

**SIAM STEEL SERVICE CENTER PUBLIC COMPANY LIMITED AND SUBSIDIARY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED 31 DECEMBER 2023**

**1. NATURE OF OPERATIONS**

Siam Steel Service Center Public Company Limited, (“the Company”), is a company registered in Thailand. The Company’s shares are listed for trading on the Stock Exchange of Thailand. The Company is engaged in steel cutting services, production of accessories made from steel and production and installation of steel roofing and wall panels. The registered offices of the Company are at the following addresses:

- a) Factory 1 : 51/3 Poochao - Samingprai Road, Tambon Bangyaparak, Amphur Phrapradeang, Samutprakarn
- b) Factory 2 : 51/11 Poochao - Samingprai Road, Tambon Bangyaparak, Amphur Phrapradeang, Samutprakarn
- c) Factory 3 : 60/6 Moo 3, Tambon 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).

**2. BASIS OF FINANCIAL STATEMENT PREPARATION**

2.1 Statement of compliance

The Company prepares its financial statements in accordance with Thai Financial Reporting Standards (“TFRS”), issued under the Accounting Professions, and the financial reporting requirements, promulgated by the Securities and Exchange Commission under the Securities and Exchange Act. These financial statements are officially prepared in the Thai language. The translation of these financial statements into other languages must conform to the official report in Thai.

The consolidated and separate financial statements have been prepared on a historical cost basis, except as otherwise disclosed specifically.

The preparation of financial statements in conformity with Thai Financial Reporting Standards requires management to use certain critical accounting estimates and to exercise judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

## 2.2 Basis of consolidation

The consolidated financial statements include the financial statements of Siam Steel Service Center Public Company Limited and its subsidiaries (the “Group”), which the Company can exercise control with 90 percent investment in shares with voting right as follow:

Subsidiary Company	Country of incorporation	Percentage of share held by the Company (%)		Type of Business
		2023	2022	
Siam Steel Vietnam Co., Ltd.	Vietnam	90	90	Manufacturing and sale of roof-formed steel, and steel products for automobile, for construction, for furniture and electronics industries

The percentage of subsidiary’s total assets as of 31 December 2023 and 2022 and total revenues for the years ended 31 December 2023 and 2022 as included in the consolidated financial statements are as follows:

Subsidiary company	Percentage of subsidiary’s total assets to consolidated total assets		Percentage of subsidiary’s total revenues to consolidated total revenues	
	2023	2022	2023	2022
Siam Steel Vietnam Co., Ltd.	1.37	2.16	1.29	1.97

Significant intercompany balances and transactions and investment in subsidiary have been eliminated in the preparation of consolidated financial statements.

The consolidated financial statements have been prepared with the same accounting policies as used for the preparation of separate financial statements.

## 2.3 Amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2023

- a) Amendment to TAS 16 - Property, plant and equipment clarified to prohibit entities from deducting from the cost of an item of PP&E any proceeds received from selling any items produced while the entity is preparing that asset for its intended use.
- b) Amendment to TAS 37 - Provisions, contingent liabilities and contingent assets clarified that, in considering whether a contract is onerous, the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling the contract. Before recognising a separate provision for an onerous contract, the entity must recognise any impairment losses that have occurred on the assets used in fulfilling the contract.

- c) Amendment to TAS 41 Agriculture clarified about removal of the requirement for entities to exclude cash flows for taxation when measuring fair value of biological asset.
- d) Amendment to TFRS 3 - Business combinations clarified some minor amendments to update its references to the Conceptual Framework for Financial Reporting and added a consideration for the recognition of liabilities and contingent liabilities acquired from business combinations. The amendments also confirmed that contingent assets shouldn't be recognised at the acquisition date.
- e) Amendment to TFRS 9 - Financial Instruments clarified which fees should be included in the 10% test for the derecognition of financial liabilities. It should only include fees between the borrower and lender.

Amended Thai Financial Reporting Standards effective for the accounting periods beginning on or after 1 January 2023 do not have material impact on the Group.

2.4 Amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2024 and related to the Group and the Group has not early adopted these standards.

- a) Amendment to TAS 1- Presentation of financial statements revises the disclosure from '*significant* accounting policies' to '*material* accounting policies'. The amendment also provides guidelines on identifying when the accounting policy information is material. Consequently, immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.
- b) Amendment to TAS 8 - Accounting policies, changes in accounting estimates and errors revises to the definition of 'accounting estimates' to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates. The distinction is important because changes in accounting estimates are applied prospectively to transactions, other events and conditions from the date of that change. Whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current periods as if the new accounting policy had always been applied.
- c) Amendment to TAS 12 - Income taxes requires companies to recognise deferred tax related to assets and liabilities arising from a single transaction that, on initial recognition, gives rise to equal amounts of taxable and deductible temporary differences. Example transactions are leases and decommissioning obligations.



The amendment should be applied to transactions on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that they can probably be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The accumulated impact on this amendment is recognized in retained earnings or other component of equity

The Group did not early adopt these standards. The Group's management is currently assessing the impact of adoption of these standards.

