	1,136,890,800.36
Cost of sales		(1,437,934,572.82)	(1,136,790,819.28)	(1,438,531,376.61)	(1,111,791,788.39)
Reversal (loss) on inventories devaluation		(5,167,498.75)	(4,797,563.57)	(5,167,498.75)	(4,797,563.57)
Gross profit		13,311,750.25	34,551,836.67	1,812,087.97	20,301,448.40
Other income		1,185,881.29	1,232,869.63	1,090,847.29	1,232,869.63
Reversal expected credit losses		264,048.08	-	264,048.08	-
Gain (loss) on exchange rate		(3,421,540.73)	(3,316,274.28)	(2,049,864.33)	2,257,650.10
Reversal loss on impairment of asset		4,051,100.00	-	4,051,100.00	-
Distribution costs		(7,887,468.02)	(7,192,848.11)	(7,887,468.02)	(7,192,848.11)
Administrative expenses		(30,362,935.68)	(28,591,520.59)	(27,906,535.03)	(26,327,663.18)
Directors' remuneration	25	(373,000.00)	(373,000.00)	(373,000.00)	(373,000.00)
Finance costs		(13,911,090.89)	(9,267,413.21)	(13,911,090.89)	(9,267,413.21)
Loss before income tax expense		(37,143,255.70)	(12,956,349.89)	(44,909,874.93)	(19,368,956.37)
Tax income (expense)	21	(664,816.67)	3,715,395.25	(664,816.67)	3,715,395.25
Loss for the period		(37,808,072.37)	(9,240,954.64)	(45,574,691.60)	(15,653,561.12)
Other comprehensive income :					
Components of other comprehensive income that will be reclassified to profit or loss					
Exchange differences on translating financial statements		1,640,793.79	9,206,816.79	-	-
Total components of other comprehensive income that will be reclassified to profit or loss		1,640,793.79	9,206,816.79	-	-
Other comprehensive income for the period - net of tax		1,640,793.79	9,206,816.79	-	-
Total comprehensive expense for the period		(36,167,278.58)	(34,137.85)	(45,574,691.60)	(15,653,561.12)

Notes to financial statements are parts of these financial statements.

SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF COMPREHENSIVE INCOME (Cont'd)

FOR THE THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2023

(UNAUDITED / REVIEWED ONLY)

(Unit : Baht)

	Consolidated financial statements		Separate financial statements		
	Note	2023	2022	2023	2022
Profit (loss) attributable to:					
Owners of the Company		(37,808,072.37)	(9,240,954.64)	(45,574,691.60)	(15,653,561.12)
Non-controlling interests		-	-	-	-
		<u>(37,808,072.37)</u>	<u>(9,240,954.64)</u>	<u>(45,574,691.60)</u>	<u>(15,653,561.12)</u>
Total comprehensive income (expense) attributable to:					
Owners of the Company		(36,167,278.58)	(34,137.85)	(45,574,691.60)	(15,653,561.12)
Non-controlling interests		-	-	-	-
		<u>(36,167,278.58)</u>	<u>(34,137.85)</u>	<u>(45,574,691.60)</u>	<u>(15,653,561.12)</u>
Earnings per share					
	3.13				
Basic loss per share		(0.04)	(0.01)	(0.04)	(0.01)
Number of weighted average common shares (share)		1,045,125,093	1,045,125,093	1,045,125,093	1,045,125,093

Notes to financial statements are parts of these financial statements.

SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023

(UNAUDITED / REVIEWED ONLY)

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Revenues from sales		4,390,405,233.96	3,438,377,163.70	4,288,677,561.20	3,294,307,194.44
Cost of sales		(4,276,875,865.76)	(3,221,002,308.45)	(4,229,169,991.37)	(3,168,347,925.61)
Reversal (loss) on inventories devaluation		(11,431,246.40)	(666,377.91)	(11,431,246.40)	(666,377.91)
Gross profit		102,098,121.80	216,708,477.34	48,076,323.43	125,292,890.92
Other income		1,702,626.82	2,043,779.46	1,474,882.62	2,043,779.46
Reversal expected credit losses		4,589,370.71	-	4,589,370.71	6,571,039.82
Reversal loss on impairment of investment		-	-	-	115,810,303.01
Gain (loss) on exchange rate		(5,325,145.04)	(10,426,792.17)	6,440,545.86	(656,688.97)
Reversal loss on impairment of asset		8,757,813.84	-	8,757,813.84	-
Distribution costs		(23,733,306.44)	(22,140,778.44)	(23,733,306.44)	(22,140,778.44)
Administrative expenses		(85,959,155.58)	(75,783,583.14)	(79,409,243.38)	(67,201,179.27)
Directors' remuneration	25	(1,119,000.00)	(1,189,000.00)	(1,119,000.00)	(1,189,000.00)
Finance costs		(35,886,257.26)	(27,225,070.18)	(35,886,257.26)	(27,225,070.18)
Profit (loss) before income tax expense		(34,874,931.15)	81,987,032.87	(70,808,870.62)	131,305,296.35
Tax expense	21	(3,653,753.67)	(818,334.99)	(3,653,753.67)	(818,334.99)
Profit (loss) for the period		(38,528,684.82)	81,168,697.88	(74,462,624.29)	130,486,961.36
Other comprehensive income :					
Components of other comprehensive income that will be reclassified to profit or loss					
Exchange differences on translating financial statements		21,552,110.84	15,692,343.81	-	-
Total components of other comprehensive income that will be reclassified to profit or loss		21,552,110.84	15,692,343.81	-	-
Components of other comprehensive income that will not be reclassified to profit or loss					
Gains (losses) on re-measurements of defined benefit plans	20	-	(7,769,592.35)	-	(7,769,592.35)
Income tax of other comprehensive income that will not be reclassified to profit or loss	21	-	1,553,918.47	-	1,553,918.47
Total Components of other comprehensive income that will not be reclassified to profit or loss		-	(6,215,673.88)	-	(6,215,673.88)
Other comprehensive income (expense) for the period - net of tax		21,552,110.84	9,476,669.93	-	(6,215,673.88)
Total comprehensive income (expense) for the period		(16,976,573.98)	90,645,367.81	(74,462,624.29)	124,271,287.48

Notes to financial statements are parts of these financial statements.

SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF COMPREHENSIVE INCOME (Cont'd)

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023

(UNAUDITED / REVIEWED ONLY)

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit (loss) attributable to:					
Owners of the Company		(38,528,684.82)	81,168,697.88	(74,462,624.29)	130,486,961.36
Non-controlling interests		-	-	-	-
		<u>(38,528,684.82)</u>	<u>81,168,697.88</u>	<u>(74,462,624.29)</u>	<u>130,486,961.36</u>
Total comprehensive income (expense) attributable to:					
Owners of the Company		(16,976,573.98)	90,645,367.81	(74,462,624.29)	124,271,287.48
Non-controlling interests		-	-	-	-
		<u>(16,976,573.98)</u>	<u>90,645,367.81</u>	<u>(74,462,624.29)</u>	<u>124,271,287.48</u>
Earnings per share					
	3.13				
Basic earnings (loss) per share		(0.04)	0.08	(0.07)	0.12
Number of weighted average common shares (share)		1,045,125,093	1,045,125,093	1,045,125,093	1,045,125,093

Notes to financial statements are parts of these financial statements.

SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023

(UNAUDITED / REVIEWED ONLY)

(Unit : Baht)

	Consolidated financial statements					Total shareholders' equity
	Issued and paid-up share capital	Share premium	Retained earnings (deficit)		Other components of equity	
			Appropriated Legal reserve	Unappropriated		
Balance as at January 1, 2022	1,045,125,093.00	918,494,598.54	35,179,082.30	(189,865,643.65)	6,012,670.16	1,814,945,800.35
Changes in shareholders' equity for the nine-month periods :						
Profit for the period	-	-	-	81,168,697.88	-	81,168,697.88
Other comprehensive income (expense) for the period	-	-	-	(6,215,673.88)	15,692,343.81	9,476,669.93
Balance as at September 30, 2022	<u>1,045,125,093.00</u>	<u>918,494,598.54</u>	<u>35,179,082.30</u>	<u>(114,912,619.65)</u>	<u>21,705,013.97</u>	<u>1,905,591,168.16</u>
Balance as at January 1, 2023	1,045,125,093.00	918,494,598.54	35,179,082.30	(356,794,378.30)	15,321,913.81	1,657,326,309.35
Changes in shareholders' equity for the nine-month periods :						
Loss for the period	-	-	-	(38,528,684.82)	-	(38,528,684.82)
Other comprehensive income for the period	-	-	-	-	21,552,110.84	21,552,110.84
Balance as at September 30, 2023	<u>1,045,125,093.00</u>	<u>918,494,598.54</u>	<u>35,179,082.30</u>	<u>(395,323,063.12)</u>	<u>36,874,024.65</u>	<u>1,640,349,735.37</u>

Notes to financial statements are parts of these financial statements.

SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023

(UNAUDITED / REVIEWED ONLY)

(Unit : Baht)

	Separate financial statements				Total shareholders' equity
	Issued and paid-up share capital	Share premium	Retained earnings (deficit)		
			Appropriated	Unappropriated	
			Legal reserve		
Balance as at January 1, 2022	1,045,125,093.00	918,494,598.54	35,179,082.30	(264,667,830.00)	1,734,130,943.84
Changes in shareholders' equity for the nine-month periods :					
Profit for the period	-	-	-	130,486,961.36	130,486,961.36
Other comprehensive expense for the period	-	-	-	(6,215,673.88)	(6,215,673.88)
Balance as at September 30, 2022	<u>1,045,125,093.00</u>	<u>918,494,598.54</u>	<u>35,179,082.30</u>	<u>(140,396,542.52)</u>	<u>1,858,402,231.32</u>
Balance as at January 1, 2023	1,045,125,093.00	918,494,598.54	35,179,082.30	(411,286,709.93)	1,587,512,063.91
Changes in shareholders' equity for the nine-month periods :					
Loss for the period	-	-	-	(74,462,624.29)	(74,462,624.29)
Balance as at September 30, 2023	<u>1,045,125,093.00</u>	<u>918,494,598.54</u>	<u>35,179,082.30</u>	<u>(485,749,334.22)</u>	<u>1,513,049,439.62</u>

Notes to financial statements are parts of these financial statements.

SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023

(UNAUDITED / REVIEWED ONLY)

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit (loss) for the period	(38,528,684.82)	81,168,697.88	(74,462,624.29)	130,486,961.36
Adjustment to reconcile net profit (loss) to net cash provided by (used in) operating activities				
Adjustment for tax expense	3,653,753.67	818,334.99	3,653,753.67	818,334.99
Adjustment for finance costs	34,006,459.38	25,548,852.87	34,006,459.38	25,548,852.87
Depreciation and amortization	47,362,529.32	52,873,132.00	42,649,285.71	47,672,577.78
Loss on devaluation of inventories	11,431,246.40	666,377.91	11,431,246.40	666,377.91
Unrealized (gain) loss on exchange rate	952,518.27	7,773,428.33	(441,507.76)	4,816,465.24
Gain on sale of assets	(464,468.99)	(534,265.63)	(464,468.99)	(534,265.63)
(Reversal) expected credit losses	(4,589,370.71)	2,368,004.95	(4,589,370.71)	(6,571,039.82)
(Reversal) loss on impairment of investment	-	-	-	(115,810,303.01)
(Reversal) loss on impairment of asset	(8,757,813.84)	-	(8,757,813.84)	-
Interest income	(107,934.45)	(32,513.71)	(107,934.45)	(32,513.71)
Amortized assets	151,285.65	493,642.48	151,285.65	493,642.48
Amortized liabilities	(665,960.51)	(31,409.40)	(438,216.31)	(31,409.40)
Employee benefit expenses	410,726.25	877,936.50	410,726.25	877,936.50
Profit from operation before changes in operating assets and liabilities	44,854,285.62	171,990,219.17	3,040,820.71	88,401,617.56
Operating assets (increase) decrease				
Trade and other current receivables	(176,530,517.59)	(192,076,037.48)	(57,134,697.92)	(143,208,000.68)
Trade and other current receivables from related party	-	-	(26,677,194.53)	90,137,238.67
Inventories	(115,725,430.80)	(38,696,642.66)	(142,735,219.94)	(78,960,198.06)
Other non-current assets	(509,001.76)	12,283,500.13	-	12,525,987.88
Operating liabilities increase (decrease)				
Trade and other current payables	383,602,212.70	159,190,868.01	382,830,011.48	158,503,998.57
Trade accounts payable from related party	(6,920.76)	150,122.07	(6,920.76)	150,122.07
Employee benefit paid - retirement	(655,466.00)	-	(655,466.00)	-
Cash generated (paid) from operation	135,029,161.41	112,842,029.24	158,661,333.04	127,550,766.01
Interest paid	(33,827,756.19)	(27,364,608.08)	(33,827,756.19)	(27,364,608.08)
Income tax paid	(252,597.49)	(51,117.18)	(252,597.49)	(51,117.18)
Net cash provided by (used in) operating activities	100,948,807.73	85,426,303.98	124,580,979.36	100,135,040.75

Notes to financial statements are parts of these financial statements.

SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF CASH FLOWS (Cont'd)

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023

(UNAUDITED / REVIEWED ONLY)

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Proceeds from other long-term investment	4,530,846.16	-	4,530,846.16	-
Decrease (increase) in advance payment for assets	-	1,175,460.00	-	1,175,460.00
Acquisition of property, plant and equipment	(55,500,557.80)	(5,459,141.25)	(55,437,843.57)	(5,451,514.72)
Proceeds from sale of assets	464,485.99	1,150,930.31	464,485.99	1,150,930.31
Proceeds from deposit for machinery	40,963,705.00	-	40,963,705.00	-
Increase (decrease) in assets payable	43,936.34	521,422.52	(187,785.00)	-
Decrease (increase) in bank deposit with obligations	(7.66)	(7.63)	(7.66)	(7.63)
Proceeds from interest	107,934.45	32,513.71	107,934.45	32,513.71
Net cash provided by (used in) investing activities	(9,389,657.52)	(2,578,822.34)	(9,558,664.63)	(3,092,618.33)
Cash flows from financing activities				
Increase (decrease) in short-term borrowings from financial institutions	(118,977,717.23)	(43,998,018.12)	(118,977,717.23)	(43,998,018.12)
Payments for short-term borrowings	(4,000,000.00)	-	(4,000,000.00)	-
Payments for lease liabilities	(476,724.20)	(514,661.24)	(476,724.20)	(514,661.24)
Dividend paid	-	(3,438.00)	-	(3,438.00)
Net cash provided by (used in) financing activities	(123,454,441.43)	(44,516,117.36)	(123,454,441.43)	(44,516,117.36)
Increase in exchange difference on translation of financial statements	21,552,110.84	15,692,343.81	-	-
Net increase (decrease) in cash and cash equivalents	(10,343,180.38)	54,023,708.09	(8,432,126.70)	52,526,305.06
Unrealized loss on exchange rate of foreign currency cash and deposit	(26,202.31)	-	(26,202.31)	-
Cash and cash equivalents at the beginning of the period	93,842,355.76	63,069,348.99	89,205,989.95	62,613,721.62
Cash and cash equivalents at the end of the period	83,472,973.07	117,093,057.08	80,747,660.94	115,140,026.68

Notes to financial statements are parts of these financial statements.

SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023

(UNAUDITED / REVIEWED ONLY)

1. GENERAL INFORMATION

1.1 SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED ("the Company") was registered as a company limited on December 25, 1997, with registration No. 1489/2540 and the Company was registered to convert into a public company limited on March 18, 2004, with registration No. BorMorJor. 0107547000249 and became a listed company in the Stock Exchange of Thailand on September 7, 2004.

1.2 Locations:

Head office is located at 75/14, 75/17, 85 Soi Wat Sopanaram, Ekkachai Road, Tumbol Kokkham, Amphur Muang, Samutsakorn.

Branch office is located at 56 - 56/1 Moo 2, Poochaosamingprai Road, Tumbol Bangyaphraek, Amphur Praphradaeng, Samutprakarn.

1.3 The Company engaged in manufacturing and selling of steel pipes and tubes.

2. BASIS OF PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

2.1 Financial statements preparation basis

These financial statements have been prepared in accordance with Thai Financial Reporting Standards (TFRS); including interpretations and guidelines promulgated by the Federation of Accounting Professions (FAP) and the regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial performance of the listed companies B.E. 2560. The format of presentation of the financial statements is not significantly different from the Notification of the Department of Business Development regarding the condensed form should be included in the financial statements (No. 3) B.E. 2562 dated December 26, 2019.

The Company's financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

2.2 Financial reporting standards that became effective in the current period

During the period, the Group has adopted a number of revised financial reporting standards, which are effective for the financial statements for the year beginning on or after January 1, 2023. 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 adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

2.3 The consolidated financial statements consist of the financial statements of Samchai Steel Industries Public Company Limited which held in subsidiary shares capital as follows:-

	Incorporated	Percentage		
	in	of holding	Type of business	Relationship
Steel Hub Limited	Cambodia	100.00	Manufacturing of steel pipes	Shareholder, control

2.4 Transaction with related party

Inter-company transactions have been eliminated in the consolidated financial statements.

2.5 The consolidated financial statements have been presented the consolidated financial position and results of operations of Samchai Steel Industries Public Company Limited and its subsidiary. The usefulness of transaction of consolidated financial statements for other purposes may be limited due to the difference business of those consolidated companies.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Income and expenses recognition

3.1.1 Revenues from sales of goods are recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

3.1.2 Other income and expenses are recognized on an accrual basis.

3.2 Cash and cash equivalents

Cash and cash equivalents are cash on hand and deposits at financial institutions which are due within three-months net of bank deposit with obligation and financial institutions deposits.

3.3 Inventories

The Group valued its inventories at the lower of cost or net realizable value. Cost of inventories are valued by weighted average method.

3.4 Non-current assets classified as held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use which are available for immediate sale in current condition and measured at the lower of their carrying amount and fair value less cost to sell.

Non-current assets classified as held for sale are no longer depreciated or amortized.

3.5 Investments in subsidiary

Investments in subsidiary in the separate financial statements are stated at cost less provision for impairment (if any).

3.6 Investment properties

Investment properties are properties held to earn rental or for capital appreciation or both, is measured at cost less accumulated depreciation and provision for impairment of assets (if any).

Cost is included the estimated costs of dismantlement, removal the item and restoration the site on which it is located, the obligations for which the Company incurs. The residual value and the useful life of an asset is required to review at least at the financial year-end. Depreciation is calculated on a straight-line basis at the rate as follows:

Commercial building	20 Years
Condominium units	40 Years

3.7 Property, plant and equipment

Land is stated at cost less provision for impairment of assets (if any). Building and equipment are stated at cost less accumulated depreciation and provision for impairment of assets (if any).

Building and equipment are depreciated on the straight-line method over the estimated useful life of the assets as follows :

Building and construction	20, 50 Years
Machinery for 18" steel pipes	50 Year
Machinery and other equipment	5, 10, 20 Year
Furniture and office equipment	5 Year
Computer and equipment	3, 5 Year
Vehicles	5 Year

The Company included initial estimated cost of asset dismantlement, removal and restoration as asset costs and subject to depreciation. The depreciation charge has to be determined separately for each significant part of an asset. Furthermore, useful life, the residual value and depreciation method have to be reviewed at least at each fiscal period-end.

3.8 Leasehold rights

Group as a lessee

Right-of-use assets

Right-of-use assets are recognized at the commencement date of the lease. Right-of-use assets are stated at cost, less any accumulated depreciation and provision for impairment (if any), and adjusted for any remeasurement of lease liabilities (if any). The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Depreciation of right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter of the lease term and the estimated useful lives for each of right-of-use assets, as follows:

Vehicles	5 Years
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The subsidiary amortizes the right-of-use assets, land as expenses on over the lease term by straight-line method.

Lease liabilities

At the commencement date of the lease, the Group recognize lease liabilities measured at the of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease present value or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and Leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognized as expenses on a straight-line basis over the lease term.

