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

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

### **for the THREE-MONTH AND NINE-month periodS ended 30 SEPTEMBER 2022 AND 2021 (Unaudited but reviewed)**

1. **NATURE OF OPERATIONS**

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

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

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

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

The interim financial statements for the three-month and nine-month periods ended 30 September 2022 have been prepared in accordance with Thai Accounting Standard 34, “Interim Financial Reporting” including guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission and are presented in Thai Baht currency which do not include all the information required in annual financial statements in accordance with Thai Financial Reporting Standards. These should therefore be read in conjunction with the full set of financial statements for the year ended 31 December 2021.

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

These interim financial statements were approved by the Company’s Board of Directors on 11 November 2022.

1. Principles of consolidation

The interim consolidated financial statements included the financial statements of Siam Steel Service Center Public Company Limited and its foreign subsidiary and are prepared on the same basis as applied for the preparation of consolidated financial statements for the year ended 31 December 2021. There has been no change in the Group structure during the period.

The consolidated and separate financial statements as of 30 September 2022 and 31 December 2021 and for the three-month and nine-month periods ended 30 September 2022 and 2021 include assets, liabilities, revenues, and expenses of the foreign subsidiary under the control of the Company, which is not significant to the consolidated financial statements, as follows:

|  |  |  |
| --- | --- | --- |
|  | (Unit : Thousand Baht) | |
|  | 30 September 2022 | 31 December 2021 |
|  |  |  |
| Total assets | 77,770 | 69,087 |
| Total liabilities | 65,444 | 45,905 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  | (Unit : Thousand Baht) | |
|  | For the three-month periods  ended 30 September | | For the nine-month periods  ended 30 September | |
|  | 2022 | 2021 | 2022 | 2021 |
|  |  |  |  |  |
| Revenues | 35,732 | 10,231 | 66,976 | 35,946 |
| Expenses | 3,604 | 2,853 | 9,167 | 8,557 |

1. **SIGNIFICANT ACCOUNTING POLICIES**

These interim financial statements have been prepared using the same accounting policies used in the preparation of the financial statements of the Group for the year ended 31 December 2021, and the adoption of the new and revised Thai Financial Reporting Standards, interpretations and guidance that become effective for the preparation financial statements for the period beginning 1 January 2022 as follow:

- Thai Financial Reporting Standard 9 “Financial instruments”, Thai Financial Reporting Standard 7 “Disclosure of Financial instruments”, Thai Financial Reporting Standard 16 “Lease”

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

1. **ESTIMATES AND JUDGEMENT**

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

The judgments, estimates and assumptions applied in the preparation of interim financial statements, including the key sources of estimation, are based on the same basis as applied in the preparation of annual financial statements for the year ended 31 December 2021.

1. **CASH AND CASH EQUIVALENTS**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| (Unit : Thousand Baht) | | | | | | | |
|  | Consolidated Statements | | |  | Separate Statements | | |
|  | 30 September  2022 |  | 31 December 2021 |  | 30 September  2022 |  | 31 December 2021 |
|  |  |  |  |  |  |  |  |
| Cash on hand | 1,316 |  | 1,062 |  | 1,000 |  | 1,000 |
| Cash at bank - Current accounts | 34,575 |  | 44,358 |  | 28,919 |  | 36,278 |
| - Savings accounts | 115,101 |  | 61,885 |  | 115,079 |  | 57,226 |
| Cheques deposited in transit | 1,834 |  | 7,942 |  | 1,834 |  | 7,942 |
| Total | 152,826 |  | 115,247 |  | 146,832 |  | 102,446 |

As of 30 September 2022, and 31 December 2021, saving deposits with banks bear interest at   
0.05 – 0.30 percent per annum.