### **3. SIGNIFICANT ACCOUNTING POLICIES**

#### **3.1 Revenue recognition**

Revenue is recognized when customers obtain control of the goods or services for amounts that reflect the consideration to which the Company and subsidiary expect to be entitled, excluding those amounts collected on behalf of third parties, and value added tax, and after deduction of trade discounts and volume rebates.

##### *Sales of goods and steel cutting services*

Revenue from sales of goods and steel cutting services are recognized when customer obtains control of goods, generally on delivery of the goods to the customer. For contracts that permit the customer to return goods, revenue is recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Therefore, the amount of recognized revenue is adjusted for estimated returns based on the historical data.

##### *Installation income*

Installation income is recognized overtime based on survey of the percentage of completion of work. The survey of physical completion of work is determined by the Company's engineers coupled with the accounting computation of the percentage of actual costs to total estimated costs. The related costs are recognized in profit or loss as incurred.

Other income is recognized on an accrual basis.

### 3.2 Cash and cash equivalents

Cash and cash equivalents include cash on hand and highly liquid cash in banks (which do not have restriction of usage) that are readily convertible to cash on maturity date with insignificant risk of change in value.

### 3.3 Trade and other accounts receivable and contract assets and liabilities

Receivable is recognized when the Company and subsidiary have an unconditional right to receive consideration. If revenue has been recognized before the Company and subsidiary have an unconditional right to receive consideration, the amount is considered as a contract asset.

The Company and subsidiary recognize contract assets when the revenues have been recognized before the Company and subsidiary have an unconditional right to receive consideration as “Unbilled accrued income” in the statement of financial position. A contract liability is the obligation to transfer goods or services to the customer. A contract liability is recognized when the Company and subsidiary receive or have an unconditional right to receive non-refundable consideration from the customer before the Company and subsidiary recognize the related revenue. This is presented as “Advances from customers” in the statement of financial position.

Trade accounts receivable and contract assets are presented at the net realizable value.

The Company and subsidiary apply the TFRS 9 to measure expected credit losses by the simplified approach which requires expected lifetime losses to be recognized from initial recognition of the receivables. The expected loss rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables, and accordingly adjusted by reference to the historical loss rates based on expected changes. Moreover, the Company and subsidiary determine the collection of specific accounts receivable. The impairment losses are recognized in profit or loss under administrative expenses.

### 3.4 Inventories

Inventories are stated at the lower of costs or net realizable values. Costs are calculated by the following methods:

Finished goods, work in process, and installation services in process	- at the aggregate costs of raw materials plus the systematic estimated direct labour and overhead, which approximate actual costs.
Raw materials	- at cost (specific identification method).
Spare parts and supplies	- at cost (first-in, first-out method).

Net realizable value is the estimated selling price in the ordinary course of business less the expenses necessary to make the products ready for sale, including selling expense such as transportation expenses etc.

Allowance is made for all deteriorated, damaged, and slow-moving inventories based on the estimates made by the management.

The obligation to receive returned products is recognized when the products are expected to be returned by customers and measured by reference to the original cost of the products sold, less any expected costs to receive returns of those products.

### 3.5 Investment in subsidiary

Investment in subsidiary is stated at cost in the separate financial statements. The Company recognizes gain or loss on sale of investment in the statement of profit or loss, in the period which sale occurs. In the case of impairment, the Company will recognize loss from impairment of investment as expense in the statement of profit or loss. The Company recognizes dividend income when the subsidiary declares the payment of its dividends.

#### *Subsidiary*

Subsidiary is a company controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of a company to obtain benefits from its activities. The financial statements of subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

### 3.6 Investment properties

The Company's land not used in operations and building thereon are considered as investment properties which are measured initially at cost, including transaction costs. These are subsequently measured at costs net of allowance for impairment (if any).

The Company will recognize the difference between the net disposal proceeds and the carrying amount of the asset in the statement of profit or loss in the year when the asset is derecognized.

### 3.7 Property, plant and equipment

Property, plant and equipment are stated at cost. Cost is measured by the cash or cash equivalent price of obtaining the asset to bring it to the location and condition necessary for its intended use. Plant and equipment in the statement of financial position are stated at costs less accumulated depreciation and allowance for loss on impairment of assets (if any).

The Company and subsidiary depreciate their buildings and equipment by the straight - line method over the estimated useful lives of the assets based on the segregation of components of assets, if each part is significant with different useful lives. Estimate useful lives of the assets are as follows:

Buildings and improvements	20 years
Machinery and equipment	5 - 10 years
Furniture, fixtures, and office equipment	5 years
Vehicles	5 years

Expenditures for expansion, renewal and betterment are capitalized. Repair and maintenance costs are recognized as expenses when incur.

#### *Borrowing costs*

The Company and subsidiary capitalize borrowing costs on credit acquired for the construction of factories and machinery under installation. The capitalization of borrowing costs is discontinued when the factory construction and machine installation are completed and ready for their intended use. Borrowing costs include interest charges and other costs incurred in connection with the borrowing of funds.

### 3.8 Impairment of assets

The Company and subsidiary assess whether there is an indication that any asset may be impaired. If any such indication exists, the Company and subsidiary make an estimate of the asset recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment loss is recognized in the statement of profit or loss. An asset recoverable amount is the higher of fair value less costs to sell and value in use.

