

SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED  
AND SUBSIDIARY  
AUDITOR'S REPORT AND INTERIM FINANCIAL INFORMATION  
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2024  
(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 interim consolidated financial information of SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARY and the interim separate financial information of SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED, which comprise the consolidated and separate statements of financial position as at September 30, 2024, the consolidated and separate statements of comprehensive income for the three-month and nine-month periods then ended, consolidated and separate statements of changes in shareholders' equity, and consolidated and separate statements of cash flows for the nine-month period then ended, and the condensed notes to interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

### **Scope of Review**

Except for the matters mentioned in the Basis of Qualified Conclusion paragraph, 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 this reviewed interim financial information.

### **Basis of Qualified Conclusion**

I draw your attention to notes 22 to financial statements, the subsidiary in the Kingdom of Cambodia has the net operating loss for the nine-month periods ended September 30, 2024, for the amount of USD 1,364,876 (approximate to Baht 61.29 million) arose from the subsidiary sold the products under the cost price in the first quarter of 2024, resulted in the gross loss of USD 2,898,398 (approximate to Baht 105.33 million) that the sales of products in the price lower than the cost price equivalents to 45.02% of costs of products. The management of the Company clarified that cause was the sortation of dead stock products to be discharge from the warehouse, both dead stock of the subsidiary itself and dead stock products sold by the Company to the subsidiary during the period. This is caused by long-term storage, and those products are damage and unusable products. It is necessary to sell them at a low price. I was unable to review that such damaged products are actually included in the inventories brought forward from the previous period because the past observation for counting of the products that did not find such products Besides, the subsequent checks found the selling price lower than the cost. I have not found the evidences to assure that the damaged products were included in the previous inventories because the subsidiary did not prepare the sortation of products report and provide evidence of the collection of damaged products before sales as well as inconsistent with the other environmental evidences.

The abovementioned situation may have a material impact on inventories in the consolidated financial statements and the separate financial statements as at December 31, 2023, which presented as comparative information, consolidated and separate retained earnings of the current period, comparative financial statements and consolidated and separate results of operations for the nine-month periods ended September 30, 2024.

## **Conclusion**

Except for the mentioned in the Basis of Qualified Conclusion paragraph, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, based on my reviews.

## **Emphasis of Matter**

I draw your attention to the following information:

As stated in notes 17 to interim financial information, the Company signed a Memorandum of Understanding to amend the loan agreement due to the changes of collateral with the bank's condition to reserve the right to exercise the right for calling the debts payment and shall be considered as a Call default for any issues that affect the Company's operating results and financial position from the financial statements for the first quarter of 2024, the second quarter of 2024 and the third quarter of 2024. The maintenance of agreement conditions depends on the operation which does not affect to the Company's performance and financial position. Accordingly, the conclusion in my report on this matter remain unchanged.

D I A International Audit Co., Ltd.

(Mr. Wirote Satjathamukul)  
C.P.A. (Thailand)  
Registration No. 5128

December 17, 2024

**SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARY**

**STATEMENTS OF FINANCIAL POSITION**

**AS AT SEPTEMBER 30, 2024**

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
		(Unaudited/ but reviewed)	(Audited)	(Unaudited/ but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	4	99,015,797.92	75,424,242.60	97,419,486.57	73,836,271.24
Trade and other current receivables	5	912,046,757.97	884,813,451.99	850,103,485.39	738,873,546.01
Trade and other current receivables to related party	6, 23	660,101,445.70	-	644,095,884.29	15,154,282.32
Inventories	7	857,255,914.91	1,276,165,329.49	856,638,622.39	1,257,921,017.98
Non-current assets classified as held for sale	8	136,136,850.00	144,366,125.00	136,136,850.00	144,366,125.00
<b>Total current assets</b>		2,664,556,766.50	2,380,769,149.08	2,584,394,328.64	2,230,151,242.55
<b>Non-current assets</b>					
Bank deposit with obligations	9	8,594,667.54	8,594,645.93	8,594,667.54	8,594,645.93
Investment in subsidiary	10	-	-	115,810,303.01	115,810,303.01
Investment in joint venture	11	107,559,388.30	-	-	-
Other long-term investments	12	2,250,000.00	2,250,000.00	2,250,000.00	2,250,000.00
Investment property	13	66,289,622.09	67,704,125.81	66,289,622.09	67,704,125.81
Property, plant and equipment	14	1,523,948,485.49	1,522,287,620.12	1,456,843,158.98	1,451,586,021.63
Right-of-use assets	15	14,074,476.03	14,335,651.87	-	-
Other intangible assets	16	1,833,777.17	2,095,746.17	1,833,777.17	2,095,746.17
Other non-current assets		738,294.04	569,196.60	564,807.64	535,228.10
<b>Total non-current assets</b>		1,725,288,710.66	1,617,836,986.50	1,652,186,336.43	1,648,576,070.65
<b>Total assets</b>		4,389,845,477.16	3,998,606,135.58	4,236,580,665.07	3,878,727,313.20

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, 2024**

**(Unit : Baht)**

	Note	Consolidated financial statements		Separate financial statements	
		September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
		(Unaudited/ but reviewed)	(Audited)	(Unaudited/ but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term borrowings from					
financial institutions	17	1,482,014,386.35	1,367,513,032.68	1,482,014,386.35	1,367,513,032.68
Trade and other current payables	18, 23	1,436,008,069.00	1,038,250,870.68	1,353,995,126.37	1,032,962,779.94
Corporate income tax payable		70,592.45	-	-	-
<b>Total current liabilities</b>		<b>2,918,093,047.80</b>	<b>2,405,763,903.36</b>	<b>2,836,009,512.72</b>	<b>2,400,475,812.62</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities	20	4,862,533.02	5,759,098.41	4,862,533.02	5,759,098.41
Non-current provisions for employee benefit	19	10,053,489.50	9,690,884.00	10,053,489.50	9,690,884.00
<b>Total non-current liabilities</b>		<b>14,916,022.52</b>	<b>15,449,982.41</b>	<b>14,916,022.52</b>	<b>15,449,982.41</b>
<b>Total liabilities</b>		<b>2,933,009,070.32</b>	<b>2,421,213,885.77</b>	<b>2,850,925,535.24</b>	<b>2,415,925,795.03</b>