1. **TRADE ACCOUNTS RECEIVABLE**

As of 30 September 2022, and 31 December 2021, trade accounts receivable classified by outstanding aging are as follows:

| (Unit : Thousand Baht) | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated Statements | | |  | Separate Statements | | |
|  | 30 September  2022 |  | 31 December 2021 |  | 30 September  2022 |  | 31 December 2021 |
| Trade accounts receivable - general customers - net | |  |  |  |  |  |  |
| Not yet due | 1,175,410 |  | 1,157,690 |  | 1,175,410 |  | 1,157,690 |
| Overdue: |  |  |  |  |  |  |  |
| Less than 3 months | 15,905 |  | 53,638 |  | 12,385 |  | 41,230 |
| 3 - 6 months | 6,886 |  | 4,837 |  | 2,867 |  | 4,513 |
| 6 - 12 months | 1,583 |  | 2,809 |  | 212 |  | 2,281 |
| More than 12 months | 27,942 |  | 27,286 |  | 23,276 |  | 24,115 |
| Total | 1,227,726 |  | 1,246,260 |  | 1,214,150 |  | 1,229,829 |
| Less Allowance for expected credit loss | (21,527) |  | (14,439) |  | (20,983) |  | (13,929) |
| Net | 1,206,199 |  | 1,231,821 |  | 1,193,167 |  | 1,215,900 |
|  |  |  |  |  |  |  |  |
| Trade accounts receivable - related companies | |  |  |  |  |  |  |
| Not yet due | 61,253 |  | 54,946 |  | 61,253 |  | 54,946 |
| Total | 61,253 |  | 54,946 |  | 61,253 |  | 54,946 |

The Group does not set up allowance for expected credit loss in full amount for trade accounts receivable overdue over 12 months because most of those are under installment payments and/or are covered by collateralized assets to guarantee the payments. If the Company cannot collect the payments from customers, it can confiscate such collateralized assets. Based on the Company management’s assessment, the value of collateralized assets is worth more than the outstanding receivables.

During the nine-month period ended 30 September 2022, the movements in allowance for expected credit loss are as follow:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | (Unit : Thousand Baht) | | |
|  |  | Consolidated Statements |  | Separate Statements |
|  |  |  |  |  |
| Balance as of 1 January 2022 |  | (14,439) |  | (13,929) |
| Add Provision for expected credit loss during the period |  | (7,815) |  | (7,815) |
| Less Reversal of allowance during the period |  | 761 |  | 761 |
| Exchange rate difference |  | (34) |  | - |
| Balance as of 30 September 2022 |  | (21,527) |  | (20,983) |

1. **TRANSACTIONS WITH RELATED PARTIES**

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

Significant transactions with related parties for the three-month and nine-month periods ended 30 September 2022 and 2021 are as follow:

|  |  |  |  | (Unit : Thousand Baht) | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | Consolidated Statements | | |  | Separate Statements | | |
|  |  |  |  | For the three-month periods ended 30 September | | | | | | |
|  |  | The pricing policy |  | 2022 |  | 2021 |  | 2022 |  | 2021 |
|  |  |  |  |  |  |  |  |  |  |  |
| Sales and installation services income |  | Market prices |  | 54,600 |  | 37,142 |  | 54,711 |  | 37,142 |
| Steel cutting services income and other income |  | Market prices |  | 3,320 |  | 3,690 |  | 3,320 |  | 3,690 |
| Rental income |  | Market prices |  | 1,067 |  | 1,006 |  | 1,067 |  | 1,006 |
| Purchase of raw materials |  | Market prices |  | 1,057,559 |  | 1,266,865 |  | 1,057,559 |  | 1,266,865 |
| Expenses and other purchases |  | Market prices |  | 7,825 |  | 6,105 |  | 7,825 |  | 6,105 |
| Purchase of assets |  | Market prices |  | 10 |  | 2 |  | 10 |  | 2 |
| Interest income |  | Agreed rate |  | - |  | - |  | 145 |  | 157 |
|  |  |  |  |  |  |  |  |  |  |  |
| Key directors and management personnel compensation | | |  |  |  |  |  |  |  |  |
| Current directors and management benefits | | |  | 6,288 |  | 5,643 |  | 6,288 |  | 5,643 |
| Post - employment benefits | | |  | 362 |  | 288 |  | 362 |  | 288 |
| Total | | |  | 6,650 |  | 5,931 |  | 6,650 |  | 5,931 |