### 3.9 Foreign currency transactions

The Company translated foreign currency transactions into Thai Baht for bookkeeping purpose at the exchange rates prevailing at the dates of transactions. Balances of monetary assets and liabilities, denominated in foreign currency, at the end of year are translated into Baht at the exchange rates at that date. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities, denominated in foreign currencies, are recognized as gain or loss in the statement of profit or loss.

#### *Financial Statements of Foreign Subsidiary*

The financial statements of a subsidiary which is the Company's functional using the exchange rates currency is translated into Baht for consolidation as follows:

Assets and liabilities	- At the fiscal year closing rate
Share capital	- At the historical rate when the transaction was executed
Income and expenses	- At average rate of exchange during the year
Cumulativetranslation adjustments	- Shown under shareholders' equity in the consolidated financial statements



The above rates should not be construed that all assets, liabilities, income, and expenses can be realized at those rates.

### 3.10 Income tax

The income tax expense recognized in profit or loss for the year comprises deferred income taxes and current income tax not recognized in other comprehensive income or directly in equity.

#### *Current income tax*

Current income tax is the expected tax payable or claimable on the taxable profit or loss for the year, which is different from profit or loss in the financial statements, using income tax rates enacted or substantially enacted at the end of the reporting period, and any adjustment to income tax payable in respect of previous years.

#### *Deferred income tax*

Deferred income taxes are calculated using the liability method on temporary differences between the accounting amounts of assets and liabilities and the amounts used for tax computation purpose. Deferred income taxes are calculated at the income tax rates that are expected to be applied to the temporary differences when they reverse, using income tax rates enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the Revenue Department on a net basis or when tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

### 3.11 Related parties

Related parties comprise enterprises and individuals that control, or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company. They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors or officers with authority in the planning and directing of the Company's operations.

### 3.12 Employee benefits

#### *Short-term employment benefits*

Salaries, wages, bonuses, contribution to the social security and provident fund, are recognized as expenses when incurred on the accrual basis.

#### *Post-employment benefits (Defined contribution plan)*

The Company and employees have jointly established a provident fund plan whereby monthly contributions are made by participating employees and by the Company. The fund's assets are held in a separate trustee fund from the Company's assets. The Company's and subsidiary's contribution to the fund is recognized as expenses when incurred.

#### *Post-employment benefits (Defined benefit plan)*

The Company has an obligation in respect of the severance payment to employees upon retirement under the labour law. The Company set up a provision for the obligation under the defined benefits plan based on actuarial techniques, using the discount method on each projected unit.

The defined benefits liability comprises the present value of the defined benefit obligation and actuarial gains (losses).

Gains or losses resulting from remeasurements of the benefit liability under the new regulation are recognized immediately as other comprehensive income.

### 3.13 Financial instruments

#### *Recognition and derecognition*

Financial assets and financial liabilities are recognized when the Company and subsidiary become a party to the contractual provision of the financial instrument.

The Company and subsidiary shall derecognize financial assets when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

#### *Classification and initial measurement of financial assets*

Financial assets are initially recognized at fair value plus or minus direct costs attributable to the acquisition of the asset. However, associated costs relating to financial assets measured at fair value through profit or loss (FVTPL), are recognized as expense in profit or loss.

The Company and subsidiary value their financial assets, measured by amortized cost method, at fair value through other comprehensive income (FVOCI), or fair value through profit or loss (FVTPL) that meet the two following considerations:

1. The entity's business model for managing the financial asset, and
2. The contractual cash flow characteristics of the financial asset.

The Company and subsidiary classified revenue and expenses relating to financial assets that are recognized in profit or loss, as finance costs, finance income or other financial items, except for impairment of trade receivables which is presented as other expenses.

#### *Subsequent measurement of financial assets*

##### Financial assets at amortized cost

Financial assets are measured at amortized cost if the assets meet the following conditions.

1. The financial assets are held under business model with an objective to collect its contractual cash flows, and
2. The contractual financial assets give rise to cash flows that are solely payable for principal and interest on the principal amount outstanding (SPPI).

##### *Financial assets at fair value through profit or loss (FVTPL)*

Financial assets that are being held by the Company not for purpose to receive contractual cash flows or to receive contractual cash flows and for sale, are measured at fair value through profit or loss (FVTPL). Furthermore, irrespective of business model, financial assets which contractual agreement not to generate cash flows but for payments of principal and interest from the balance of principal on due date, are to be measured at fair value through profit or loss including all derivative financial instruments.

##### *Financial assets at fair value through other comprehensive income (FVOCI)*

The Company and subsidiary account for financial assets at fair value through other comprehensive income if the assets meet the following conditions:

1. Being held under a business model which an objective to "hold to collect" the associated cash flows and sell, and
2. The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI) on the specified day.

Any gains or losses recognized in other comprehensive income (OCI) will be recycled upon derecognition of the asset.

*Impairment of financial assets*

The Company and subsidiary consider impairment for financial assets at amortized cost and measure fair value through other comprehensive income (FVOCI).

The Company and subsidiary use the simplified approach to recognize impairment of assets that do not have significant financing elements and contractual assets based on the estimated credit losses over the life of such assets from the date of recognition.