3.9 Other intangible assets

Other intangible assets are amortized by straight-line method below:

Computer software	5, 10 Years
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3.10 Impairment of non-financial assets

The Company has assessed the impairment of investment properties, investing capital, property, plant and equipment and other intangible assets whenever events or changes indicate that the carrying amount of assets exceeds its recoverable value. The impairment loss will be recognized in statements of comprehensive income. The Company will reverse the impairment loss whenever there is no longer impairment or reduction in impairment.

Recoverable value of asset is either the net selling price or value from utilization of that asset, whichever is higher. The impairment will be estimated from each item of assets or each asset unit generating cash flow, whichever is practical.

3.11 Foreign currency transactions

Foreign currency transactions are converted into Thai Baht at the exchange rate prevailing on the transaction date. The outstanding balances of accounts in foreign currency as at the statement of financial position date are converted into Thai Baht by using the exchange rates of Bank of Thailand prevailing at that date.

Gain or loss on exchange is taken into income or expense in the statements of comprehensive income.

3.12 Income tax expenses and deferred tax

Income tax expenses for the accounting period comprises current tax and deferred tax.

3.12.1 Current tax

The Group recorded income tax to be paid in each period as expenses in that period and calculated income tax in conditions as prescribed by the Revenue Code.

3.12.2 Deferred tax

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they adjust, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and carry forward of unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced 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 utilized.

Deferred tax is recognized directly to shareholders' equity, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

3.13 Earnings per share

Basic earnings per share is determined by dividing the profit for the period by the weighted average number of common shares issued and paid-up.

3.14 Provisions

The Group recognize a provision when an entity has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits resources will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. If some or all the expenditure is required to settle a provision, is expected to be reimbursed when it is virtually certain that reimbursement will be received if the Group settle the obligation. The amount recognized should not exceed the amount of the provision.

3.15 Provident fund

The Company has established provident fund under the defined contribution plan. The fund's assets are separated entities which are administered by the external fund manager. The Company and employees made contribution into such provident fund. The Company's contribution payments to the provident fund were recorded as expenses in the statements of comprehensive income in the period in which they are incurred.

3.16 Employee benefits

The Company provides for post-employment benefits, payable to employees under the Thai Labor Law. The present value of employee benefit liabilities recognized in the statements of financial position is estimated on an actuarial basis using Projected Unit Credit Method. The calculation was made by utilizing various assumptions about future events. The Company is responsible for the selection of appropriate assumptions. The assumptions used in determining the net period cost for employee benefits include the discount rate, the rate of salary increment, and employee turnover. Any changes in these assumptions will impact the net periodic cost recorded for employee benefits. On an annual basis, the Company determine the appropriate discount rate, which represents the interest rate that should be used to determine the present value of future cash flows currently expected to be required to settle the employee benefits. In determining the appropriate discount rate, the Company consider the market yield based on Thai government bonds with currency and term similar to the estimated term of benefit obligation.

3.17 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortized cost, fair value through other comprehensive income (“FVTOCI”), or fair value through profit or loss (“FVTPL”). The classification of financial assets at initial recognition is driven by the Group’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Classification and measurement of financial liabilities

At initial recognition the Group’s financial liabilities are recognized at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. In determining amortized cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Impairment of financial assets

The Group applies a simplified approach in calculating expected credit losses for trade receivables. Therefore, the Group does not update at each reporting date to reflect changes in credit risk but always recognize lifetime expected credit losses for trade receivables by reference to historical credit loss experience, adjusted for factors that are specific to the debtors and general economic conditions.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

3.18 Measurement of fair values

A number of the Group accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group have an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including level 3 fair values, and reports directly to CFO.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuation should be classified.

Significant valuation issues are reported to the Group Audit Committee. When measuring the fair value of an asset or a liability, the Group use market observable data as fair as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognized transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3.19 Significant accounting judgments and estimates

The preparation of financial statements in conformity with Thai Financial Reporting Standards at times requires the 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:

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, 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 Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Allowance for diminution in value of inventory

The determination of allowance for diminution in the value of inventory, requires management to make judgements and estimates. The allowance for decline in net realizable value is estimated based on the selling price expected in the ordinary course of business; and provision for obsolete, slow-moving and deteriorated inventories, is estimated based on the approximate useful life of each type of inventory.

Depreciation of plant and equipment and right-of-use assets and amortization of other intangible assets

In determining depreciation of plant and equipment and right-of-use assets and amortization of other intangible 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.

Allowance of impairment of assets

In testing of impairment of asses, the management requires to make judgment in estimating future cash flows or cash generating unit of assets including discount rate selection which are appropriate in calculating the valuation of that current cash flows.

Post-employment benefits under defined benefit plans

The obligation under defined benefit plan is determined based on actuarial techniques. Such determination is based on various assumptions, including discount rates, future salary incremental rate, mortality rates and employee turnover rate.

4. CASH AND CASH EQUIVALENTS

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Cash	932,817.60	529,281.26	740,958.00	348,000.00
Savings deposit	68,987,481.71	89,752,470.70	68,717,216.40	86,820,375.04
Current accounts	13,552,673.76	3,560,603.80	11,289,486.54	2,037,614.91
Total	<u>83,472,973.07</u>	<u>93,842,355.76</u>	<u>80,747,660.94</u>	<u>89,205,989.95</u>

5. TRADE AND OTHER CURRENT RECEIVABLES

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2023</u>	<u>December 31, 2022</u>
5.1 Trade accounts receivable	706,452,981.19	552,200,567.36	532,304,244.66	496,807,277.84
5.2 Other current receivables	52,342,946.55	25,475,472.08	50,243,250.78	24,016,148.97
Total	<u>758,795,927.74</u>	<u>577,676,039.44</u>	<u>582,547,495.44</u>	<u>520,823,426.81</u>

5.1 Trade accounts receivable, consist of

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Trade accounts receivable	772,623,722.44	623,425,032.28	598,474,985.91	568,031,742.76
Less Allowance for expected credit losses	(66,170,741.25)	(71,224,464.92)	(66,170,741.25)	(71,224,464.92)
Net	<u>706,452,981.19</u>	<u>552,200,567.36</u>	<u>532,304,244.66</u>	<u>496,807,277.84</u>

As at September 30, 2023 and December 31, 2022, the Company has outstanding trade accounts receivable classified by aging as follows:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
In due	539,414,473.03	372,693,323.42	365,265,736.50	317,300,033.90
Overdue				
Less than 1 month	135,905,163.13	142,160,729.99	135,905,163.13	142,160,729.99
Over 1 - 2 months	6,891,932.68	14,059,073.75	6,891,932.68	14,059,073.75
Over 2 - 3 months	2,072,636.46	1,795,098.34	2,072,636.46	1,795,098.34
Over 3 - 6 months	4,182,344.97	5,235,852.48	4,182,344.97	5,235,852.48
Over 6 - 9 months	354,860.15	5,633,234.51	354,860.15	5,633,234.51
Over 9 - 12 months	273,502.95	2,124,434.49	273,502.95	2,124,434.49
Over 12 months	83,528,809.07	79,723,285.30	83,528,809.07	79,723,285.30
Total	<u>772,623,722.44</u>	<u>623,425,032.28</u>	<u>598,474,985.91</u>	<u>568,031,742.76</u>

5.2 Other current receivables, consist of

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Advance payment for goods	204,459.75	11,058,338.00	204,459.75	11,058,338.00
Revenue Department receivable	43,505,421.63	11,180,983.57	43,505,421.63	11,180,983.57
Others	8,633,065.17	3,236,150.51	6,533,369.40	1,776,827.40
Total	<u>52,342,946.55</u>	<u>25,475,472.08</u>	<u>50,243,250.78</u>	<u>24,016,148.97</u>

6. TRADE AND OTHER CURRENT RECEIVABLES TO RELATED PARTY

	(Unit : Baht)	
	<u>Separate financial statements</u>	
	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Trade accounts receivable to related party	46,995,037.81	19,183,317.25
Other current receivable to related party	1,822,000.00	1,562,500.00
Total	<u>48,817,037.81</u>	<u>20,745,817.25</u>

As at September 30, 2023 and December 31, 2022, the Company has outstanding trade accounts receivable classified by aging as follows:

	(Unit : Baht)	
	<u>Separate financial statements</u>	
	<u>September 30, 2023</u>	<u>December 31, 2022</u>
In due	46,995,037.81	19,183,317.25

7. INVENTORIES

	(Unit : Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Finished goods				
Manufacture	344,104,817.38	365,539,226.45	313,493,082.67	307,929,532.15
Trading	527,860,953.88	434,897,939.20	527,418,256.18	434,443,411.95
Goods in process	19,651,929.23	11,705,725.65	19,651,929.23	11,705,725.65
Raw materials	173,634,881.23	138,770,138.89	173,634,881.23	138,770,138.89
Supplies	18,507,659.67	17,926,388.11	18,507,659.67	17,926,388.11
Goods in transit	1,984,159.55	7,716,052.42	1,984,159.55	7,716,052.42
Raw materials in transit	45,059,674.56	38,523,173.98	45,059,674.56	38,523,173.98
Total	<u>1,130,804,075.50</u>	<u>1,015,078,644.70</u>	<u>1,099,749,643.09</u>	<u>957,014,423.15</u>
Less Allowance for				
devaluation of inventories	<u>(21,723,842.03)</u>	<u>(10,292,595.63)</u>	<u>(21,723,842.03)</u>	<u>(10,292,595.63)</u>
Inventories	<u>1,109,080,233.47</u>	<u>1,004,786,049.07</u>	<u>1,078,025,801.06</u>	<u>946,721,827.52</u>

As at April 5, 2018, the Customs officer has investigated and seized raw materials in the form of steel coil and metal pipe with the estimated carrying value of Baht 58 million caused by the mistaking of the officers regarding the cut off raw materials by using FIFO (First-in First-out) basis. At present, the seized goods as exhibit still being the ownership of the Company which had not been devolved on the State yet.

8. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

(Unit : Baht)

	Consolidated and Separate	
	financial statements	
	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Non-current assets classified as held for sale	154,257,150.00	-

On February 13, 2023, the Company entered into a trading contract for machinery for 18"-steel pipes with an overseas company (the "Buyer") with a contract value of USD 4.25 million. The contract had the condition that the machinery must be in perfect condition before trading. Currently, the Company has already received a deposit of USD 2.71 million from the buyer.