|  |  |  |  | (Unit : Thousand Baht) | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | Consolidated Statements | | |  | Separate Statements | | |
|  |  |  |  | For the nine-month periods ended 30 September | | | | | | |
|  |  | The pricing policy |  | 2022 |  | 2021 |  | 2022 |  | 2021 |
|  |  |  |  |  |  |  |  |  |  |  |
| Sales and installation services income |  | Market prices |  | 144,544 |  | 103,847 |  | 144,851 |  | 105,218 |
| Steel cutting services income and other income |  | Market prices |  | 10,467 |  | 11,687 |  | 10,467 |  | 11,687 |
| Rental income |  | Market prices |  | 3,108 |  | 3,014 |  | 3,108 |  | 3,014 |
| Purchase of raw materials |  | Market prices |  | 2,938,893 |  | 2,979,668 |  | 2,938,893 |  | 2,979,668 |
| Expenses and other purchases |  | Market prices |  | 22,400 |  | 19,179 |  | 22,400 |  | 19,179 |
| Purchase of assets |  | Market prices |  | 34 |  | 10 |  | 34 |  | 10 |
| Interest income |  | Agreed rate |  | - |  | - |  | 667 |  | 432 |
|  |  |  |  |  |  |  |  |  |  |  |
| Key directors and management personnel compensation | | |  |  |  |  |  |  |  |  |
| Current directors and management benefits | | |  | 18,952 |  | 18,049 |  | 18,952 |  | 18,049 |
| Post - employment benefits | | |  | 1,087 |  | 863 |  | 1,087 |  | 863 |
| Total | | |  | 20,039 |  | 18,912 |  | 20,039 |  | 18,912 |

As of 30 September 2022, and 31 December 2021, the outstanding balances with related companies are   
as follows:

|  |  | | |  | (Unit : Thousand Baht) | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated Statements | | |  | Separate Statements | | |
|  | 30 September 2022 |  | 31 December 2021 |  | 30 September 2022 |  | 31 December 2021 |
|  |  |  |  |  |  |  |  |
| Trade accounts receivable |  |  |  |  |  |  |  |
| Related companies | 61,253 |  | 54,946 |  | 61,253 |  | 54,946 |
| Total | 61,253 |  | 54,946 |  | 61,253 |  | 54,946 |
|  |  |  |  |  |  |  |  |
| Amounts due from |  |  |  |  |  |  |  |
| Subsidiary | - |  | - |  | 27 |  | 295 |
| Related companies | 53 |  | 82 |  | 53 |  | 82 |
| Total | 53 |  | 82 |  | 80 |  | 377 |
|  |  |  |  |  |  |  |  |
| Short-term loan to |  |  |  |  |  |  |  |
| Subsidiary | - |  | - |  | 9,436 |  | 14,961 |

As of 30 September 2022, and 31 December 2021, the movements in short-term loan to subsidiary (Siam Steel Vietnam Co., Ltd.) are as follow:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | (Unit : Thousand Baht) | | |
|  |  | Separate Statements | | |
|  |  | 30 September 2022 |  | 31 December 2021 |
|  |  |  |  |  |
| Balance - beginning of the period |  | 14,961 |  | 11,947 |
| Add Additional loan granted |  | 19,039 |  | 14,518 |
| Less Receipt of repayment |  | (25,950) |  | (12,552) |
| Unrealized gain on foreign exchange rate |  | 1,386 |  | 1,048 |
| Balance - ending of the period |  | 9,436 |  | 14,961 |

Short-term loan to Siam Steel Vietnam Co., Ltd. bears interest at the rate of 4.50% per annum with no collateral. The loan is due on demand.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | |  | (Unit : Thousand Baht) | | |
|  | Consolidated Statements | | |  | Separate Statements | | |
|  | 30 September 2022 |  | 31 December 2021 |  | 30 September 2022 |  | 31 December 2021 |
|  | |  |  |  |  |  |  |
| Trade accounts payable | |  |  |  |  |  |  |
| Related companies | 178,216 |  | 102,765 |  | 163,350 |  | 99,679 |
|  |  |  |  |  |  |  |  |
| Key management personnel compensation | |  |  |  |  |  |  |
| Post - employment benefit | 21,344 |  | 24,280 |  | 21,344 |  | 24,280 |

1. **CONTRACTS ASSETS AND CONTRACTS LIABILITIES**

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

|  |  |  | |  | (Unit : Thousand Baht) | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated Statements | | |  | Separate Statements | | |
|  | 30 September 2022 |  | 31 December 2021 |  | 30 September 2022 |  | 31 December 2021 |
|  |  |  |  |  |  |  |  |
| **Contracts assets** |  |  |  |  |  |  |  |
| Unbilled accrued income | 97,131 |  | 105,511 |  | 97,131 |  | 105,511 |
| Retention receivables | 11,664 |  | 15,609 |  | 11,664 |  | 15,609 |
| Total contracts assets | 108,795 |  | 121,120 |  | 108,795 |  | 121,120 |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **Contracts liabilities** |  |  |  |  |  |  |  |
| Advances from customers | 13,417 |  | 3,928 |  | 7,755 |  | 3,928 |
| Total contract liabilities | 13,417 |  | 3,928 |  | 7,755 |  | 3,928 |