In determining the expected credit losses and consider credit risks based on common nature. The expected credit loss rate is determined by reference to the nature of the payment in the past, information of credit losses from experience, external factors, and future factors that may affect debtor payment.

The Company and subsidiary assess credit risk on financial assets at the end of every year to determine whether there has been a significant change.

The Company and subsidiary consider and recognize the expected credit loss by taking into account the past experience coupled with the future situation. The recognized credit losses arose from the weighted average credit loss probability determined from expected non-collection discounted with the effective interest rate at the commencement date of the contract.

Losses and reversals of impairment losses are recorded in profit or loss separately.

*Classification and measurement of financial liabilities*

The Company and subsidiary classify the financial instruments issued by the Company and subsidiary as financial liabilities or equity instruments based on contractual obligations to deliver the financial assets to other persons or entities.

The Company's and subsidiary's financial liabilities include borrowings, trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs of financial liability.

*Subsequent measurement of financial liabilities*

Financial liabilities are subsequently measured at amortized cost. Interest expense is calculated by using effective interest rate and charged to statement of profit or loss.

### 3.14 Basic earnings per share

Basic earnings per share are determined by dividing the net income for the year by the weighted average number of common shares outstanding during the year.

### 3.15 Dividends

Dividends are recorded in the financial statements in the year in which they are approved by the Shareholders or Board of Directors of the Company.

### 3.16 Segment information

Segmental results that are reported to the executive committee (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

### 3.17 Use of accounting estimates

The preparation of financial statements require management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent asset and liabilities. Actual results may differ from those estimates.

### 3.18 Provisions for liabilities and expenses, and contingent assets

The Company and subsidiary recognize provision for liabilities and expenses in the financial statements when the Company and its subsidiary have legal or constructive obligation as a result of past events with probable outflow of resources to settle the obligation and where a reliable estimate of the amount can be made. The contingent asset will be recognized as separate asset only when the realization is virtually certain.

## **4. SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTION AND JUDGEMENT AND CAPITAL RISK MANAGEMENT**

### 4.1 Significant accounting estimates, assumption, and judgments

#### 4.1.1 Recognition of installation income

Recognition of installation income requires significant judgment in determining the percentage of work performed and the estimated costs to complete the work (see Note 3.1).

#### 4.1.2 Impairment of trade accounts receivable

The Company and subsidiary set an allowance for expected credit loss to reflect impairment of trade accounts receivable resulting from possible non-collection of receivables. The allowance for expected credit loss is based on a review of the expected credit loss.

The expected credit loss rate is determined based on the nature of the payments in the past, information of credit losses experience, external factors, and future factors that may affect customer's payments. The Company and subsidiary assess credit risk on financial assets at the end of every fiscal year to determine whether there has been a significant change.

#### 4.1.3 Allowance for decline value of inventories

The Company and subsidiary provide allowances for decline value of inventories to reflect impairment. The allowances are based on consideration of inventory turnovers and deterioration of each category.

#### 4.1.4 Plant and equipment

Management determines the estimated depreciation and amortization method, useful lives and residual values for the Company's and subsidiary's plant and equipment at the end of the year and revises the depreciation and amortization charges where the depreciation and amortization method, useful lives and residual values previously estimated have changed or subject to be written down for their obsolescence or if they are no longer in use.

#### 4.1.5 Impairment of assets

The Company and subsidiary have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

#### 4.1.6 Post - employment benefits

The employee benefits obligation for employee retirement is determined based on actuarial valuation. Inherent within this calculation is assumption as to discount rate, future salary adjustment, mortality rate and demographic factor. Actual post-retirement cost may ultimately differ from this estimate.



#### 4.1.7 Deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's and subsidiary's future taxable income against which the deductible temporary differences can be utilized. In addition, management judgment is required for assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

#### 4.1.8 Estimated installation project costs

The Company and subsidiary estimate costs of installation projects based on details of the installation work, taking into account the volume and value of installation materials to be used in the project, labour costs and other miscellaneous costs to be incurred to complete the service, taking into account the direction of the movement in these costs. Estimates are reviewed regularly or whenever actual costs differ significantly from the figures used in the original estimates.

#### 4.2 Capital risk management

The Company's objective in the management of capital is to safeguard its ability to continue as a going concern to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company and subsidiary may adjust the dividend payment to shareholders, issue new shares or issue new debentures to finance debts or sell assets to reduce debts.

### 5. CASH AND CASH EQUIVALENTS

	(Unit : Thousand Baht)			
	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
Cash on hand	1,146	1,298	1,000	1,000
Cash at bank - Current accounts	36,612	43,163	20,375	30,553
- Savings accounts	83,207	100,049	83,207	94,404
Cheques deposited in transit	28,760	5,891	28,760	5,891
Total	<u>149,725</u>	<u>150,401</u>	<u>133,342</u>	<u>131,848</u>

As of 31 December 2023 and 2022, saving deposits with banks bear interest at 0.15 – 0.60 percent per annum (2022: 0.05 – 0.30 percent per annum)