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, 2024

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
		(Unaudited/ but reviewed)	(Audited)	(Unaudited/ but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Shareholders' equity</b>					
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	21	35,179,082.30	35,179,082.30	35,179,082.30	35,179,082.30
Unappropriated		(588,179,321.22)	(449,109,781.32)	(613,143,644.01)	(535,997,255.67)
Other components of equity		46,216,954.22	27,703,257.29	-	-
<b>Total shareholders' equity</b>		<b>1,456,836,406.84</b>	<b>1,577,392,249.81</b>	<b>1,385,655,129.83</b>	<b>1,462,801,518.17</b>
<b>Total liabilities and shareholders' equity</b>		<b>4,389,845,477.16</b>	<b>3,998,606,135.58</b>	<b>4,236,580,665.07</b>	<b>3,878,727,313.20</b>

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, 2024

(UNAUDITED / REVIEWED ONLY)

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Revenues from sales	22	2,188,734,497.92	1,456,413,821.82	2,119,336,232.88	1,445,510,963.33
Cost of sales		(2,134,348,536.62)	(1,437,934,572.82)	(2,075,863,200.00)	(1,438,531,376.61)
Reversal (loss) on inventories devaluation		7,735,540.80	(5,167,498.75)	2,806,497.86	(5,167,498.75)
<b>Gross profit</b>		62,121,502.10	13,311,750.25	46,279,530.74	1,812,087.97
Other income		4,404,225.80	1,185,873.63	1,293,026.98	1,090,839.63
Reversal of expected credit losses		-	264,048.08	-	264,048.08
Reversal (loss) on impairment of investment		(19,418,675.00)	4,051,100.00	(19,418,675.00)	4,051,100.00
Loss on exchange rate		(43,522,355.33)	(3,421,540.73)	(52,984,092.55)	(2,049,864.33)
Distribution costs		(9,328,012.71)	(7,887,468.02)	(9,328,012.71)	(7,887,468.02)
Administrative expenses		(39,769,331.96)	(30,735,935.68)	(36,528,072.07)	(28,279,535.03)
<b>Loss from operating activities</b>		(45,512,647.10)	(23,232,172.47)	(70,686,294.61)	(30,998,791.70)
Finance income		21.61	7.66	21.61	7.66
Finance costs		(16,988,656.43)	(13,911,090.89)	(16,988,656.43)	(13,911,090.89)
Share of profit of joint venture		14,950,638.30	-	-	-
<b>Loss before income tax expense</b>		(47,550,643.62)	(37,143,255.70)	(87,674,929.43)	(44,909,874.93)
Tax income (expense)	20	3,581,418.66	(664,816.67)	4,590,218.44	(664,816.67)
<b>Loss for the period</b>		(43,969,224.96)	(37,808,072.37)	(83,084,710.99)	(45,574,691.60)
<b>Other comprehensive income :</b>					
<b>Items that will be reclassified to profit or loss</b>					
Exchange differences on translating					
financial statements of subsidiary		3,424,709.29	1,640,793.79	-	-
<b>Other comprehensive income for the period</b>		3,424,709.29	1,640,793.79	-	-
<b>Total comprehensive expense for the period</b>		(40,544,515.67)	(36,167,278.58)	(83,084,710.99)	(45,574,691.60)

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, 2024**

**(UNAUDITED / REVIEWED ONLY)**

**(Unit : Baht)**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<b>Profit (loss) attributable to:</b>				
Owners of the Company	(43,969,224.96)	(37,808,072.37)	(83,084,710.99)	(45,574,691.60)
Non-controlling interests	-	-	-	-
	<u>(43,969,224.96)</u>	<u>(37,808,072.37)</u>	<u>(83,084,710.99)</u>	<u>(45,574,691.60)</u>
<b>Total comprehensive income (expense) attributable to:</b>				
Owners of the Company	(40,544,515.67)	(36,167,278.58)	(83,084,710.99)	(45,574,691.60)
Non-controlling interests	-	-	-	-
	<u>(40,544,515.67)</u>	<u>(36,167,278.58)</u>	<u>(83,084,710.99)</u>	<u>(45,574,691.60)</u>
<b>Earnings per share</b>				
Basic earnings (loss) per share	(0.04)	(0.04)	(0.08)	(0.04)
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, 2024

(UNAUDITED / REVIEWED ONLY)