1. Unbilled accrued income and advances from customers

|  |  | | |  | | (Unit : Thousand Baht) | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated Statements | | |  | | Separate Statements | | | |
|  | 30 September 2022 |  | 31 December 2021 | |  | | 30 September 2022 |  | 31 December 2021 |
|  |  |  |  | |  | |  |  |  |
| **Unbilled accrued income** |  |  |  | |  | |  |  |  |
| Contract sales | 447,456 |  | 398,788 | |  | | 447,456 |  | 398,878 |
| Accumulated amount recognized as revenues by percentage of completion basis | 330,998 |  | 287,329 | |  | | 330,998 |  | 287,329 |
| Less Amounts billed | (233,867) |  | (181,818) | |  | | (233,867) |  | (181,818) |
| Unbilled accrued income | 97,131 |  | 105,511 | |  | | 97,131 |  | 105,511 |
|  |  |  |  | |  | |  |  |  |
| **Retentions receivable** | 11,664 |  | 15,609 | |  | | 11,664 |  | 15,609 |
|  |  |  |  | |  | |  |  |  |
| **Advances from customers** |  |  |  | |  | |  |  |  |
| Amounts received per contracts | 86,532 |  | 58,250 | |  | | 60,135 |  | 58,520 |
| Amounts billed | 42,625 |  | 49,903 | |  | | 42,625 |  | 49,903 |
| Less Accumulated amount recognized as revenues by percentage of completion basis | (29,208) |  | (45,975) | |  | | (34,870) |  | (45,975) |
| Advances from customers - net | 13,417 |  | 3,928 | |  | | 7,755 |  | 3,928 |

1. Revenues expected to be recognized from existing contracts

As of 30 September 2022, the Group expects to recognize revenues in the future from performance of work that are still uncompleted (or partially completed) under existing contracts with customers totalling Baht 280.52 million (Separate financial statement - totalling Baht 206.58 million).

1. **INVENTORIES**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | |  | (Unit : Thousand Baht) | | |
|  | Consolidated Statements | | |  | Separate Statements | | |
|  | 30 September 2022 |  | 31 December 2021 |  | 30 September 2022 |  | 31 December 2021 |
|  |  |  |  |  |  |  |  |
| Raw materials | 1,310,545 |  | 1,228,777 |  | 1,284,437 |  | 1,213,618 |
| Finished goods | 195,470 |  | 189,746 |  | 195,470 |  | 189,746 |
| Work in process | 87,943 |  | 70,208 |  | 75,970 |  | 60,257 |
| Spare parts and supplies | 49,119 |  | 48,590 |  | 49,119 |  | 48,590 |
| Raw materials in transit | 100,269 |  | 29,120 |  | 100,269 |  | 29,120 |
| Total | 1,743,346 |  | 1,566,441 |  | 1,705,265 |  | 1,541,331 |

1. **INVESTMENT IN SUBSIDIARY COMPANY**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | |  | (Unit : Thousand Baht) | |
|  |  | Paid–up | Percentage of holding | | | Separate Statements | |
| Company | Type of business | share capital | 30 Sep 2022 | 31 Dec 2021 | | 30 Sep 2022 | 31 Dec 2021 |
|  | |  |  |  | |  |  |
| Investment in subsidiary company | |  |  |  | |  |  |
| Siam Steel Vietnam  Co., Ltd. | Manufacturing and sale of roll-formed steel products for construction, furniture, automobile and electronics industries | 26,698 | 90.00 | 90.00 | | 24,029 | 24,029 |
| Total |  |  |  |  | | 24,029 | 24,029 |

1. **INVESTMENT PROPERTY**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | (Unit : Thousand Baht) | | |
|  |  | Consolidated/ Separate Statements | | |
|  |  | 30 September 2022 |  | 31 December 2021 |
|  |  |  |  |  |
| Land |  | 24,621 |  | 24,621 |
| Land and buildings |  | 6,734 |  | 6,734 |
| Total |  | 31,355 |  | 31,355 |

As of 30 September 2022, the fair value of above investment property, based on the comparison with latest average market price of properties in the nearby areas on 31 December 2021, was approximately Baht 60.36 million (2021: Baht 60.36 million).