As at September 30, 2023, the aforementioned machinery has been used to guarantee against short-term borrowings from financial institutions as stated in note 17. Currently, the management is in negotiation with the bank to redeem the collateral.

9. INVESTMENT IN SUBSIDIARY

(Unit : Baht)

<u>Company's name</u>	Proportion of investment	Separate financial statements			
		Paid-up share capital		Cost Method	
		<u>September 30, 2023</u>	<u>December 31, 2022</u>	<u>September 30, 2023</u>	<u>December 31, 2022</u>
<u>Subsidiary</u>					
Steel Hub Limited	100%	115,810,303.01	115,810,303.01	115,810,303.01	115,810,303.01

As at September 30, 2023 and December 31, 2022, the Company has investment in a subsidiary amount of USD 3.56 million.

10. OTHER LONG-TERM INVESTMENTS

	(Unit : Baht)	
	Consolidated and Separate financial statements	
	September 30, 2023	December 31, 2022
Cost of investment :-		
Thai Cold Rolled Steel Sheet Public Company Limited	5,000,000.00	5,000,000.00
Sam Enterprise Co., Ltd. - Dissolution	-	4,999,800.00
Total	5,000,000.00	9,999,800.00
Less Provision for impairment of investment	(2,750,000.00)	(3,218,953.84)
Other long-term investments	2,250,000.00	6,780,846.16

Sam Enterprise Co., Ltd. was completely registered the dissolution and liquidation on February 3, 2023.

11. INVESTMENT PROPERTY

	(Unit : Baht)		
	Consolidated and Separate financial statements		
	Commercial building	Condominium units	Total
Cost :			
As at January 1, 2022	4,500,000.00	-	4,500,000.00
Acquisition/Receiving transfer from debt settlement	-	66,440,200.00	66,440,200.00
As at December 31, 2022	4,500,000.00	66,440,200.00	70,940,200.00
Acquisition/Receiving transfer from debt settlement	-	-	-
As at September 30, 2023	4,500,000.00	66,440,200.00	70,940,200.00
Accumulated depreciation :			
As at January 1, 2022	(1,106,866.44)	-	(1,106,866.44)
Depreciation for the year	(225,000.00)	(18,202.79)	(243,202.79)
As at December 31, 2022	(1,331,866.44)	(18,202.79)	(1,350,069.23)
Depreciation for the period	(168,750.00)	(1,245,753.72)	(1,414,503.72)
As at September 30, 2023	(1,500,616.44)	(1,263,956.51)	(2,764,572.95)
Net book value :			
As at September 30, 2023	2,999,383.56	65,176,243.49	68,175,627.05
As at December 31, 2022	3,168,133.56	66,421,997.21	69,590,130.77
Depreciation in statements of comprehensive income			
For the nine-month periods ended September 30, 2023			1,414,503.72
For the nine-month periods ended September 30, 2022			168,750.00

12. PROPERTY, PLANT AND EQUIPMENT

(Unit : Baht)

	Consolidated financial statements								
	Land	Building	Factory building	Machinery and equipment	Furniture and office equipment	Vehicles	Work under construction	Assets under installation	Total
Cost :									
As at January 1, 2022	776,879,711.06	127,108,524.42	873,399,922.65	1,877,612,692.44	37,003,246.60	144,261,356.50	5,212,924.60	10,834,795.73	3,852,313,174.00
Acquisition	-	-	608,929.16	109,417.06	176,470.00	-	646,000.00	7,094,403.22	8,635,219.44
Sale/write off	-	-	-	(16,255,337.30)	(11,743,806.36)	(17,105,984.80)	(605,850.00)	-	(45,710,978.46)
Transfer, reclassify (Note 13)	-	-	-	-	-	928,691.59	-	-	928,691.59
Transfer in (out)	-	520,000.00	-	9,063,870.50	-	-	(520,000.00)	(9,063,870.50)	-
As at December 31, 2022	776,879,711.06	127,628,524.42	874,008,851.81	1,870,530,642.70	25,435,910.24	128,084,063.29	4,733,074.60	8,865,328.45	3,816,166,106.57
Acquisition	-	-	-	1,211,254.23	545,284.89	29,023,401.84	500,000.00	24,220,616.84	55,500,557.80
Sale/write off	-	-	-	-	(108,699.12)	(1,500,733.64)	-	(23,770.38)	(1,633,203.14)
Transfer, reclassify (Note 8)	-	-	-	(699,032,796.15)	-	-	-	-	(699,032,796.15)
Transfer in (out)	-	-	-	479,906.25	-	16,516,289.72	-	(16,996,195.97)	-
As at September 30, 2023	776,879,711.06	127,628,524.42	874,008,851.81	1,173,189,007.03	25,872,496.01	172,123,021.21	5,233,074.60	16,065,978.94	3,171,000,665.08
Accumulated depreciation :									
As at January 1, 2022	-	(40,001,823.35)	(377,681,114.48)	(1,237,230,240.19)	(36,390,557.99)	(141,246,351.05)	-	-	(1,832,550,087.06)
Depreciation for the year	-	(2,586,189.81)	(17,301,137.97)	(47,026,519.27)	(456,546.66)	(1,475,188.97)	-	-	(68,845,582.68)
Depreciation of Sale/write off	-	-	-	16,218,161.88	11,742,386.23	17,105,964.80	-	-	45,066,512.91
Transfer, reclassify (Note 13)	-	-	-	-	-	(542,754.75)	-	-	(542,754.75)
As at December 31, 2022	-	(42,588,013.16)	(394,982,252.45)	(1,268,038,597.58)	(25,104,718.42)	(126,158,329.97)	-	-	(1,856,871,911.58)
Depreciation for the period	-	(1,942,862.29)	(12,989,099.04)	(24,392,294.85)	(178,445.38)	(5,457,902.92)	-	-	(44,960,604.48)
Depreciation of Sale/write off	-	-	-	-	108,686.12	1,500,729.64	-	-	1,609,415.76
Transfer, reclassify (Note 8)	-	-	-	262,569,210.43	-	-	-	-	262,569,210.43
As at September 30, 2023	-	(44,530,875.45)	(407,971,351.49)	(1,029,861,682.00)	(25,174,477.68)	(130,115,503.25)	-	-	(1,637,653,889.87)

12. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

(Unit : Baht)

	Separate financial statements								Total
	Land	Building	Factory building	Machinery and equipment	Furniture and office equipment	Vehicles	Work under construction	Assets under installation	
Cost :									
As at January 1, 2022	776,879,711.06	127,108,524.42	780,525,152.95	1,869,301,477.45	37,003,246.60	142,836,440.16	5,212,924.60	10,834,795.73	3,749,702,272.97
Acquisition	-	-	608,929.16	58,850.00	176,470.00	-	646,000.00	7,094,403.22	8,584,652.38
Sale/write off	-	-	-	(16,255,337.30)	(11,743,806.36)	(17,105,984.80)	(605,850.00)	-	(45,710,978.46)
Transfer, reclassify (Note 13)	-	-	-	-	-	928,691.59	-	-	928,691.59
Transfer in (out)	-	520,000.00	-	9,063,870.50	-	-	(520,000.00)	(9,063,870.50)	-
As at December 31, 2022	776,879,711.06	127,628,524.42	781,134,082.11	1,862,168,860.65	25,435,910.24	126,659,146.95	4,733,074.60	8,865,328.45	3,713,504,638.48
Acquisition	-	-	-	1,148,540.00	545,284.89	29,023,401.84	500,000.00	24,220,616.84	55,437,843.57
Sale/write off	-	-	-	-	(108,699.12)	(1,500,733.64)	-	(23,770.38)	(1,633,203.14)
Transfer, reclassify (Note 8)	-	-	-	(699,032,796.15)	-	-	-	-	(699,032,796.15)
Transfer in (out)	-	-	-	479,906.25	-	16,516,289.72	-	(16,996,195.97)	-
As at September 30, 2023	776,879,711.06	127,628,524.42	781,134,082.11	1,164,764,510.75	25,872,496.01	170,698,104.87	5,233,074.60	16,065,978.94	3,069,706,482.76
Accumulated depreciation :									
As at January 1, 2022	-	(40,001,823.35)	(363,910,542.56)	(1,231,722,561.18)	(36,390,557.99)	(140,847,319.87)	-	-	(1,812,872,804.95)
Depreciation for the year	-	(2,586,189.81)	(12,657,399.45)	(45,369,064.19)	(456,546.66)	(1,193,214.18)	-	-	(62,262,414.29)
Depreciation of Sale/write off	-	-	-	16,218,161.88	11,742,386.23	17,105,964.80	-	-	45,066,512.91
Transfer, reclassify (Note 13)	-	-	-	-	-	(542,754.75)	-	-	(542,754.75)
As at December 31, 2022	-	(42,588,013.16)	(376,567,942.01)	(1,260,873,463.49)	(25,104,718.42)	(125,477,324.00)	-	-	(1,830,611,461.08)
Depreciation for the period	-	(1,942,862.29)	(9,506,295.15)	(23,632,255.68)	(178,445.38)	(5,248,678.21)	-	-	(40,508,536.71)
Depreciation of Sale/write off	-	-	-	-	108,686.12	1,500,729.64	-	-	1,609,415.76
Transfer, reclassify (Note 8)	-	-	-	262,569,210.43	-	-	-	-	262,569,210.43
As at September 30, 2023	-	(44,530,875.45)	(386,074,237.16)	(1,021,936,508.74)	(25,174,477.68)	(129,225,272.57)	-	-	(1,606,941,371.60)

12. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

(Unit : Baht)

	Separate financial statements								
	Land	Building	Factory building	Machinery and equipment	Furniture and office equipment	Vehicles	Work under construction	Assets under installation	Total
Provision for impairment :									
As at January 1, 2022	-	-	-	-	-	-	-	-	-
Provision for impairment for the year	-	-	-	(290,964,249.56)	-	-	-	-	(290,964,249.56)
As at December 31, 2022	-	-	-	(290,964,249.56)	-	-	-	-	(290,964,249.56)
Reversal provision for impairment	-	-	-	8,757,813.84	-	-	-	-	8,757,813.84
Transfer, reclassify (Note 8)	-	-	-	282,206,435.72	-	-	-	-	282,206,435.72
As at September 30, 2023	-	-	-	-	-	-	-	-	-
Net book value :									
As at September 30, 2023	776,879,711.06	83,740,987.58	395,059,844.95	142,828,002.01	698,018.33	41,472,832.30	5,233,074.60	16,065,978.94	1,461,335,111.16
As at December 31, 2022	776,879,711.06	85,040,511.26	404,566,140.10	310,331,147.60	331,191.82	1,181,822.95	4,733,074.60	8,865,328.45	1,591,928,927.84
Depreciation in statements of comprehensive income									
For the nine-month periods ended September 30, 2023									40,508,536.71
For the nine-month periods ended September 30, 2022									46,722,536.47

As at September 30, 2023 and December 31, 2022, part of property, plant and equipment have been used to guarantee against short-term borrowings from financial institutions as stated in note 17 since September 14, 2017, and the parts have been used as guarantees with domestic business partners since November 22, 2022.