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Revenues from sales	22	5,145,034,370.64	4,390,405,233.96	5,182,190,327.00	4,288,677,561.20
Cost of sales		(5,073,759,350.00)	(4,276,875,865.76)	(5,041,265,547.82)	(4,229,169,991.37)
Reversal (loss) on inventories devaluation		4,574,775.70	(11,431,246.40)	4,574,775.70	(11,431,246.40)
<b>Gross profit</b>		75,849,796.34	102,098,121.80	145,499,554.88	48,076,323.43
Other income		5,110,486.76	1,594,692.37	1,999,287.94	1,366,948.17
Reversal of expected credit losses		-	4,589,370.71	-	4,589,370.71
Reversal (loss) on impairment of investment		(8,229,275.00)	8,757,813.84	(8,229,275.00)	8,757,813.84
Gain (loss) on exchange rate		(46,342,205.14)	(5,325,145.04)	(49,662,454.43)	6,440,545.86
Distribution costs		(29,023,674.04)	(23,733,306.44)	(29,023,674.04)	(23,733,306.44)
Administrative expenses		(96,515,110.98)	(87,078,155.58)	(88,327,894.96)	(80,528,243.38)
<b>Profit (loss) from operating activities</b>		(99,149,982.06)	903,391.66	(27,744,455.61)	(35,030,547.81)
Finance income		253,418.82	107,934.45	253,418.82	107,934.45
Finance costs		(50,551,916.94)	(35,886,257.26)	(50,551,916.94)	(35,886,257.26)
Share of profit of joint venture		14,950,638.30	-	-	-
<b>Loss before income tax expense</b>		(134,497,841.88)	(34,874,931.15)	(78,042,953.73)	(70,808,870.62)
Tax income (expense)	20	(4,571,698.02)	(3,653,753.67)	896,565.39	(3,653,753.67)
<b>Loss for the period</b>		(139,069,539.90)	(38,528,684.82)	(77,146,388.34)	(74,462,624.29)
<b>Other comprehensive income :</b>					
<b>Items that will be reclassified to profit or loss</b>					
Exchange differences on translating financial statements of subsidiary		18,513,696.93	21,552,110.84	-	-
<b>Other comprehensive income for the period</b>		18,513,696.93	21,552,110.84	-	-
<b>Total comprehensive expense for the period</b>		(120,555,842.97)	(16,976,573.98)	(77,146,388.34)	(74,462,624.29)

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, 2024**

**(UNAUDITED / REVIEWED ONLY)**

**(Unit : Baht)**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<b>Profit (loss) attributable to:</b>				
Owners of the Company	(139,069,539.90)	(38,528,684.82)	(77,146,388.34)	(74,462,624.29)
Non-controlling interests	-	-	-	-
	<u>(139,069,539.90)</u>	<u>(38,528,684.82)</u>	<u>(77,146,388.34)</u>	<u>(74,462,624.29)</u>
<b>Total comprehensive income (expense) attributable to:</b>				
Owners of the Company	(120,555,842.97)	(16,976,573.98)	(77,146,388.34)	(74,462,624.29)
Non-controlling interests	-	-	-	-
	<u>(120,555,842.97)</u>	<u>(16,976,573.98)</u>	<u>(77,146,388.34)</u>	<u>(74,462,624.29)</u>
<b>Earnings per share</b>				
Basic earnings (loss) per share	(0.13)	(0.04)	(0.07)	(0.07)
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, 2024**

**(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, 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>
Balance as at January 1, 2024	1,045,125,093.00	918,494,598.54	35,179,082.30	(449,109,781.32)	27,703,257.29	1,577,392,249.81
Changes in shareholders' equity for the nine-month periods :						
Loss for the period	-	-	-	(139,069,539.90)	-	(139,069,539.90)
Other comprehensive income for the period	-	-	-	-	18,513,696.93	18,513,696.93
Balance as at September 30, 2024	<u>1,045,125,093.00</u>	<u>918,494,598.54</u>	<u>35,179,082.30</u>	<u>(588,179,321.22)</u>	<u>46,216,954.22</u>	<u>1,456,836,406.84</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, 2024

(UNAUDITED / REVIEWED ONLY)

(Unit : Baht)

	Separate financial statements				Total shareholders' equity
	Issued and paid-up share capital	Share premium	Retained earnings (deficit)		
			Appropriated Legal reserve	Unappropriated	
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	1,045,125,093.00	918,494,598.54	35,179,082.30	(485,749,334.22)	1,513,049,439.62
Balance as at January 1, 2024	1,045,125,093.00	918,494,598.54	35,179,082.30	(535,997,255.67)	1,462,801,518.17
Changes in shareholders' equity for the nine-month periods :					
Loss for the period	-	-	-	(77,146,388.34)	(77,146,388.34)
Balance as at September 30, 2024	1,045,125,093.00	918,494,598.54	35,179,082.30	(613,143,644.01)	1,385,655,129.83

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, 2024

(UNAUDITED / REVIEWED ONLY)

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
<b>Cash flows from operating activities</b>				
Loss for the period	(139,069,539.90)	(38,528,684.82)	(77,146,388.34)	(74,462,624.29)
<b>Adjustment to reconcile net profit (loss) to net cash provided by (used in) operating activities</b>				
Adjustment for tax (income) expense	4,571,698.02	3,653,753.67	(896,565.39)	3,653,753.67
Adjustment for finance costs	48,913,428.06	34,006,459.38	48,913,428.06	34,006,459.38
Share of profit of joint venture	(14,950,638.30)	-	-	-
Depreciation and amortization	46,188,333.18	47,362,529.32	42,118,611.19	42,649,285.71
(Reversal) loss on devaluation of inventories	(4,574,775.70)	11,431,246.40	(4,574,775.70)	11,431,246.40
Unrealized (gain) loss on exchange rate	42,866,768.26	952,518.27	42,420,660.42	(441,507.76)
(Gain) loss on sale of assets	(871,036.09)	(464,468.99)	(871,036.09)	(464,468.99)
(Reversal) of expected credit losses	8,705,186.64	(4,589,370.71)	8,705,186.64	(4,589,370.71)
(Reversal) loss on impairment of investment	8,229,275.00	(8,757,813.84)	8,229,275.00	(8,757,813.84)
Interest income	(253,418.82)	(107,934.45)	(253,418.82)	(107,934.45)
Amortized assets	23,602.21	151,285.65	23,602.21	151,285.65
Amortized liabilities	(141,948.56)	(665,960.51)	(141,948.56)	(438,216.31)
Employee benefit expenses	362,605.50	410,726.25	362,605.50	410,726.25
<b>Profit (loss) from operation before changes in operating assets and liabilities</b>	(460.50)	44,854,285.62	66,889,236.12	3,040,820.71
<b>Operating assets (increase) decrease</b>				
Trade and other current receivables	(35,264,361.83)	(176,530,517.59)	(120,010,484.65)	(57,134,697.92)
Trade and other current receivables from related party	(704,632,021.17)	-	(673,472,177.44)	(26,677,194.53)
Inventories	423,484,190.28	(115,725,430.80)	405,857,171.29	(142,735,219.94)
Other non-current assets	(139,517.90)	(509,001.76)	-	-
<b>Operating liabilities increase (decrease)</b>				
Trade and other current payables	301,064,588.39	383,595,291.94	305,701,561.20	382,823,090.72
Employee benefit paid - retirement	-	(655,466.00)	-	(655,466.00)
<b>Cash generated (paid) from operation</b>	(15,487,582.73)	135,029,161.41	(15,034,693.48)	158,661,333.04
Interest received	253,418.82	107,934.45	253,418.82	107,934.45
Interest paid	(50,299,919.58)	(33,827,756.19)	(50,299,919.58)	(33,827,756.19)
Income tax paid	(5,427,250.50)	(252,597.49)	(29,579.54)	(252,597.49)
<b>Net cash provided by (used in) operating activities</b>	(70,961,333.99)	101,056,742.18	(65,110,773.78)	124,688,913.81