## 6. TRADE ACCOUNTS RECEIVABLE

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

	(Unit : Thousand Baht)			
	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
<u>Trade accounts receivable - general customers - net</u>				
Not yet due	1,116,600	1,147,463	1,116,600	1,147,464
Overdue:				
Less than 3 months	17,324	34,332	12,965	17,493
3 - 6 months	2,057	-	643	-
6 - 12 months	622	1,736	548	-
More than 12 months	17,548	25,000	16,428	23,286
Total	1,154,151	1,208,531	1,147,184	1,188,243
<u>Less</u> Allowance for expected credit loss	(18,561)	(23,579)	(18,051)	(23,069)
Net	1,135,590	1,184,952	1,129,133	1,165,174
<u>Trade accounts receivable - related companies</u>				
Not yet due	42,098	70,571	42,098	70,571
Overdue:				
Less than 3 months	-	393	-	393
Total	42,098	70,964	42,098	70,964

During the year, the movement in allowance for expected credit loss are as follow:

	(Unit : Thousand Baht)	
	Consolidated Statements	Separate Statements
Balance as at 1 January 2023	(23,579)	(23,069)
<u>Add</u> Allowance for expected credit loss	(1,691)	(1,691)
<u>Less</u> Reversal of allowance for expected credit loss	6,709	6,709
Balance as at 31 December 2023	(18,561)	(18,051)



## 7. TRANSACTIONS WITH RELATED PARTIES

The Company 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.

Name	Country of incorporation	Type of Business	Relationship
Siam Steel Vietnam Co., Ltd.	Vietnam	Manufacturing and sale of formed iron roof, steel products for automobile, for construction, for furniture and for electronics industries	Subsidiary
Vina Okaya International Co., Ltd.	Vietnam	Trading of iron and steel, non-ferrous metal	Same shareholder
Vina Steel Center Co., Ltd.	Vietnam	Trading of iron and steel, non-ferrous metal, and warehousing	Same shareholder
Okaya & Co., Ltd.	Japan	Steel brokerage, metallic machine, steel pipe, chemical and etc.	Company's major shareholder
Siam Steel International Public Co., Ltd.	Thailand	Manufacturing and distribution of steel furniture	Co-Directorship and Company's major shareholder
Nippon Steel Pipe (Thailand) Co., Ltd.	Thailand	Manufacturing and distribution of steel pipe for automobile and semi manufacturing industry	Directorship and same shareholder
Union Auto Parts Manufacturing Co., Ltd.	Thailand	Manufacturing and distribution of auto parts	Directorship and same shareholder
Siam Goshi Manufacturing Co., Ltd.	Thailand	Manufacturing and distribution parts and equipment of motorcycle and engines	Directorship and same shareholder
Siam Suriya Co., Ltd.	Thailand	Trading of iron and steel	Directorship and same shareholder
Okaya (Thailand) Co., Ltd.	Thailand	Steel brokerage, metallic machine, steel pipe, chemical and etc.	Directorship and same shareholder
Siam MTK Co., Ltd.	Thailand	Steel brokerage, metallic machine, steel pipe, chemical and etc.	Same shareholder
Siam Environmental Technology Co., Ltd.	Thailand	Providing of utilities	Same shareholder
Nippon Steel Logistics (Thailand) Co., Ltd.	Thailand	Transportation, storage and distribution of paper storage	Subsidiary of Siam Nippon Steel Logistics Co., Ltd.
Unity Service Co., Ltd.	Thailand	Providing of utilities and nursing facilities	Directorship
Siam Lucky Building System Co., Ltd.	Thailand	Providing of utilities and nursing facilities	Directorship
Siam SCI Co., Ltd.	Thailand	Manufacturing and distribution of building and bathroom	Directorship
Hirokoh (Thailand) Co., Ltd.	Thailand	Sale and rent of building	Directorship

## Pricing policies

Transactions	Pricing policies
Sales and installation income	Market price
Steel cutting services income and other income	Market price
Rental income	Market price
Purchase of raw materials	Market price
Expenses and other purchases	Market price
Purchase of assets	Market price
Interest income	Agreed rate

Significant transactions with related parties for the years ended 31 December 2023 and 2022 are as follow:

Transaction with Related company	(Unit : Thousand Baht)			
	Consolidated Statements		Separate Statements	
	For the years ended 31December			
	2023	2022	2023	2022
<b>Sales and installation income</b>				
Subsidiary	-	-	807	308
Related companies	272,359	195,728	272,359	195,728
Total	272,359	195,728	273,166	196,036
<b>Steel cutting services income and other income</b>				
Related companies	12,453	13,948	12,453	13,948
<b>Rental income</b>				
Related companies	4,621	4,203	4,621	4,203
<b>Purchase of raw materials</b>				
Subsidiary	-	-	4,736	-
Related companies	3,245,088	3,932,147	3,231,139	3,863,719
Total	3,245,088	3,932,147	3,235,875	3,863,719
<b>Expenses and other purchases</b>				
Related companies	29,590	31,025	29,590	31,025
<b>Purchase of assets</b>				
Related companies	75	48	75	48

Transaction with Related company	(Unit : Thousand Baht)			
	Consolidated Statements		Separate Statements	
	For the years ended 31December			
	2023	2022	2023	2022
<b>Interest income</b>				
Subsidiary	-	-	1,254	821
<b>Directors and key management personnel compensation</b>				
Current directors and management benefits	24,950	25,271	24,950	25,271
Post - employment benefits	1,282	1,450	1,282	1,450