As at September 30, 2023 and December 31, 2022, property, plant and equipment at cost of Baht 581.29 million and Baht 563.73 million respectively which were depreciated but are still in use.

As at September 30, 2023, the Company has transferred machinery in the amount of Baht 154.26 million to be non-current assets classified as held for sale as stated in note 8.

13. RIGHT-OF-USE ASSETS

Book value of right-of-use assets as at September 30, 2023 and December 31, 2022, are as follows :-

(Unit : Baht)

	Consolidated financial statements		
	Land	Vehicles	Total
Cost :			
As at January 1, 2022	16,163,882.77	4,023,906.50	20,187,789.27
Transfer, reclassify (Note 12)	-	(928,691.59)	(928,691.59)
As at December 31, 2022	16,163,882.77	3,095,214.91	19,259,097.68
Transfer out	-	-	-
As at September 30, 2023	16,163,882.77	3,095,214.91	19,259,097.68
Accumulated depreciation :			
As at January 1, 2022	(1,131,761.98)	(1,826,932.91)	(2,958,694.89)
Depreciation for the year	(348,234.46)	(665,477.64)	(1,013,712.10)
Transfer, reclassify (Note 12)	-	542,754.75	542,754.75
As at December 31, 2022	(1,479,996.44)	(1,949,655.80)	(3,429,652.24)
Depreciation for the period	(261,175.84)	(464,282.28)	(725,458.12)
As at September 30, 2023	(1,741,172.28)	(2,413,938.08)	(4,155,110.36)
Net book value :			
As at September 30, 2023	14,422,710.49	681,276.83	15,103,987.32
As at December 31, 2022	14,683,886.33	1,145,559.11	15,829,445.44
Depreciation in statements of comprehensive income			
For the nine-month periods ended September 30, 2023			725,458.12
For the nine-month periods ended September 30, 2022			771,892.72

On June 20, 2015, an oversea subsidiary entered into lease land agreement with an oversea lessor for a period of 50 years. The subsidiary amortized rental on a straight-line basis over the period of lease.

13. RIGHT-OF-USE ASSETS (Cont'd)

Book value of right-of-use assets as at September 30, 2023 and December 31, 2022, are as follows

:-

	(Unit : Baht)
	Separate financial statements
	Vehicles
Cost :	
As at January 1, 2022	4,023,906.50
Transfer, reclassify (Note 12)	(928,691.59)
As at December 31, 2022	3,095,214.91
Transfer out	-
As at September 30, 2023	3,095,214.91
Accumulated depreciation :	
As at January 1, 2022	(1,826,932.91)
Depreciation for the year	(665,477.64)
Transfer, reclassify (Note 12)	542,754.75
As at December 31, 2022	(1,949,655.80)
Depreciation for the period	(464,282.28)
As at September 30, 2023	(2,413,938.08)
Net book value :	
As at September 30, 2023	681,276.83
As at December 31, 2022	1,145,559.11
Depreciation in statements of comprehensive income	
For the nine-month periods ended September 30, 2023	464,282.28
For the nine-month periods ended September 30, 2022	510,716.88

14. OTHER INTANGIBLE ASSETS

	(Unit : Baht)
	Consolidated and Separate financial statements
	Computer software
Cost : -	
As at January 1, 2022	8,929,122.93
Write off	(96,829.50)
As at December 31, 2022	8,832,293.43
Acquisition	-
As at September 30, 2023	8,832,293.43
Accumulated amortization : -	
As at January 1, 2022	(6,126,192.33)
Amortization for the year	(357,895.43)
Write off	96,824.50
As at December 31, 2022	(6,387,263.26)
Amortization for the period	(261,963.00)
As at September 30, 2023	(6,649,226.26)
Net book value : -	
As at September 30, 2023	2,183,067.17
As at December 31, 2022	2,445,030.17
Amortization in statements of comprehensive income	
For the nine-month periods ended September 30, 2023	261,963.00
For the nine-month periods ended September 30, 2022	270,574.43

15. BANK DEPOSIT WITH OBLIGATIONS

Bank deposits as collateral for the local bank to issue letters of guarantee to the government agency as stated in note 28.1.

16. OTHER NON-CURRENT ASSETS

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Deposits	109,586.59	107,585.39	73,290.79	73,290.79
Withholding tax				
deducted at source	459,922.45	334,840.23	459,922.45	334,840.23
Others	1,159,215.26	652,214.70	-	-
Total	<u>1,728,724.30</u>	<u>1,094,640.32</u>	<u>533,213.24</u>	<u>408,131.02</u>

17. SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

(Unit : Baht)

	Consolidated and Separate financial statements	
	September 30, 2023	December 31, 2022
Borrowings from banks		
Promissory notes	316,000,000.00	453,500,000.00
Trust receipt	926,225,354.91	907,703,072.14
Total	<u>1,242,225,354.91</u>	<u>1,361,203,072.14</u>

As at September 30, 2023 and December 31, 2022, the Company has credit lines from three local banks total amount of Baht 1,570.00 million, guaranteed by mortgaging part of land with its construction and machinery of the Company as stated in note 8 and note 12.

18. TRADE AND OTHER CURRENT PAYABLES

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Trade accounts payable	649,783,388.05	309,239,034.37	649,783,388.05	309,239,034.37
Accrued expenses	18,682,357.19	23,416,000.38	18,682,357.19	23,416,000.38
Advance payment for goods	76,456,553.14	49,100,347.26	76,456,553.14	49,100,347.26
Deposit for machinery	40,963,705.00	-	40,963,705.00	-
Assets payable	4,278,834.02	4,234,897.69	-	187,785.00
Guarantees payable	32,512,185.63	32,512,185.63	32,512,185.63	32,512,185.63
Advance - received	36,722,200.00	16,002,627.42	36,722,200.00	16,002,627.42
Others	2,991,460.74	2,836,678.34	1,539,868.89	1,929,543.52
Total	862,390,683.77	437,341,771.09	856,660,257.90	432,387,523.58

19. LEASE LIABILITIES

(Unit : Baht)

	Consolidated and Separate financial statements	
	September 30, 2023	December 31, 2022
Lease liabilities	90,292.00	578,128.00
Less Deferred interest	(497.06)	(11,608.86)
Total	89,794.94	566,519.14
Less Current portion of lease liabilities	(89,794.94)	(566,519.14)
Lease liabilities - net of current portion	-	-

The Company has entered into the vehicles lease agreements for use in their operation. The terms of the agreements are generally between 1 to 4 years.

The Company has obligations to be paid minimum rental under lease as follows :

(Unit : Baht)

	Consolidated and Separate financial statements	
	September 30, 2023	December 31, 2022
Within 1 year	90,292.00	578,128.00
Over 1 year less than 3 years	-	-
Total	90,292.00	578,128.00
Less Deferred interest	(497.06)	(11,608.86)
Present value of minimum amounts to be paid of lease liabilities	89,794.94	566,519.14

20. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

The Company has paid post-employment benefits and pension according to the regulations of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on their right and length of service.

Changes in present value of non-current provisions for employee benefit

As at September 30, 2023 and December 31, 2022

(Unit : Baht)

	Consolidated and Separate financial statements	
	September 30, 2023	December 31, 2022
Non-current provisions for employee benefit		
are the beginning of the period	10,897,195.00	2,551,109.65
Current service cost	318,816.75	815,349.00
Interest cost	91,909.50	145,210.00
Loss on re-measurements of defined benefit plans		
are the beginning of the period	-	7,769,592.35
Payment of employee benefit during the period	(655,466.00)	(384,066.00)
Non-current provisions for employee benefit		
at the end of the period	<u>10,652,455.25</u>	<u>10,897,195.00</u>

Non-current provision for employee benefit expense is recognized in the following items in the statement of comprehensive income:

For the three-month periods ended September 30, 2023 and 2022

(Unit : Baht)

	Consolidated and Separate financial statements	
	September 30, 2023	September 30, 2022
Cost of sales	60,807.50	92,398.25
Distribution costs	13,865.00	13,331.25
Administrative expenses	62,236.25	186,916.00
Total	<u>136,908.75</u>	<u>292,645.50</u>

20. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT (Cont'd)

Non-current provision for employee benefit expense is recognized in the following items in the statement of comprehensive income:

For the nine-month periods ended September 30, 2023 and 2022

(Unit : Baht)

	Consolidated and Separate financial statements	
	September 30, 2023	September 30, 2022
Cost of sales	182,422.50	277,194.75
Distribution costs	41,595.00	39,993.75
Administrative expenses	186,708.75	560,748.00
Loss on re-measurements of defined benefit plans		
recognized in other comprehensive income during the period	-	7,769,592.35
Total	<u>410,726.25</u>	<u>8,647,528.85</u>

Principal actuarial assumptions at the reporting date:

Discount rate	1.81% – 1.98% per annum
Employee turnover rate	19% - 29% per annum
Mortality rate	100% of Thai Mortality Table B.E. 2560 (2017)

21. INCOME TAX EXPENSES/ DEFERRED TAX

Deferred tax assets and liabilities after offsetting are included in statements of financial position as detailed following:

	(Unit : Baht)	
	Consolidated and Separate financial statements	
	September 30, 2023	December 31, 2022
Deferred tax assets	95,706,259.85	96,384,691.45
Deferred tax liabilities	76,775,202.67	73,799,880.60
Deferred tax assets (liabilities) - net	<u>18,931,057.18</u>	<u>22,584,810.85</u>

The movements of the deferred tax assets and liabilities incurred during the period are as follows:

	(Unit : Baht)					
	Consolidated and Separate financial statements					
	Recorded as revenue (expense) in			Recorded as		
	January 1,	Other		December 31,	revenue	September 30,
	2022	Profit or Loss	Comprehensive	2022	(expense)	2023
	2022	Profit or Loss	Income	2022	in Profit or Loss	2023
Deferred tax assets						
Expected credit losses	6,270,053.61	2,141,266.27	-	8,411,319.88	(1,070,379.39)	7,340,940.49
Allowance for devaluation of inventories	1,677,034.96	381,484.17	-	2,058,519.13	2,286,249.28	4,344,768.41
Employee benefit provisions	510,221.93	115,298.60	1,553,918.47	2,179,439.00	(48,947.95)	2,130,491.05
Provisions for impairment of investment	636,137.80	7,652.97	-	643,790.77	(93,790.77)	550,000.00
Provision for impairment of asset	-	58,192,849.91	-	58,192,849.91	(1,751,562.77)	56,441,287.14
Taxable loss	30,265,277.14	(5,366,504.38)	-	24,898,772.76	-	24,898,772.76
Total	<u>39,358,725.44</u>	<u>55,472,047.54</u>	<u>1,553,918.47</u>	<u>96,384,691.45</u>	<u>(678,431.60)</u>	<u>95,706,259.85</u>
Deferred tax liabilities						
Depreciation from changes in provisions	70,422,090.54	3,377,790.06	-	73,799,880.60	2,975,322.07	76,775,202.67
Total	<u>70,422,090.54</u>	<u>3,377,790.06</u>	<u>-</u>	<u>73,799,880.60</u>	<u>2,975,322.07</u>	<u>76,775,202.67</u>
Deferred tax assets (liabilities) - net	<u>(31,063,365.10)</u>	<u>52,094,257.48</u>	<u>1,553,918.47</u>	<u>22,584,810.85</u>	<u>(3,653,753.67)</u>	<u>18,931,057.18</u>

21. INCOME TAX EXPENSES/ DEFERRED TAX (Cont'd)

Tax expenses for the three-month periods ended September 30, 2023 and 2022 are summarized as follows:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Current tax :				
Tax income for the period	-	-	-	-
Deferred tax :				
Deferred tax resulted from temporary differences and reversal of temporary differences	664,816.67	(3,715,395.25)	664,816.67	(3,715,395.25)
Tax (income) expenses presented in statements of comprehensive income	<u>664,816.67</u>	<u>(3,715,395.25)</u>	<u>664,816.67</u>	<u>(3,715,395.25)</u>

Reconciliation between tax (income) expense and multiplication of accounting profit and tax rate used for the three-month periods ended September 30, 2023 and 2022, can be presented as follows:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Accounting profit (loss) before income tax	(37,143,255.70)	(12,956,349.89)	(44,909,874.93)	(19,368,956.37)
Income tax rate	20%	20%	20%	20%
Accounting profit (loss) before income tax multiply with tax rate	(7,428,651.14)	(2,591,269.97)	(8,981,974.99)	(3,873,791.27)
Effects of taxable :				
Prohibited expenses	338,380.70	72,332.78	338,380.70	72,332.78
Other expenses for which accounting base differ from tax base	85,307.21	86,063.24	85,307.21	86,063.24
Loss	<u>7,669,779.90</u>	<u>(1,282,521.30)</u>	<u>9,223,103.75</u>	<u>-</u>
Tax (income) expense presented in statements of comprehensive income	<u>664,816.67</u>	<u>(3,715,395.25)</u>	<u>664,816.67</u>	<u>(3,715,395.25)</u>
Effective income tax rate	(1.79)%	28.68%	(1.48)%	19.18%

21. INCOME TAX EXPENSES/ DEFERRED TAX (Cont'd)

Tax expenses for the nine-month periods ended September 30, 2023 and 2022 are summarized as follows:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Current tax :				
Tax income for the period	-	-	-	-
Deferred tax :				
Deferred tax resulted from temporary differences and reversal of temporary differences	3,653,753.67	818,334.99	3,653,753.67	818,334.99
Tax (income) expenses presented in statements of comprehensive income	3,653,753.67	818,334.99	3,653,753.67	818,334.99

The amounts of income tax relating to each component of other comprehensive income for the nine-month period ended September 30, 2023 and 2022 are summarized as follows:

	(Unit : Baht)	
	Consolidated and Separate financial statements	
	September 30, 2023	September 30, 2022
Income tax relating to gain (loss) on remeasurements of defined benefit plans charged directly to other comprehensive income	-	(1,553,918.47)

Reconciliation between tax (income) expense and multiplication of accounting profit and tax rate used for the nine-month periods ended September 30, 2023 and 2022, can be presented as follows:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Accounting profit (loss) before income tax	(34,874,931.15)	81,987,032.87	(70,808,870.62)	131,305,296.35
Income tax rate	20%	20%	20%	20%
Accounting profit (loss) before income tax multiply with tax rate	(6,974,986.23)	16,397,406.58	(14,161,774.12)	26,261,059.27
Effects of taxable :				
Prohibited expenses	809,063.61	(2,554,069.20)	809,063.61	(2,554,069.20)
Other expenses for which accounting base differ from tax base	255,391.13	(22,888,655.08)	255,391.13	(22,888,655.08)
Loss	9,564,285.16	9,863,652.69	16,751,073.05	-
Tax (income) expense presented in statements of comprehensive income	3,653,753.67	818,334.99	3,653,753.67	818,334.99
Effective income tax rate	(10.48)%	1.00%	(5.16)%	0.62%

22. LEGAL RESERVE

According to the Public Company Limited Act B.E. 2535, the Company is required to set aside a legal reserve at least 5% of annual net profit after deducting deficit brought forward (if any) until the legal reserve reach 10% of authorized share capital. Such legal reserve is not available for dividend distribution.

23. TRANSACTIONS WITH RELATED PARTIES

A portion of the Company's assets, liabilities, revenues, and expenses of the Company was derived from its related parties. These companies are related to the Company through the co-shareholders and/or co-directors. The financial statements are reflected the effects of these transactions on the basis determined by the normal course of business with related parties as similar to deal with other parties.

<u>Related Parties</u>	<u>Relationship</u>	<u>Transaction</u>	<u>Pricing Policy</u>
Steel Hub Limited	Subsidiary	Selling goods	Cost
Chainarong Intertrade Co., Ltd.	The Company's director is a major shareholder and authorized director	Bearing acquisition	Market price

The balance of inter-company transaction are detailed as follows:

(Unit : Baht)

	<u>Consolidated financial statements</u>			
	<u>December 31, 2022</u>	<u>Increase</u>	<u>Decrease</u>	<u>September 30, 2023</u>
Chainarong Intertrade Co., Ltd.				
Trade accounts payable	169,752.29	632,837.59	(639,758.35)	162,831.53

(Unit : Baht)

	<u>Separate financial statements</u>			
	<u>December 31, 2022</u>	<u>Increase</u>	<u>Decrease</u>	<u>September 30, 2023</u>
Steel Hub Limited				
Trade accounts receivable	19,183,317.25	862,823,079.68	(835,011,359.12)	46,995,037.81
Other current receivable	1,562,500.00	6,776,780.75	(6,517,280.75)	1,822,000.00
Chainarong Intertrade Co., Ltd.				
Trade accounts payable	169,752.29	632,837.59	(639,758.35)	162,831.53

23. TRANSACTIONS WITH RELATED PARTIES (Cont'd)

Revenues and expenses transactions with related parties for the nine-month periods ended September 30, 2023 and 2022, are summarized as follows:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Steel Hub Limited				
Sell of goods	-	-	862,823,079.68	215,291,863.29
Sell of assets	-	-	-	112,134.93
Other income	-	-	-	18,875.11
(Reversal) expected credit losses	-	-	-	(8,939,044.77)
(Reversal) loss on impairment of investment	-	-	-	(115,810,303.01)
Chainarong Intertrade Co., Ltd.				
Acquire of goods and supplies	591,437.00	369,059.00	591,437.00	369,059.00

24. EXPENSES ANALYZED BY NATURE

The significant expenses analyzed by nature for the three-month periods ended September 30, 2023 and 2022, are detailed as follows:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Changes in finished goods and work in process	50,902,110.43	18,945,242.88	58,489,727.95	1,735,899.09
Acquire of goods	1,061,176,446.21	875,673,747.57	1,061,176,446.21	875,673,747.57
Raw materials and consumables used	268,315,748.96	190,578,136.75	268,315,748.96	190,578,136.75
Employee benefit expenses	27,511,813.91	23,849,221.46	26,980,976.15	23,433,751.50
Management benefit expenses	7,119,630.00	6,637,987.00	7,119,630.00	6,637,987.00
Depreciation and amortization	11,943,928.95	10,438,970.00	10,540,971.86	8,705,112.97
Depreciation - non-operating machinery	3,800,044.52	7,214,875.77	3,800,044.52	7,214,875.77
Loss on devaluation of inventories	5,167,498.75	4,797,563.57	5,167,498.75	4,797,563.57
(Reversal) Loss on impairment of asset	(4,051,100.00)	-	(4,051,100.00)	-

24. EXPENSES ANALYZED BY NATURE (Cont'd)

The significant expenses analyzed by nature for the nine-month periods ended September 30, 2023 and 2022, are detailed as follows:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Changes in finished goods and work				
in process	(73,742,916.32)	(78,807,605.37)	(100,752,705.46)	(119,071,160.77)
Acquire of goods	3,281,166,259.98	2,136,114,211.24	3,281,166,259.98	2,136,114,211.24
Raw materials and consumables used	898,351,342.57	1,021,592,780.59	898,351,342.57	1,021,592,780.59
Employee benefit expenses	78,888,113.28	71,884,008.97	77,254,532.65	71,071,098.00
Management benefit expenses	21,351,590.00	18,437,007.00	21,351,590.00	18,437,007.00
Depreciation and amortization	34,404,437.20	31,075,289.20	29,691,193.59	25,874,734.98
Depreciation - non-operating machinery	12,958,092.12	21,797,842.80	12,958,092.12	21,797,842.80
Loss on devaluation of inventories	11,431,246.40	666,377.91	11,431,246.40	666,377.91
(Reversal) Loss on impairment of asset	(8,757,813.84)	-	(8,757,813.84)	-

25. DIRECTORS' REMUNERATION

Directors' remuneration represents the benefits paid to the directors of the Company in accordance with Section 90 of the Public Company Limited Act, exclusive of salaries and related benefits payable to executive directors.