1. **PROPERTY, PLANT AND EQUIPMENT**

Condensed movements in property, plant, and equipment for the nine-month period ended 30 September 2022 are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| (Unit : Thousand Baht) | | | | |
|  | | Consolidated Statements |  | Separate Statements |
|  | |  |  |  |
| Net book value as of 1 January 2022 | | 1,079,585 |  | 1,068,384 |
| Add | Additional purchases | 30,223 |  | 28,225 |
| Less | Disposal and written - off - net | (3,417) |  | (3,415) |
|  | Depreciation for the period  Accumulated depreciation of disposed assets  Exchange rate difference | (54,292)  3,263  766 |  | (53,534)  3,263  - |
| Net book value as of 30 September 2022 | | 1,056,128 |  | 1,042,923 |

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  |  | (Unit : Thousand Baht) | | |
|  | Interest rate  per annum |  | Consolidated Statements | | |
|  |  | 30 September 2022 |  | 31 December 2021 |
|  |  |  |  |  |  |
| Bank overdraft | 6.07 - 6.20 |  | 2,179 |  | 24 |
| Liabilities under trust receipts | 1.20 - 1.62 |  | 214,013 |  | 113,707 |
| Short - term loans | 1.05 - 4.50 |  | 591,440 |  | 636,997 |
| Total |  |  | 807,632 |  | 750,728 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  | (Unit : Thousand Baht) | | | |
|  | Interest rate  per annum |  | Separate Statements | | | |
|  |  | 30 September 2022 |  | 31 December 2021 |
|  |  |  |  |  |  |
| Bank overdraft | 6.07 - 6.20 |  | 2,179 |  | 24 |
| Liabilities under trust receipts | 1.20 - 1.62 |  | 214,013 |  | 113,707 |
| Short - term loans | 1.05 - 1.86 |  | 561,417 |  | 617,420 |
| Total |  |  | 777,609 |  | 731,151 |

As of 30 September 2022, and 31 December 2021, the Group has credit facilities in the forms of bank overdraft, promissory note, liabilities under trust receipt agreements, and others totaling Baht 6,140 million.

1. **LIABILITIES UNDER EMPLOYEE BENEFITS OBLIGATION**

|  |  |  |  |
| --- | --- | --- | --- |
|  | (Unit : Thousand Baht) | | |
|  | Consolidated/Separate Statements | | |
|  | 30 September 2022 |  | 31 December 2021 |
|  |  |  |  |
| Beginning balance | 106,761 |  | 105,799 |
| Current service cost | 6,098 |  | 9,315 |
| Finance cost | 1,649 |  | 2,822 |
| Actuarial gain | - |  | (2,881) |
| Employee benefits paid during the period | (7,390) |  | (8,294) |
| Total | 107,118 |  | 106,761 |
| Less Current portion due within 1 year | (1,177) |  | (7,365) |
| Ending balance | 105,941 |  | 99,396 |
|  |  |  |  |
| Total unfunded accrual | 107,118 |  | 106,761 |

1. **DIVIDEND PAYMENT**

On 29 April 2022, at the Annual General meeting, the shareholders passed a resolution approving the payment of cash dividend to the common shareholders from operating results for the year ended 31 December 2021 at Baht 0.23 per share for 639,995,380 common share, totalling Baht 147,198,937. The Company paid such dividend on 27 May 2022.