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, 2024

(UNAUDITED / REVIEWED ONLY)

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
<b>Cash flows from investing activities</b>				
Proceeds from other long-term investment	-	4,530,846.16	-	4,530,846.16
Decrease in advance payment for assets	(749,489.42)	-	-	-
Acquisition of property, plant and equipment	(46,024,536.17)	(55,500,557.80)	(45,812,262.00)	(55,437,843.57)
Proceeds from sale of assets	960,420.06	464,485.99	960,420.06	464,485.99
Proceeds from deposit for machinery	18,955,706.00	40,963,705.00	18,955,706.00	40,963,705.00
Increase (decrease) in assets payable	(94,672.78)	43,936.34	130,360.36	(187,785.00)
Increase in bank deposit with obligations	(21.61)	(7.66)	(21.61)	(7.66)
<b>Net cash provided by (used in) investing activities</b>	<b>(26,952,593.92)</b>	<b>(9,497,591.97)</b>	<b>(25,765,797.19)</b>	<b>(9,666,599.08)</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in short-term borrowings from financial institutions	114,501,353.67	(118,977,717.23)	114,501,353.67	(118,977,717.23)
Payments for short-term borrowings	-	(4,000,000.00)	-	(4,000,000.00)
Payments for lease liabilities	-	(476,724.20)	-	(476,724.20)
<b>Net cash provided by (used in) financing activities</b>	<b>114,501,353.67</b>	<b>(123,454,441.43)</b>	<b>114,501,353.67</b>	<b>(123,454,441.43)</b>
<b>Increase in exchange difference on translation of financial statements</b>	<b>7,045,696.93</b>	<b>21,552,110.84</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>23,633,122.69</b>	<b>(10,343,180.38)</b>	<b>23,624,782.70</b>	<b>(8,432,126.70)</b>
Unrealized gain (loss) on exchange rate of foreign currency cash and deposit	(41,567.37)	(26,202.31)	(41,567.37)	(26,202.31)
<b>Cash and cash equivalents at the beginning of the period</b>	<b>75,424,242.60</b>	<b>93,842,355.76</b>	<b>73,836,271.24</b>	<b>89,205,989.95</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>99,015,797.92</b>	<b>83,472,973.07</b>	<b>97,419,486.57</b>	<b>80,747,660.94</b>

Notes to financial statements are parts of these financial statements.

**SAMCHAI STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**CONDENSED NOTES TO INTERIM FINANCIAL INFORMATION**  
**FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2024**  
**(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 Interim financial statements preparation

These interim financial statements have been prepared on a condensed basis to be corresponded with Thai Accounting Statements No. 34 "Interim Financial Reporting", guideline promulgated by the Federation of Accounting Professions, and the related regulation and notification of the Securities and Exchange Commission.

These interim financial statements have been prepared for the purpose to provide the update information on the latest complete set of annual financial statements for the year ended December 31, 2023. Accordingly, it does not include all of financial information required for full annual financial statements but it focuses on new activities, events, and circumstances and does not duplicate information previously reported. However, these interim financial statements should be read in conjunction with the financial statements of the Company for the year ended December 31, 2023.

The financial statements in Thai language are mainly used as a statutory financial statements, an English version of financial statements have been translated from Thai financial statements.

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

These consolidated financial statements consist of financial statements of Samchai Steel Industries Public Company Limited which is a parent company and the financial statements of subsidiary in which Samchai Steel Industries Public Company Limited, held its share capital or has significantly power to control such subsidiary as below:

<b>Subsidiary name</b>	<b>Incorporated in</b>	<b>Percentage of holding</b>	<b>Type of business</b>	<b>Relationship</b>
Steel Hub Limited	Cambodia	100.00	Manufacturing of steel pipes	Shareholder, control

2.2 Transaction with related party

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

2.3 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.

2.4 New financial reporting standards that became effective in the current year

The Group has adopted a number of revised financial reporting standards and interpretations, which are effective for the financial statements for fiscal year beginning on or after January 1, 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards.

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

2.5 Financial reporting standards that will become effective for the financial statements for the fiscal year beginning on or after January 1, 2025

The Federation of Accounting Professions has announced for adoption a number of revised financial reporting standards, which are effective for the financial statements for fiscal year beginning on or after January 1, 2025. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with the most of the changes directed towards clarifying accounting treatment and providing according guidance for users of the standards.

The management of the Group believes that the adoption of these revision will not have any significant impact on the Group's financial statements.

## 2.6 Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2023.

## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

In preparation of interim financial information, the management must make subjective judgements and estimates affect to the adoption of accounting policy and reported amounts of assets, liabilities, revenues and expenses which actual results could differ from these estimates.