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

	(Unit : Thousand Baht)			
	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
<u>Trade accounts receivable</u>				
Related companies	42,098	70,964	42,098	70,964
<u>Amounts due from</u>				
Subsidiary	-	-	627	180
Related companies	-	91	-	91
Total	-	91	627	271
<u>Short-term loan to</u>				
Subsidiary	-	-	32,753	17,196

During the years ended 31 December 2023 and 2022 the movements in short-term loans to subsidiary with no collateral, with interest at the rate of 2.65 - 6.90 per annum, which are due at call follow:

	(Unit : Thousand Baht)			
	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
Balance as of 1 January	-	-	17,196	14,961
<u>Add</u> Additional loan granted	-	-	34,458	28,401
<u>Less</u> Received of repayment	-	-	(17,956)	(25,949)
Unrealized loss from foreign exchange rate	-	-	(945)	(217)
Balance as of 31 December	-	-	32,753	17,196
<u>Trade accounts payable</u>				
Related companies	89,875	109,293	86,678	87,350
<u>Key management personnel compensation</u>				
Post – employee benefit	18,599	19,061	18,599	19,061

## 8. CONTRACTS ASSETS AND CONTRACT LIABILITIES

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

	(Unit : Thousand Baht)			
	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
<b>Contracts assets</b>				
Unbilled accrued income	102,615	102,418	102,615	102,418
Retention receivables	23,547	14,752	23,547	14,752
Total contracts assets	126,162	117,170	126,162	117,170
<b>Contracts liabilities</b>				
Advances from customers	17,179	28,009	10,519	20,890
Total contracts liabilities	17,179	28,009	10,519	20,890

## 8.1 Unbilled accrued income and advances from customers

(Unit : Thousand Baht)

	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
<b>Unbilled accrued income</b>				
Contract sales value	358,446	412,323	358,446	412,323
Accumulated amount recognized as revenue on percentage of completion basis	275,487	258,337	275,487	258,337
<u>Less</u> Amounts billed	(172,872)	(155,919)	(172,872)	(155,919)
Unbilled accrued income	102,615	102,418	102,615	102,418
<b>Retention receivables</b>	23,547	14,752	23,547	14,752
<b>Advances from customers</b>				
Amounts received per contracts	124,497	150,479	110,251	123,014
Total amounts billed	98,401	100,696	98,401	100,696
<u>Less</u> Accumulated amount recognized : as revenues by percentage of completion basis	(81,222)	(72,687)	(87,882)	(79,806)
Advances from customers - net	17,179	28,009	10,519	20,890

## 8.2 Revenue expected to be recognized from existing contracts

As of 31 December 2023, the Group expects to recognize revenues in the future from performance of work that are still uncompleted (or partially completed) under existing contracts with customers totalling Baht 200.58 million (Separate financial statements: Baht 182.26 million).

## 9. INVENTORIES

(Unit: Thousand Baht)

	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
Raw materials	932,583	1,306,697	918,027	1,276,298
Finished goods	202,133	213,275	202,133	213,275
Work in process	100,828	97,112	100,320	87,931
Spare parts and supplies	47,916	48,129	47,916	48,129
Raw materials in transit	52,336	80,339	52,336	80,339
Total	1,335,796	1,745,552	1,320,732	1,705,972

Costs of inventories which were recognized as expenses for the years ended 31 December 2023 and 2022 are as follows:

	(Unit : Thousand Baht)			
	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
Costs of goods sold	4,706,794	4,885,111	4,641,390	4,778,090
Reversal of allowance for decline value of inventories	-	-	-	-
<b>Net</b>	<b>4,706,794</b>	<b>4,885,111</b>	<b>4,641,390</b>	<b>4,778,090</b>

#### 10. INVESTMENT IN SUBSIDIARY COMPANY

Company	Type of business	Paid - up share capital	Percentage of holding		(Unit: Thousand Baht)	
					Separate Statements	
			2023	2022	2023	2022
<u>Investment in subsidiary company</u>						
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
<b>Total</b>					<b>24,029</b>	<b>24,029</b>

The Company has a 90% owned subsidiary in Vietnam which is engaged in the same businesses as the Company whose assets and revenues are not yet significant to the consolidated financial statements of the Company.

#### 11. NON – CONTROLLING INTEREST

The subsidiary which portion of interest is not under control of the Company is detailed below:

Name	Proportion of ownership interest and voting right held by the NCI		Total comprehensive income allocated to NCI		Accumulated NCI	
	2023	2022	2023	2022	2023	2022
	Siam Steel Vietnam Co., Ltd.	10%	10%	(943)	(1,448)	(21)



Summarized financial information of Siam Steel Vietnam Co., Ltd. before elimination is as follow:

	(Unit: Thousand Baht)	
	2023	2022
Current assets	39,750	80,123
Non – current assets	13,366	14,934
Total assets	<u>53,116</u>	<u>95,057</u>
Current liabilities	<u>56,639</u>	<u>86,467</u>
Cumulative translation adjustments	<u>(12,120)</u>	<u>(11,803)</u>
Shareholders' equity	<u>8,597</u>	<u>20,393</u>
Equity attributable to non – controlling interests	<u>(21)</u>	<u>922</u>
Revenue	69,594	109,011
Loss for the year attributable to the Company's shareholders	(10,617)	(13,154)
Loss for the year attributable to non-controlling interests	<u>(1,180)</u>	<u>(1,462)</u>
Loss for the year	<u>(11,797)</u>	<u>(14,616)</u>
Total comprehensive income attributable to the Company's shareholders	(8,489)	(13,033)
Total comprehensive income attributable to non-controlling interests	<u>(943)</u>	<u>(1,448)</u>
Total comprehensive income for the year	<u>(9,432)</u>	<u>(14,481)</u>
Net cash used in investing activities	(79)	(2,117)
Net cash used in operating activities	(1,287)	(2,808)
Net cash provided from (used in) financing activities	<u>(805)</u>	<u>10,677</u>
Net cash in(out) flows	<u>(2,171)</u>	<u>5,752</u>

## 12. INVESTMENT PROPERTIES

	(Unit : Thousand Baht)	
	Consolidated and Separate Statements	
	2023	2022
Land	24,621	24,621
Land and buildings	6,734	6,734
Total	<u>31,355</u>	<u>31,355</u>

As of 31 December 2023, the fair value of above investment properties, based on the market price of other properties in the nearby area, is approximately Baht 60.36 million (2022: Baht 60.36 million).

### 13. PROPERTY, PLANT AND EQUIPMENT

(Unit : Thousand Baht)

	Consolidated Statements							Total
	Land	Building and building improvement	Machinery And equipment	Furniture, fixtures and equipment	Motor vehicles	Construction in progress	Machinery under installation	
<b>Cost</b>								
1 January 2022	412,087	855,934	1,200,418	76,877	61,595	4,385	5,873	2,617,169
Acquisition	-	-	19,284	3,674	50	6,233	12,218	41,459
Disposal	-	-	(3,029)	(3,290)	(8,967)	-	(111)	(15,397)
Transfer in (out)	-	9,777	8,973	-	-	(9,777)	(8,973)	-
31 December 2022	412,087	865,711	1,225,646	77,261	52,678	841	9,007	2,643,231
Acquisition	-	312	6,533	4,869	5,020	4,549	18,672	39,955
Disposal	-	(5,469)	(22,282)	(25,780)	(78)	-	-	(53,609)
Transfer in (out)	-	3,731	26,601	-	-	(3,731)	(26,601)	-
31 December 2023	412,087	864,285	1,236,498	56,350	57,620	1,659	1,078	2,629,577
<b>Accumulated depreciation</b>								
1 January 2022	-	544,231	869,344	67,764	56,245	-	-	1,537,584
Depreciation for the year	-	18,479	47,758	3,542	2,054	-	-	71,833
Accumulated depreciation for disposal items	-	-	(3,029)	(3,260)	(8,920)	-	-	(15,209)
31 December 2022	-	562,710	914,073	68,046	49,379	-	-	1,594,208
Depreciation for the year	-	18,102	38,836	3,700	2,211	-	-	62,849
Accumulated depreciation for disposal items	-	(5,469)	(22,283)	(25,770)	(78)	-	-	(53,600)
31 December 2023	-	575,343	930,626	45,976	51,512	-	-	1,603,457

(Unit : Thousand Baht)

Consolidated Statements

	Land	Building and building improvement	Machinery And equipment	Furniture, fixtures and equipment	Motor vehicles	Construction in progress	Machinery under installation	Total
<b>Net book value</b>								
31 December 2022	412,087	303,001	311,573	9,215	3,299	841	9,007	1,049,023
31 December 2023	412,087	288,942	305,872	10,374	6,108	1,659	1,078	1,026,120
<b>Depreciation for the year 2022</b>								
Cost of sale and service								66,699
Selling and administrative expenses								5,134
Total								71,833
<b>Depreciation for the year 2023</b>								
Cost of sale and service								58,167
Selling and administrative expenses								4,682
Total								62,849

(Unit : Thousand Baht)

## Separate Statements

	Land	Building and building improvement	Machinery and equipment	Furniture, fixtures and equipment	Motor vehicles	Construction in progress	Machinery under installation	Total
<b>Cost</b>								
1 January 2022	412,087	838,212	1,186,039	76,877	61,595	4,385	5,873	2,585,068
Acquisition	-	-	17,167	3,674	50	6,233	12,218	39,342
Disposal	-	-	(3,029)	(3,290)	(8,967)	-	(111)	(15,397)
Transfer in (out)	-	9,777	8,973	-	-	(9,777)	(8,973)	-
31 December 2022	412,087	847,989	1,209,150	77,261	52,678	841	9,007	2,609,013
Acquisition	-	234	6,533	4,869	5,020	4,549	18,672	39,877
Disposal	-	(5,469)	(20,306)	(25,780)	(78)	-	-	(51,633)
Transfer in (out)	-	3,731	26,601	-	-	(3,731)	(26,601)	-
31 December 2023	412,087	846,485	1,221,978	56,350	57,620	1,659	1,078	2,597,257
<b>Accumulated depreciation</b>								
1 January 2022	-	536,158	856,517	67,764	56,245	-	-	1,516,684
Depreciation for the year	-	18,168	47,127	3,542	2,054	-	-	70,891
Accumulated depreciation for disposal items	-	-	(3,029)	(3,260)	(8,920)	-	-	(15,209)
31 December 2022	-	554,326	900,615	68,046	49,379	-	-	1,572,366
Depreciation for the year	-	17,786	38,022	3,700	2,211	-	-	61,719
Accumulated depreciation for disposal items	-	(5,469)	(20,307)	(25,770)	(78)	-	-	(51,624)
31 December 2023	-	566,643	918,330	45,976	51,512	-	-	1,582,461
<b>Net book value</b>								
31 December 2022	412,087	293,663	308,535	9,215	3,299	841	9,007	1,036,647
31 December 2023	412,087	279,842	303,648	10,374	6,108	1,659	1,078	1,014,796