26. MANAGEMENT BENEFIT EXPENSES

Management benefit expenses are salaries, remunerations and other benefits to the executive directors, in accordance with the definitions of the Office of the Securities and Exchange Commission. Executive directors under definition includes a chief executive officer, the next four executive levels immediately below that chief executive officer and all persons in positions comparable to these fourth executive levels including all persons in positions comparable to management in accountant and finance who are manager and high positions.

27. PROVIDENT FUND

The fund is contributed by deducting the employees' salary at the rate of 2 - 4% and additional contributed by the Company at the rate of 2 - 4%. The fund is set up for the exclusive benefit of the employees and managed by a company established for such purpose.

As at September 30, 2023 and 2022, the Company paid contributions to the fund amounted to Baht 0.69 million and Baht 0.70 million respectively.

28. COMMITMENT AND CONTINGENT LIABILITIES

28.1 As at September 30, 2023 and December 31, 2022, the Company has commitment from three local banks issuance letter of guarantee to the government agencies and the private companies, totaling Baht 71.54 million.

28.2 As at September 30, 2023 and December 31, 2022, the Company has opened letter of credit in the amount of Baht 227.35 million and Baht 147.81 million respectively to purchase finished goods and raw materials from overseas.

28.3 As at September 30, 2023 and December 31, 2022, the Company has the remaining contingent liability for purchasing finished goods and raw materials from local and overseas companies of Baht 9.42 million and Baht 98.77 million respectively.

28.4 As at September 30, 2023 and December 31, 2022, the Company has the remaining contingent liability for purchasing machinery and vehicles from two local companies of Baht 0.63 million and Baht 43.23 million respectively.

29. FINANCIAL INFORMATION SEGMENT

The financial information is separated in geographical segment (selling of steel pipes and tubes) based on the operating location for the three-month and nine-month periods ended September 30, 2023 and 2022, as follows:

For the three-month periods

(Unit : Million Baht)

	Consolidated financial statements					
	As at September 30, 2023			As at September 30, 2022		
	Domestic sales	Overseas sales	Total	Domestic sales	Overseas sales	Total
Revenues from sales	1,175	281	1,456	1,011	165	1,176
Cost of sales	(1,173)	(270)	(1,443)	(997)	(145)	(1,142)
Gross profit	2	11	13	14	20	34
Other income			5			1
Distribution costs			(8)			(7)
Administrative expenses			(33)			(32)
Finance costs			(14)			(9)
Tax income (expense)			(1)			4
Loss for the period			(38)			(9)
Property, plant and equipment			1,533			1,973

For the nine-month periods

(Unit : Million Baht)

	Consolidated financial statements					
	As at September 30, 2023			As at September 30, 2022		
	Domestic sales	Overseas sales	Total	Domestic sales	Overseas sales	Total
Revenues from sales	3,419	971	4,390	3,064	374	3,438
Cost of sales	(3,380)	(908)	(4,288)	(2,944)	(277)	(3,221)
Gross profit	39	63	102	120	97	217
Other income			16			2
Distribution costs			(24)			(22)
Administrative expenses			(93)			(88)
Finance costs			(36)			(27)
Tax income (expense)			(4)			(1)
Profit (loss) for the period			(39)			81
Property, plant and equipment			1,533			1,973

30. DISCLOSURE AND PRESENTATION OF FINANCIAL INSTRUMENTS

30.1 Financial risk management and policies

The Group financial instruments, as defined under Thai Financial Reporting Standards No. 7 “Financial Instruments: Disclosure”, principally comprise cash and cash equivalents, trade and other current receivables, bank deposit with obligations short-term borrowings trade and other current payables and lease liabilities. The Group exposed to financial risks associated with these financial instruments and how they are managed is described below.

30.1.1 Interest rate risk

Interest rate risk from changes in market interest rate will affect the results of the Group operations and cash flows. The Group exposed the interest rate risk due to its cash and bank deposits, other financial liabilities and lease liabilities. The Group do not use derivative financial instruments to hedge such risk.

As at September 30, 2023 and December 31, 2022, the significant financial assets and liabilities can be classified by interest rate as follows:

(Unit : Million Baht)

Consolidated financial statements as at September 30, 2023						
	Note	Floating interest rate	Fixed interest rate	Non-interest rate	Total	Interest rate (% per annum)
Financial assets						
Cash and cash equivalents	4	68.83	-	14.64	83.47	0.00 - 0.60
Trade and other current receivables	5	-	-	758.80	758.80	-
Bank deposit with obligations	15	0.24	8.30	-	8.54	0.25, 1.15
Total financial assets		<u>69.07</u>	<u>8.30</u>	<u>773.44</u>	<u>850.81</u>	
Financial liabilities						
Short-term borrowings from						
financial institutions	17	1,242.23	-	-	1,242.23	2.05 – 4.50
Trade and other current payables	18	-	-	862.39	862.39	-
Trade accounts payable from						
related party	23	-	-	0.16	0.16	-
Lease liabilities	19	-	0.09	-	0.09	4.46 – 4.47
Total financial liabilities		<u>1,242.23</u>	<u>0.09</u>	<u>862.55</u>	<u>2,104.87</u>	

30. DISCLOSURE OF FINANCIAL INSTRUMENTS (Cont'd)

(Unit : Million Baht)

Consolidated financial statements as at December 31, 2022						
Note	Floating interest rate	Fixed interest rate	Non-interest rate	Total	Interest rate (% per annum)	
Financial assets						
Cash and cash equivalents	4	89.75	-	4.09	93.84	0.00 - 0.35
Trade and other current receivables	5	-	-	577.68	577.68	-
Bank deposit with obligations	15	0.24	8.30	-	8.54	0.15, 0.60
Total financial assets		<u>89.99</u>	<u>8.30</u>	<u>581.77</u>	<u>680.06</u>	
Financial liabilities						
Short-term borrowings from						
financial institutions	17	1,361.20	-	-	1,361.20	2.05 - 3.45
Trade and other current payables	18	-	-	437.34	437.34	-
Trade accounts payable from						
related party	23	-	-	0.17	0.17	-
Short-term borrowings		-	4.00	-	4.00	0.20
Lease liabilities	19	-	0.57	-	0.57	4.46 - 4.47
Total financial liabilities		<u>1,361.20</u>	<u>4.57</u>	<u>437.51</u>	<u>1,803.28</u>	

(Unit : Million Baht)

Separate financial statements as at September 30, 2023						
Note	Floating interest rate	Fixed interest rate	Non-interest rate	Total	Interest rate (% per annum)	
Financial assets						
Cash and cash equivalents	4	68.72	-	12.03	80.75	0.00 - 0.60
Trade and other current receivables	5	-	-	582.55	582.55	-
Trade and other current receivables to related party	6, 23	-	-	48.82	48.82	-
Bank deposit with obligations	15	0.24	8.30	-	8.54	0.25, 1.15
Total financial assets		<u>68.96</u>	<u>8.30</u>	<u>643.40</u>	<u>720.66</u>	
Financial liabilities						
Short-term borrowings from						
financial institutions	17	1,242.23	-	-	1,242.23	2.05 - 4.50
Trade and other current payables	18	-	-	856.66	856.66	-
Trade accounts payable from						
related party	23	-	-	0.16	0.16	-
Lease liabilities	19	-	0.09	-	0.09	4.46 - 4.47
Total financial liabilities		<u>1,242.23</u>	<u>0.09</u>	<u>856.82</u>	<u>2,099.14</u>	

30. DISCLOSURE OF FINANCIAL INSTRUMENTS (Cont'd)

(Unit : Million Baht)

Separate financial statements as at December 31, 2022						
	Floating	Fixed	Non-interest		Interest rate	
Note	interest rate	interest rate	rate	Total	(% per annum)	
Financial assets						
Cash and cash equivalents	4	86.82	-	2.39	89.21	0.00 - 0.35
Trade and other current receivables	5	-	-	520.82	520.82	-
Trade and other current receivables						
to related party	6, 23	-	-	20.75	20.75	-
Bank deposit with obligations	15	0.24	8.30	-	8.54	0.15, 0.60
Total financial assets		<u>87.06</u>	<u>8.30</u>	<u>543.96</u>	<u>639.32</u>	
Financial liabilities						
Short-term borrowings from						
financial institutions	17	1,361.20	-	-	1,361.20	2.05 – 3.45
Trade and other current payables	18	-	-	432.39	432.39	-
Trade accounts payable from						
related party	23	-	-	0.17	0.17	-
Short-term borrowings		-	4.00	-	4.00	0.20
Lease liabilities	19	-	0.57	-	0.57	4.46 – 4.47
Total financial liabilities		<u>1,361.20</u>	<u>4.57</u>	<u>432.56</u>	<u>1,798.33</u>	

30. DISCLOSURE OF FINANCIAL INSTRUMENTS (Cont'd)

30.1.2 Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use bank loans. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded that it was low. The Group has access to a sufficient variety of sources of funding.