## 4. CASH AND CASH EQUIVALENTS

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
Cash	939,644.21	897,242.49	770,322.00	717,685.00
Savings deposit	93,169,590.47	66,751,099.37	92,415,982.23	66,009,011.60
Current accounts	4,906,563.24	7,775,900.74	4,233,182.34	7,109,574.64
Total	99,015,797.92	75,424,242.60	97,419,486.57	73,836,271.24

## 5. TRADE AND OTHER CURRENT RECEIVABLES

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
Trade accounts receivable	909,901,817.92	908,602,931.90	855,313,695.84	768,016,346.02
Less Allowance for expected credit losses	(79,583,451.61)	(70,878,264.97)	(79,583,451.61)	(70,878,264.97)
Trade accounts receivable-net	830,318,366.31	837,724,666.93	775,730,244.23	697,138,081.05
Other current receivables				
Advance payment for goods	35,091,489.00	13,006,001.96	35,091,489.00	11,511,184.15
Advance payment for assets	749,489.42	-	-	-
Revenue Department receivable	36,908,724.06	27,559,564.68	36,908,724.06	27,559,564.68
Others	8,978,689.18	6,523,218.42	2,373,028.10	2,664,716.13
Total other current receivables	81,728,391.66	47,088,785.06	74,373,241.16	41,735,464.96
Total	912,046,757.97	884,813,451.99	850,103,485.39	738,873,546.01

**5. TRADE AND OTHER CURRENT RECEIVABLES (Cont'd)**

As at September 30, 2024 and December 31, 2023, the Company has outstanding trade accounts receivable classified by aging as follows:

**(Unit : Baht)**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2024</b>	<b>December 31, 2023</b>
In due	566,372,406.86	588,967,888.87	514,903,099.93	448,381,302.99
Overdue				
Less than 3 months	248,697,874.80	229,909,343.30	245,579,059.65	229,909,343.30
Over 3 - 6 months	6,974,908.64	3,143,128.20	6,974,908.64	3,143,128.20
Over 6 - 12 months	3,483,358.89	3,928,907.22	3,483,358.89	3,928,907.22
Over 12 months	84,373,268.73	82,653,664.31	84,373,268.73	82,653,664.31
Total	<u>909,901,817.92</u>	<u>908,602,931.90</u>	<u>855,313,695.84</u>	<u>768,016,346.02</u>

**6. TRADE AND OTHER CURRENT RECEIVABLES TO RELATED PARTY**

**(Unit : Baht)**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2024</b>	<b>December 31, 2023</b>
Trade accounts receivable				
to related party				
Subsidiary	-	-	-	15,154,282.32
Joint venture	642,037,829.29	-	642,037,829.29	-
Other current receivable				
to related party				
Joint venture	<u>2,058,055.00</u>	-	<u>2,058,055.00</u>	-
Total	<u>644,095,884.29</u>	-	<u>644,095,884.29</u>	<u>15,154,282.32</u>

As at September 30, 2024 and December 31, 2023, the Company has outstanding trade accounts receivable classified by aging as follows:

**(Unit : Baht)**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2024</b>	<b>December 31, 2023</b>
In due	642,037,829.29	-	642,037,829.29	15,154,282.32

7. INVENTORIES

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
Finished goods				
Manufacture	233,553,221.67	345,548,266.74	233,149,802.06	319,931,307.67
Trading	275,607,664.69	463,914,826.46	275,393,791.78	462,275,257.32
Goods in process	54,514,079.76	24,473,484.37	54,514,079.76	24,473,484.37
Raw materials	185,929,398.95	177,770,901.34	185,929,398.95	177,770,901.34
Supplies	18,577,369.56	18,659,769.72	18,577,369.56	18,659,769.72
Finished goods in transit	4,800,423.09	-	4,800,423.09	-
Raw materials in transit	93,739,409.14	268,647,827.09	93,739,409.14	268,647,827.09
Supplies in transit	-	202,898.12	-	202,898.12
Total	866,721,566.86	1,299,217,973.84	866,104,274.34	1,271,961,445.63
Less Allowance for devaluation				
of inventories	(9,465,651.95)	(23,052,644.35)	(9,465,651.95)	(14,040,427.65)
Inventories	857,255,914.91	1,276,165,329.49	856,638,622.39	1,257,921,017.98

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

During the nine-month periods ended September 30, 2024, the movements in non-current assets classified as held for sale are as follows:

	<b>(Unit : Baht)</b>
	<b>Consolidated and Separate financial statements</b>
	<hr/>
Net book value as at January 1, 2024	144,366,125.00
Reversal of loss on impairment of investment for the period	(8,229,275.00)
	<hr/>
Net book value as at September 30, 2024	<u>136,136,850.00</u>

On February 13, 2023, the Company entered into a trading contract for machinery with an overseas company (the "Buyer") with a contract value of USD 4.25 million. Currently, the Company has received the payment under trading contract in full. The machinery has been dismantled and gradually delivered to the buyer country to be tested to ensure about whether it can run at full capacity in accordance with the conditions specified in the contract.

As at September 30, 2024 and December 31, 2023, the aforementioned machine has been used to guarantee against short-term borrowings from financial institutions as stated in note 17. At present, the Company has completely proceeded the collaterals replacement for the bank. The registration of the mortgaged machine redemption is completed on October 11, 2024.

## 9. 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 24.1.

## 10. INVESTMENT IN SUBSIDIARY

		<b>(Unit : Baht)</b>			
		<b>Separate financial statements</b>			
		<b>Paid-up share capital</b>		<b>Cost Method</b>	
<u>Company's name</u>	<u>Proportion of investment</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2024</u>	<u>December 31, 2023</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, 2024 and December 31, 2023, the Company has investment in a subsidiary amount of USD 3.56 million.