1. **REVENUES**

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

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | (Unit : Thousand Baht) | | | | | | | | | |
|  | Consolidated Statements | | | | | | | | | |
|  | For the three-month period ended 30 September | | | | | | | | | |
|  | 2022 | | | | | 2021 | | | | | |
|  | Sales and revenue from installation - net | Steel cutting services income | Tran- sportation income | Eliminated | Total | Sales and revenue from installation - net | Steel cutting services income | Tran-  sportation income | Eliminated | Total | |
|  |  |  |  |  |  |  |  |  |  |  | |
| At point in time | 1,034,749 | 86,112 | 18,203 | - | 1,139,064 | 984,321 | 68,360 | 13,173 | - | 1,065,854 | |
| Over time | 248,382 | - | 220 | (112) | 248,490 | 148,833 | - | 167 | - | 149,000 | |
| Total | 1,283,131 | 86,112 | 18,423 | (112) | 1,387,554 | 1,133,154 | 68,360 | 13,340 | - | 1,214,854 | |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | (Unit : Thousand Baht) | | | | | | | | | |
|  | Separate Statements | | | | | | | | | |
|  | For the three-month period ended 30 September | | | | | | | | | |
|  | 2022 | | | | | 2021 | | | | | |
|  | Sales and revenue from installation - net | Steel cutting services income | Tran- sportation income | Eliminated | Total | Sales and revenue from installation - net | Steel cutting services income | Tran-  sportation income | Eliminated | Total | |
|  |  |  |  |  |  |  |  |  |  |  | |
| At point in time | 1,034,749 | 86,112 | 18,203 | - | 1,139,064 | 984,321 | 68,360 | 13,173 | - | 1,065,854 | |
| Over time | 212,650 | - | 220 | - | 212,870 | 138,602 | - | 167 | - | 138,769 | |
| Total | 1,247,399 | 86,112 | 18,423 | - | 1,351,934 | 1,122,923 | 68,360 | 13,340 | - | 1,204,623 | |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | (Unit : Thousand Baht) | | | | | | | | | |
|  | Consolidated Statements | | | | | | | | | |
|  | For the nine-month period ended 30 September | | | | | | | | | |
|  | 2022 | | | | | 2021 | | | | | |
|  | Sales and revenue from installation - net | Steel cutting services income | Tran- sportation income | Eliminated | Total | Sales and revenue from installation - net | Steel cutting services income | Tran-  sportation income | Eliminated | Total | |
|  |  |  |  |  |  |  |  |  |  |  | |
| At point in time | 3,243,609 | 251,929 | 51,012 | - | 3,546,550 | 2,657,976 | 221,408 | 43,346 | - | 2,922,730 | |
| Over time | 631,288 | - | 566 | (308) | 631,546 | 478,928 | - | 281 | (1,370) | 477,839 | |
| Total | 3,874,897 | 251,929 | 51,578 | (308) | 4,178,096 | 3,136,904 | 221,408 | 43,627 | (1,370) | 3,400,569 | |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | (Unit : Thousand Baht) | | | | | | | | | |
|  | Separate Statements | | | | | | | | | |
|  | For the nine-month period ended 30 September | | | | | | | | | |
|  | 2022 | | | | | 2021 | | | | | |
|  | Sales and revenue from installation - net | Steel cutting services income | Tran- sportation income | Eliminated | Total | Sales and revenue from installation - net | Steel cutting services income | Tran-  sportation income | Eliminated | Total | |
|  |  |  |  |  |  |  |  |  |  |  | |
| At point in time | 3,243,609 | 251,929 | 51,012 | - | 3,546,550 | 2,657,976 | 221,408 | 43,346 | - | 2,922,730 | |
| Over time | 564,312 | - | 566 | - | 564,878 | 442,982 | - | 281 | - | 443,263 | |
| Total | 3,807,921 | 251,929 | 51,578 | - | 4,111,428 | 3,100,958 | 221,408 | 43,627 | - | 3,365,993 | |

1. **SEGMENT REPORTING**

The Group is engaged in steel accessories production and services for steel industry. Details of core revenues for the three-month and nine-month periods ended 30 September 2022 and 2021 are as follows:

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | (Unit : Thousand Baht) | | | | | | | | | |
|  | Consolidated Statements | | | | | | | | | |
|  | For the three-month period ended 30 September | | | | | | | | | |
|  | 2022 | | | | | 2021 | | | | |
|  | Sales and revenue from installation - net | Steel cutting services income | Tran- sportation income | Eliminated | Total | Sales and revenue from installation - net | Steel cutting services income | Tran- sportation income | Eliminated | Total |
|  |  |  |  |  |  |  |  |  |  |  |
| Revenues information by geographic areas |  |  |  |  |  |  |  |  |  |  |
| Thailand | 1,247,399 | 86,112 | 18,423 | - | 1,351,934 | 1,122,923 | 68,360 | 13,340 | - | 1,204,623 |
| Vietnam | 35,732 | - | - | (112) | 35,620 | 10,231 | - | - | - | 10,231 |
| Total | 1,283,131 | 86,112 | 18,423 | (112) | 1,387,554 | 1,133,154 | 68,360 | 13,340 | - | 1,214,854 |
| Costs of sales and services | (1,138,622) | (74,950) | (4,888) | 144 | (1,218,316) | (970,827) | (61,051) | (3,922) | 20 | (1,035,780) |
| **Gross profit** | 144,509 | 11,162 | 13,535 | 32 | 169,238 | 162,327 | 7,309 | 9,418 | 20 | 179,074 |
|  |  |  |  |  |  |  |  |  |  |  |
| Loss on exchange rate | |  |  |  | (332) |  |  |  |  | (1,641) |
| Depreciation | |  |  |  | (17,555) |  |  |  |  | (18,979) |
| Transportation expense |  |  |  |  | (40,302) |  |  |  |  | (33,047) |
| Finance cost |  |  |  |  | (4,446) |  |  |  |  | (2,699) |
| Profit before income tax | |  |  |  | 79,226 |  |  |  |  | 99,007 |
|  | |  |  |  |  |  |  |  |  |  |
| Total assets | |  |  |  | 4,407,920 |  |  |  |  | 4,267,509 |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | (Unit : Thousand Baht) | | | | | | | | | |
|  | Consolidated Statements | | | | | | | | | |
|  | For the nine-month period ended 30 September | | | | | | | | | |
|  | 2022 | | | | | 2021 | | | | |
|  | Sales and revenue from installation - net | Steel cutting services income | Tran- sportation income | Eliminated | Total | Sales and revenue from installation - net | Steel cutting services income | Tran- sportation income | Eliminated | Total |
|  |  |  |  |  |  |  |  |  |  |  |
| Revenues information by geographic areas |  |  |  |  |  |  |  |  |  |  |
| Thailand | 3,807,921 | 251,929 | 51,578 | - | 4,111,428 | 3,100,958 | 221,408 | 43,627 | - | 3,365,993 |
| Vietnam | 66,976 | - | - | (308) | 66,668 | 35,946 | - | - | (1,370) | 34,576 |
| Total | 3,874,897 | 251,929 | 51,578 | (308) | 4,178,096 | 3,136,904 | 221,408 | 43,627 | (1,370) | 3,400,569 |
| Costs of sales and services | (3,427,717) | (224,625) | (14,770) | 422 | (3,666,690) | (2,743,101) | (188,826) | (13,887) | 2,173 | (2,943,641) |
| **Gross profit** | 447,180 | 27,304 | 36,808 | 114 | 511,406 | 393,803 | 32,582 | 29,740 | 803 | 456,928 |
|  |  |  |  |  |  |  |  |  |  |  |
| Gain (loss) on exchange rate | |  |  |  | 534 |  |  |  |  | (2,212) |
| Depreciation | |  |  |  | (54,292) |  |  |  |  | (57,032) |
| Transportation expense |  |  |  |  | (117,191) |  |  |  |  | (103,453) |
| Finance cost |  |  |  |  | (10,256) |  |  |  |  | (5,550) |
| Profit before income tax | |  |  |  | 245,109 |  |  |  |  | 218,438 |
|  | |  |  |  |  |  |  |  |  |  |
| Total assets | |  |  |  | 4,407,920 |  |  |  |  | 4,267,509 |

1. **Foreign exchange risk**

The Group has exposure to foreign currency risk relating to the export sales and the import of production materials, short-term loans to subsidiary, bank overdraft and short-term loans from financial institutions denominated in foreign currencies. As of 30 September 2022, and 31 December 2021, the Gtoup’s assets and liabilities in foreign currencies are not covered by currency hedging as it has receivables and payables in foreign currencies from normal trading transactions which are considered natural hedging as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | In Thousand Foreign Currencies | | |
|  | 30 September 2022 |  | 31 December 2021 |
|  |  |  |  |
| Assets in foreign currency |  |  |  |
| USD | 251 |  | 563 |
|  |  |  |  |
| Liabilities in foreign currency |  |  |  |
| USD | 3,150 |  | 1,760 |

1. **COMMITMENTS**

As of 30 September 2022, the Group has commitments as follow:

1. The Company has commitments to deliver products and services under a contract for installation of approximately of Baht 295.96 million.
2. The Company has outstanding guarantees of approximately Baht 11.09 million, issued by financial institutions on behalf of the Company, as required in the normal course of business.