As at September 30, 2023 and December 31, 2022, the Group has the maturity details of non-derivatives financial liabilities which considered from undiscounted cash flows to be present value as follows:

(Unit : Baht)

Consolidated financial statements as at September 30, 2023					
Note	On demand	Less than 1 year	1 - 5 years	Total	
Non-derivatives					
Short-term borrowings from					
financial institutions	17	-	1,242,225,354.91	-	1,242,225,354.91
Trade and other current payables	18	-	862,390,683.77	-	862,390,683.77
Trade accounts payable from					
related party	23	-	162,831.53	-	162,831.53
Lease liabilities	19	-	89,794.94	-	89,794.94
Total		-	<u>2,104,868,665.15</u>	-	<u>2,104,868,665.15</u>

(Unit : Baht)

Consolidated financial statements as at December 31, 2022					
Note	On demand	Less than 1 year	1 - 5 years	Total	
Non-derivatives					
Short-term borrowings from					
financial institutions	17	-	1,361,203,072.14	-	1,361,203,072.14
Trade and other current payables	18	-	437,341,771.09	-	437,341,771.09
Trade accounts payable from					
related party	23	-	169,752.29	-	169,752.29
Short-term borrowings		4,000,000.00	-	-	4,000,000.00
Lease liabilities	19	-	566,519.14	-	566,519.14
Total		<u>4,000,000.00</u>	<u>1,799,281,114.66</u>	-	<u>1,803,281,114.66</u>

30. DISCLOSURE OF FINANCIAL INSTRUMENTS (Cont'd)

(Unit : Baht)

	Note	Separate financial statements as at September 30, 2023			
		On demand	Less than 1 year	1 - 5 years	Total
Non-derivatives					
Short-term borrowings from					
financial institutions	17	-	1,242,225,354.91	-	1,242,225,354.91
Trade and other current payables	18	-	856,660,257.90	-	856,660,257.90
Trade accounts payable from					
related party	23	-	162,831.53	-	162,831.53
Lease liabilities	19	-	89,794.94	-	89,794.94
Total		-	2,099,138,239.28	-	2,099,138,239.28

(Unit : Baht)

	Note	Separate financial statements as at December 31, 2022			
		On demand	Less than 1 year	1 - 5 years	Total
Non-derivatives					
Short-term borrowings from					
financial institutions	17	-	1,361,203,072.14	-	1,361,203,072.14
Trade and other current payables	18	-	432,387,523.58	-	432,387,523.58
Trade accounts payable from					
related party	23	-	169,752.29	-	169,752.29
Short-term borrowings		4,000,000.00	-	-	4,000,000.00
Lease liabilities	19	-	566,519.14	-	566,519.14
Total		4,000,000.00	1,794,326,867.15	-	1,798,326,867.15

30.1.3 Exchange rate risk

The Company exposed to foreign currency exchange rate risk related to assets and liabilities denominated in foreign currencies.

As at September 30, 2023 and December 31, 2022, assets and liabilities denominated in foreign currencies which were not entered into forward contract, are summarized as follows:

	Separate financial statements			
	Assets		Liabilities	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
US Dollar	1,309,451.08	559,368.45	1,257,791.71	2,571,696.61

30. DISCLOSURE OF FINANCIAL INSTRUMENTS (Cont'd)

30.2 Fair value of financial instruments

The carrying value and fair value of financial assets and financial liabilities as at September 30, 2023 and December 31, 2022, are presented below.

(Unit : Baht)

	Consolidated financial statements as at September 30, 2023			
	Carrying value			Fair value
	Fair value through profit or loss			
	or loss	Amortized cost	Total	
Financial assets				
Cash and cash equivalents	-	83,472,973.07	83,472,973.07	83,472,973.07
Trade and other current receivables	-	758,795,927.74	758,795,927.74	758,795,927.74
Other long-term investments	2,250,000.00	-	2,250,000.00	2,250,000.00
Bank deposit with obligations	-	8,545,333.26	8,545,333.26	8,545,333.26
Total financial assets	2,250,000.00	850,814,234.07	853,064,234.07	853,064,234.07
Financial liabilities				
Short-term borrowings from				
financial institutions	-	1,242,225,354.91	1,242,225,354.91	1,242,225,354.91
Trade and other current payables	-	862,390,683.77	862,390,683.77	862,390,683.77
Trade accounts payable from				
related party	-	162,831.53	162,831.53	162,831.53
Current portion of lease liabilities	-	89,794.94	89,794.94	89,794.94
Total financial liabilities	-	2,104,868,665.15	2,104,868,665.15	2,104,868,665.15

30. DISCLOSURE OF FINANCIAL INSTRUMENTS (Cont'd)

(Unit : Baht)

Consolidated financial statements as at December 31, 2022				
	Carrying value			Fair value
	Fair value through profit or loss			
	Amortized cost	Total		
Financial assets				
Cash and cash equivalents	-	93,842,355.76	93,842,355.76	93,842,355.76
Trade and other current receivables	-	577,676,039.44	577,676,039.44	577,676,039.44
Other long-term investments	6,780,846.16	-	6,780,846.16	6,780,846.16
Bank deposit with obligations	-	8,545,325.60	8,545,325.60	8,545,325.60
Total financial assets	6,780,846.16	680,063,720.80	686,844,566.96	686,844,566.96
Financial liabilities				
Short-term borrowings from				
financial institutions	-	1,361,203,072.14	1,361,203,072.14	1,361,203,072.14
Trade and other current payables	-	437,341,771.09	437,341,771.09	437,341,771.09
Trade accounts payable from				
related party	-	169,752.29	169,752.29	169,752.29
Current portion of lease liabilities	-	566,519.14	566,519.14	566,519.14
Short-term borrowings	-	4,000,000.00	4,000,000.00	4,000,000.00
Total financial liabilities	-	1,803,281,114.66	1,803,281,114.66	1,803,281,114.66

30. DISCLOSURE OF FINANCIAL INSTRUMENTS (Cont'd)

(Unit : Baht)

Separate financial statements as at September 30, 2023				
	Carrying value			Fair value
	Fair value through profit or loss	Amortized cost	Total	
Financial assets				
Cash and cash equivalents	-	80,747,660.94	80,747,660.94	80,747,660.94
Trade and other current receivables	-	582,547,495.44	582,547,495.44	582,547,495.44
Trade and other current receivables to related party	-	48,817,037.81	48,817,037.81	48,817,037.81
Other long-term investments	2,250,000.00	-	2,250,000.00	2,250,000.00
Bank deposit with obligations	-	8,545,333.26	8,545,333.26	8,545,333.26
Total financial assets	2,250,000.00	720,657,527.45	722,907,527.45	722,907,527.45
Financial liabilities				
Short-term borrowings from financial institutions	-	1,242,225,354.91	1,242,225,354.91	1,242,225,354.91
Trade and other current payables	-	856,660,257.90	856,660,257.90	856,660,257.90
Trade accounts payable from related party	-	162,831.53	162,831.53	162,831.53
Current portion of lease liabilities	-	89,794.94	89,794.94	89,794.94
Total financial liabilities	-	2,099,138,239.28	2,099,138,239.28	2,099,138,239.28

30. DISCLOSURE OF FINANCIAL INSTRUMENTS (Cont'd)

(Unit : Baht)

	Separate financial statements as at December 31, 2022			
	Carrying value			Fair value
	Fair value			
	through profit	Amortized cost	Total	
	or loss			
Financial assets				
Cash and cash equivalents	-	89,205,989.95	89,205,989.95	89,205,989.95
Trade and other current receivables	-	520,823,426.81	520,823,426.81	520,823,426.81
Trade and other current receivables to related party	-	20,745,817.25	20,745,817.25	20,745,817.25
Other long-term investments	6,780,846.16	-	6,780,846.16	6,780,846.16
Bank deposit with obligations	-	8,545,325.60	8,545,325.60	8,545,325.60
Total financial assets	6,780,846.16	639,320,559.61	646,101,405.77	646,101,405.77
Financial liabilities				
Short-term borrowings from financial institutions	-	1,361,203,072.14	1,361,203,072.14	1,361,203,072.14
Trade and other current payables	-	432,387,523.58	432,387,523.58	432,387,523.58
Trade accounts payable from related party	-	169,752.29	169,752.29	169,752.29
Current portion of lease liabilities	-	566,519.14	566,519.14	566,519.14
Short-term borrowings	-	4,000,000.00	4,000,000.00	4,000,000.00
Total financial liabilities	-	1,798,326,867.15	1,798,326,867.15	1,798,326,867.15

30. DISCLOSURE OF FINANCIAL INSTRUMENTS (Cont'd)

30.3 Hierarchy levels of fair value

As at September 30, 2023, the Group presented carrying value of assets which measured at fair value separating by hierarchy of fair value as follows :

(Unit : Baht)

Consolidated and Separate financial statements as at September 30, 2023				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Other long-term investments				
- Investments in equity instruments				
of non-listed companies	-	-	2,250,000.00	2,250,000.00
Total	-	-	2,250,000.00	2,250,000.00

As at December 31, 2022, the Group presented carrying value of assets which measured at fair value separating by hierarchy of fair value as follows:

(Unit : Baht)

Consolidated and Separate financial statements as at December 31, 2022				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Other long-term investments				
- Investments in equity instruments				
of non-listed companies	-	-	6,780,846.16	6,780,846.16
Total	-	-	6,780,846.16	6,780,846.16

31. ADDITIONAL DISCLOSURE OF CASH FLOWS INFORMATION

Significant non-monetary transactions for the nine-month periods ended September 30, 2023 and 2022, are as follows:

In 2023, the Company has transferred property, plant and equipment in the amount of Baht 154.26 million to be non-current assets classified as held for sale in the amount of Baht 154.26 million.

In 2022, the Company has transferred right-of-use assets in the amount of Baht 0.39 million to be property, plant and equipment in the amount of Baht 0.39 million.

32. SIGNIFICANT LITIGATION

On May 20, 2020, the Company was litigated by a supplier relating to the breach of sales and purchase contract which caused them a custom tax exposure from related imported steels. They claimed for compensation in the total of Baht 786.61 million. Currently, the case is come to an end because the parties can make a deal. Therefore, the plaintiff wishes to withdraw this charge and does not wish to prosecute the Company anymore.

33. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to preserve the ability of the Group's operation as a going concern in order to monitor the return divide to the shareholders and including any non-controlling interests and to have an appropriate financial structure in order to reduce cost of capital.

For preservation or restructuring capital, the Group may change the dividend payment policy to the shareholders or issue new ordinary shares.

As at September 30, 2023 and December 31, 2022, the Company has debt to equity ratio as summarized follows:

	(Unit : Baht)	
	Separate financial statements	
	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Debt to equity ratio	1.39	1.14

34. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were approved and authorized for issue by the Board of directors of the Company on November 13, 2023.