**11. INVESTMENT IN JOINT VENTURE**

**(Unit : Baht)**

Company's name	Proportion of investment	Consolidated financial statements	
		Equity method	
		September 30, 2024	September 30, 2024
SteelTech Pipes Company Limited	50%	107,559,388.30	-

According to the resolution of the Executive Committee Meeting No. 5/2024 held on June 4, 2024, passed to approve a subsidiary in the Kingdom of Cambodia (Steel Hub Limited) to participate with foreign shareholders and establish a joint venture company (Steel Tech Pipes Company Limited in the Kingdom of Cambodia) with a registered capital of USD 5,000,000 (2,500,000 shares, at the value of USD 2 per share) to engage in the business of manufacturing and exporting steel pipes, in which the subsidiary holds 50% of the shares and was registered as a company on June 10, 2024.

On September 24, 2024, the meeting of the joint venture company agreed on the time frame for capital paying in cash, factory plant and equipment within the first quarter of 2025 which is currently paid amount of USD 340,000 but the valuation of such assets has not yet been carried out.

**12. OTHER LONG-TERM INVESTMENTS**

**(Unit : Baht)**

	Consolidated and Separate financial statements	
	September 30, 2024	December 31, 2023
Cost of investment :-		
Thai Cold Rolled Steel Sheet Public Company Limited	5,000,000.00	5,000,000.00
Less Provision for impairment of investment	(2,750,000.00)	(3,218,953.84)
Other long-term investments	2,250,000.00	2,250,000.00

### 13. INVESTMENT PROPERTY

During the nine-month periods ended September 30, 2024, the movements in investment property are as follows:

	<b>(Unit : Baht)</b>
	<b>Consolidated and Separate financial statements</b>
Net book value as at January 1, 2024	67,704,125.81
Depreciation for the period	(1,414,503.72)
Net book value as at September 30, 2024	<u>66,289,622.09</u>

On September 27, 2024, part of investment property was used as guarantee against short-term borrowings as stated in note 17.

### 14. PROPERTY, PLANT AND EQUIPMENT

During the nine-month periods ended September 30, 2024, the movements in property, plant and equipment are as follows:

	<b>(Unit : Baht)</b>	
	<b>Consolidated financial statements</b>	<b>Separate financial statements</b>
Net book value as at January 1, 2024	1,522,287,620.12	1,451,586,021.63
Purchase during the period	46,024,536.17	45,812,262.00
Disposal during the period	(112,980.18)	(112,980.18)
Depreciation for the period	(44,250,690.62)	(40,442,144.47)
Net book value as at September 30, 2024	<u>1,523,948,485.49</u>	<u>1,456,843,158.98</u>

As at September 30, 2024, 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.

On October 4, 2024, the Company has mortgaged additional machine and on September 30, 2024, the Company has completed the registration of some vehicles for additional business collaterals as stated in note 17.

**15. RIGHT-OF-USE ASSETS**

During the nine-month periods ended September 30, 2024, the movements in right-of-use assets are as follows:

	<b>(Unit : Baht)</b>
	<b>Consolidated financial</b>
	<b>statements</b>
	<hr/>
Net book value as at January 1, 2024	14,335,651.87
Depreciation for the period	(261,175.84)
	<hr/>
Net book value as at September 30, 2024	14,074,476.03
	<hr/> <hr/>

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.

**16. OTHER INTANGIBLE ASSETS**

During the nine-month periods ended September 30, 2024, the movements in other intangible assets are as follows:

	<b>(Unit : Baht)</b>
	<b>Consolidated and Separate</b>
	<b>financial statements</b>
	<hr/>
Net book value as at January 1, 2024	2,095,746.17
Write off during the period	(6.00)
Amortization for the period	(261,963.00)
	<hr/>
Net book value as at September 30, 2024	1,833,777.17
	<hr/> <hr/>

**17. SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS**

**(Unit : Baht)**

	<b>Consolidated and Separate financial statements</b>	
	<b>September 30, 2024</b>	<b>December 31, 2023</b>
Borrowings from banks		
Promissory notes	682,000,000.00	251,000,000.00
Trust receipt	800,014,386.35	1,116,513,032.68
Total	<u>1,482,014,386.35</u>	<u>1,367,513,032.68</u>

As at September 30, 2024 and December 31, 2023, 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 14, and additionally mortgaged investment properties on September 27, 2024.

On September 26, 2024, the Company signed a Memorandum of Understanding to amend the separate loan agreement for each bank as confirmed by the Company in accordance with the loan terms and conditions framework for the DR Biz project on September 6, 2024, which is a jointly qualified conclusion of those three banks. There are the significant terms and conditions that have been changed from the original version as follows:

1. Conditions for discharge of machine collateral as stated in note 8 with collateral replacement as follows:
  - 1.1 Part of investment property as stated in note 13
  - 1.2 Part of property, plants and equipment as stated in note 14

At present, the Company has mortgaged the condominium and machines and completely registered the part of vehicles as business collaterals as mentioned in No. 1.1 and 1.2.

2. The bank reserves the right to exercise the right for calling the debts payment and shall be considered as a call default for any issues that affect the Company's operating results and financial position from the financial statements for the first quarter of 2024, the second quarter of 2024 and the third quarter of 2024.

Accordingly, the bank will consider the debt repayment ability in accordance with the conditions as a basis.

**18. TRADE AND OTHER CURRENT PAYABLES**

**(Unit : Baht)**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2024</b>	<b>December 31, 2023</b>
Trade accounts payable				
- Other companies	1,112,589,734.55	643,122,231.45	1,112,589,734.55	643,122,231.45
- Related party	32,066.83	123,088.52	32,066.83	123,088.52
Total trade accounts payable	<u>1,112,621,801.38</u>	<u>643,245,319.97</u>	<u>1,112,621,801.38</u>	<u>643,245,319.97</u>
Other current payables				
- Subsidiary				
Other payables	-	-	5,218,978.56	-
Other current payables				
- Joint venture				
Accrued share subscription				
payment	92,175,892.00	-	11,035,142.00	-
Other payables	1,622,815.00	-	-	-
Other current payables				
- Other companies				
Accrued expenses	20,663,460.85	27,947,279.20	20,663,460.85	27,947,279.20
Advance payment for goods	19,439,976.91	176,471,665.66	19,439,976.91	176,471,665.66
Deposit for machinery	148,986,736.00	130,031,030.00	148,986,736.00	130,031,030.00
Assets payable	5,355,803.16	5,450,475.95	1,574,027.54	1,443,667.18
Guarantees payable	32,512,185.63	32,512,185.63	32,512,185.63	32,512,185.63
Advance - received	-	19,772,870.00	-	19,772,870.00
Others	2,629,398.07	2,820,044.27	1,942,817.50	1,538,762.30
Total other current payables	<u>323,386,267.62</u>	<u>395,005,550.71</u>	<u>241,373,324.99</u>	<u>389,717,459.97</u>
Total	<u><u>1,436,008,069.00</u></u>	<u><u>1,038,250,870.68</u></u>	<u><u>1,353,995,126.37</u></u>	<u><u>1,032,962,779.94</u></u>

**19. NON-CURRENT PROVISIONS FOR EMPLOYEE**

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

**As at September 30, 2024 and December 31, 2023**

**(Unit : Baht)**

	<b>Consolidated and Separate financial statements</b>	
	<b>September 30, 2024</b>	<b>December 31, 2023</b>
Non-current provisions for employee benefit		
are the beginning of the period	9,690,884.00	10,897,195.00
Current service cost	276,474.75	425,089.00
Interest cost	86,130.75	122,546.00
Payment of employee benefit during the period	-	(1,753,946.00)
Non-current provisions for employee benefit		
at the end of the period	<u>10,053,489.50</u>	<u>9,690,884.00</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, 2024 and 2023**

**(Unit : Baht)**

	<b>Consolidated and Separate financial statements</b>	
	<b>2024</b>	<b>2023</b>
Cost of sales	50,999.75	60,807.50
Distribution costs	9,902.25	13,865.00
Administrative expenses	59,966.50	62,236.25
Total	<u>120,868.50</u>	<u>136,908.75</u>

**For the nine-month periods ended September 30, 2024 and 2023**

**(Unit : Baht)**

	<b>Consolidated and Separate financial statements</b>	
	<b>2024</b>	<b>2023</b>
Cost of sales	152,999.25	182,422.50
Distribution costs	29,706.75	41,595.00
Administrative expenses	179,899.50	186,708.75
Total	<u>362,605.50</u>	<u>410,726.25</u>

**20. TAX EXPENSES/ DEFERRED TAX**

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

	(Unit : Baht)	
	<u>Consolidated and Separate financial statements</u>	
	<u>September 30, 2024</u>	<u>December 31, 2023</u>
<b>Deferred tax assets</b>		
Expected credit losses	9,287,668.06	7,629,920.93
Allowance for devaluation of inventories	1,893,130.39	2,808,085.53
Employee benefit provisions	2,010,697.90	1,938,176.80
Provisions for impairment of investment	550,000.00	550,000.00
Provision for impairment of asset	60,316,710.25	58,670,855.25
Total	<u>74,058,206.60</u>	<u>71,597,038.51</u>
<b>Deferred tax liabilities</b>		
Depreciation from changes in provisions	78,920,739.62	77,356,136.92
Total	<u>78,920,739.62</u>	<u>77,356,136.92</u>
Deferred tax assets (liabilities) - net	<u>(4,862,533.02)</u>	<u>(5,759,098.41)</u>

Tax expenses for the three-month periods ended September 30, 2024 and 2023 are summarized as follows:

	(Unit : Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Current tax :</b>				
Tax income for the period	1,008,799.78	-	-	-
<b>Deferred tax :</b>				
Deferred tax resulted from temporary differences and reversal of temporary differences	(4,590,218.44)	664,816.67	(4,590,218.44)	664,816.67
Tax expenses (income) presented in statements of comprehensive income	<u>(3,581,418.66)</u>	<u>664,816.67</u>	<u>(4,590,218.44)</u>	<u>664,816.67</u>

**20. INCOME TAX EXPENSES/ DEFERRED TAX (Cont'd)**

Tax expenses for the nine-month periods ended September 30, 2024 and 2023, are summarized as follows:

**(Unit : Baht)**

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Current tax :</b>				
Tax income for the period	5,468,263.41	-	-	-
<b>Deferred tax :</b>				
Deferred tax resulted from temporary differences and reversal of temporary differences	(896,565.39)	3,653,753.67	(896,565.39)	3,653,753.67
Tax expenses (income) presented in statements of comprehensive income	<u>4,571,698.02</u>	<u>3,653,753.67</u>	<u>(896,565.39)</u>	<u>3,653,753.67</u>

**21. 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.

**22. REVENUES FROM SALES**

A subsidiary in the Kingdom of Cambodia (Steel Hub Limited) has the net operating loss for the nine-month periods ended September 30, 2024, for the amount of USD 1,364,876 (appropriately Baht 61.29 million) arose from sales of products below the cost price in the first quarter of 2024, resulted in the gross loss of USD 2,898,398 (appropriately Baht 105.33 million) that the sales of goods in the price lower than the cost price equivalents to 45.02% of costs of goods., due to the separation of old out-of-stock products at the subsidiary itself and out-of-stock products sold by the Company to subsidiary during the period. This is caused by long-term storage, and those products are damage and usable products. It is necessary to sell them at a low price.

## 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.

<b>Related Parties</b>	<b>Relationship</b>	<b>Transaction</b>	<b>Pricing Policy</b>
Steel Hub Limited	Subsidiary	Selling goods	Cost
SteelTech Pipes Company Limited	Joint ventures of Steel Hub Limited	Selling goods	Market price
		Rental income	At agreed price
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:

	<b>(Unit : Baht)</b>			
	<b>Consolidated financial statements</b>			
	<b>December 31, 2023</b>	<b>Increase</b>	<b>Decrease</b>	<b>September 30, 2024</b>
<b>SteelTech Pipes Company Limited</b>				
Trade accounts receivable	-	754,082,553.74	(112,044,724.45)	642,037,829.29
Other current receivable	-	18,063,616.41	-	18,063,616.41
Accrued share subscription payment	-	92,175,892.00	-	92,175,892.00
Other current payable	-	1,622,815.00	-	1,622,815.00
<b>Chainarong Intertrade Co., Ltd.</b>				
Trade accounts payable	123,088.52	220,936.81	(311,958.50)	32,066.83
<b>(Unit : Baht)</b>				
<b>Separate financial statements</b>				
<b>Steel Hub Limited</b>				
Trade accounts receivable	15,154,282.32	574,635,560.49	(589,789,842.81)	-
Other current receivable	-	8,171,717.50	(8,171,717.50)	-
Other current payable	-	5,218,978.56	-	5,218,978.56
<b>SteelTech Pipes Company Limited</b>				
Trade accounts receivable	-	754,082,553.74	(112,044,724.45)	642,037,829.29
Other current receivable	-	2,058,055.00	-	2,058,055.00
Other current payable	-	11,035,142.00	-	11,035,142.00
<b>Chainarong Intertrade Co., Ltd.</b>				
Trade accounts payable	123,088.52	220,936.81	(311,958.50)	32,066.83

**23. TRANSACTIONS WITH RELATED PARTIES (Cont'd)**

Revenues and expenses transactions with related companies for the nine-month periods ended September 30, 2024 and 2023, are summarized as follows:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
<b>Steel Hub Limited</b>				
Sell of goods	-	-	547,603,926.61	592,237,352.18
Sell of assets	-	-	72,569.60	-
<b>SteelTech Pipes Company Limited</b>				
Sell of goods	754,082,553.74	-	754,082,553.74	-
Rental income	3,109,644.00	-	-	-
<b>Chainarong Intertrade Co., Ltd.</b>				
Acquire of goods and supplies	206,483.00	591,437.00	206,483.00	591,437.00

**24. COMMITMENT AND CONTINGENT LIABILITIES**

24.1 As at September 30, 2024 and December 31, 2023, 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.

24.2 As at December 31, 2023, the Company has opened letter of credit in the amount of Baht 130.81 million to purchase finished goods and raw materials from overseas.

24.3 As at September 30, 2024 and December 31, 2023, the Company has the remaining contingent liability for purchasing finished goods and raw materials from local and overseas companies of Baht 234.39 million and Baht 77.81 million respectively.

24.4 As at December 31, 2023, the Company has the remaining contingent liability for purchasing machinery and vehicles from two local companies of Baht 0.63 million.

24.5 As at September 30, 2024 and December 31, 2023, the Company has commitment under hire of renovation of plant and machinery with four domestic companies which has remaining in the amount of Baht 0.87 million and Baht 3.06 million respectively.

24.6 As at December 31, 2023, the subsidiary has the remaining contingent liability for purchasing finished goods from overseas companies of Baht 3.53 million.

## 25. 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, 2024 and 2023, as follows:

For the three-month periods

(Unit : Million Baht)

	<b>Consolidated financial statements</b>					
	<b>As at September 30, 2024</b>			<b>As at September 30, 2023</b>		
	<b>Domestic sales</b>	<b>Overseas sales</b>	<b>Total</b>	<b>Domestic sales</b>	<b>Overseas sales</b>	<b>Total</b>
Revenues from sales	1,337	852	2,189	1,175	281	1,456
Cost of sales	(1,303)	(824)	(2,127)	(1,173)	(270)	(1,443)
Gross profit	34	28	62	2	11	13
Other income			4			2
Reversal (loss) on						
impairment of asset			(19)			4
Loss on exchange rate			(44)			(3)
Distribution costs			(9)			(8)
Administrative expenses			(40)			(31)
Finance costs			(17)			(14)
Share of profit of						
joint venture			15			-
Tax income (expense)			4			(1)
Loss for the period			(44)			(38)
Property, plant and equipment			1,524			1,533

25. FINANCIAL INFORMATION SEGMENT (Cont'd)

For the nine-month periods

(Unit : Million Baht)

	Consolidated financial statements					
	As at September 30, 2024			As at September 30, 2023		
	Domestic sales	Overseas sales	Total	Domestic sales	Overseas sales	Total
Revenues from sales	3,852	1,293	5,145	3,419	971	4,390
Cost of sales	(3,718)	(607)	(5,069)	(3,380)	(908)	(4,288)
Gross profit	134	686	76	39	63	102
Other income			5			6
Reversal (loss) on						
impairment of asset			(8)			9
Loss on exchange rate			(46)			(5)
Distribution costs			(29)			(24)
Administrative expenses			(96)			(87)
Finance costs			(51)			(36)
Share of profit of						
joint venture			15			-
Tax expense			(5)			(4)
Loss for the period			(139)			(39)
Property, plant and equipment			1,524			1,533

Major customer

For the nine-month periods ended September 30, 2024 and 2023, the subsidiary has revenues from a major customer in the amount of Baht 537.41 million and Baht 964.55 million respectively, which from the overseas sales segment.

**26. ADDITIONAL DISCLOSURE OF CASH FLOWS INFORMATION**

Significant non-monetary transactions for the nine-month periods ended September 30, 2024 and 2023, are as follows:

In 2024, subsidiary has recorded investment in joint ventures amount of Baht 92.61 million as other current payables amount of Baht 81.41 million and different of exchange rate from translating of the subsidiary's financial statements amount of Baht 11.47 million.

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.

**27. APPROVAL OF INTERIM FINANCIAL STATEMENTS**

These interim financial statements were approved and authorized for issue by the Board of directors of the Company on December 17, 2024.