(Unit : Thousand Baht)

Separate Statements

	Land	Building and building improvement	Machinery and equipment	Furniture, fixtures and equipment	Motor vehicles	Construction in progress	Machinery under installation	Total
<b>Depreciation for the year 2022</b>								
Cost of sale and service								65,757
Selling and administrative expenses								5,134
Total								<u>70,891</u>
<b>Depreciation for the year 2023</b>								
Cost of sale and service								57,041
Selling and administrative expenses								4,678
Total								<u>61,719</u>

As of 31 December 2023 and 2022, the consolidated and separate financial statements include fully depreciated assets but still in use with total cost of Baht 1,591.01 million and Baht 1,571.93 million, respectively.

#### 14. BANK OVERDRAFTS AND SHORT - TERM LOANS FROM FINANCIAL INSTITUTIONS

(Unit: Thousand Baht)

	Interest rate per annum		Consolidated Statements	
	2023	2022	2023	2022
	Bank overdraft	7.52 – 7.58	6.32 – 6.33	872
Liabilities under trust receipts	2.93	1.98 – 2.18	23,566	205,739
Short - term loans	2.86 – 7.00	1.28 – 8.90	167,000	578,071
Total			191,438	787,215

(Unit : Thousand Baht)

	Interest rate per annum		Separate Statements	
	2023	2022	2023	2022
	Bank overdraft	7.52 – 7.58	6.32 – 6.33	872
Liabilities under trust receipts	2.93	1.98 – 2.18	23,566	205,739
Short - term loans	2.86 – 2.93	1.28 – 2.23	160,000	550,166
Total			184,438	759,310

As of 31 December 2023 and 2022, the Company has credit facilities in the form of bank overdraft, promissory note, liabilities under trust receipt agreements and others as follow:

(Unit : Million Baht)

	Currency	Separate Statements					
		2023			2022		
		Total	Utilized	Remained	Total	Utilized	Remained
Letters of guarantee	Baht	130	25	105	130	11	119
Bank overdraft	Baht	280	1	279	280	3	277
Liabilities under trust receipts	Baht	3,050	24	3,026	3,050	206	2,844
Short-term loans	Baht	2,680	160	2,520	2,680	550	2,130

## 15. LIABILITIES UNDER EMPLOYEE BENEFITS OBLIGATION

Movements in employee benefits obligation for the years ended 31 December 2023 and 2022 areas follows:

	(Unit : Thousand Baht)	
	Consolidated and Separate Statements	
	2023	2022
Employee benefits obligation at 1 January	106,395	106,761
Current service cost	8,291	8,131
Interest expense	2,272	2,198
Employee benefit paid during the year	(5,848)	(10,695)
Employee benefit obligation at 31 December	111,110	106,395
Reclassified to current portion	(10,336)	(5,793)
Net	100,774	100,602
Total unfunded	111,110	106,395

Principal actuarial assumptions at the reporting date for the years ended 31 December 2023 and 2022 are as follows:

	2023	2022
Discount rate	2.14 percent per annum	2.14 percent per annum
Future salary average increment rate	3.50 - 7.00 percent per annum	3.50 - 7.00 percent per annum
Normal retirement age	60 years except the company set otherwise	60 years except the company set otherwise
Mortality rate	Thai Mortality Table 2017	Thai Mortality Table 2017
Total employee	875 persons	867 persons

The present value of the defined benefits obligation is measured using the projected unit credit method.

### *Employee benefits obligation expenses*

Amounts recognized in profit or loss relating to the employee benefits obligation are as follows:

	(Unit : Thousand Baht)	
	Consolidated and Separate Statements	
	2023	2022
Current service cost	8,291	8,131
Interest expense	2,272	2,198
Total expenses recognized in profit or loss	10,563	10,329

The current service cost is included in employee benefits expense. The interest expense is included in finance costs.

### *Sensitivity analysis*

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	(Unit : Thousand Baht)	
	Consolidated and Separate Statements	
	2023	
	Increase 1%	Decrease 1%
<b>Discount rate</b>		
Increase (decrease) in the defined benefit liability	(7,747)	8,966
<b>Salary growth rate</b>		
Increase (decrease) in the defined benefit liability	11,688	(10,247)
<b>Staff turnover rate</b>		
Increase (decrease) in the defined benefit liability	(2,021)	2,172





(Unit : Thousand Baht)

	Separate Statements							
	Sales and revenue from installation – net		Steel cutting service income		Transport Income		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Thailand	4,940,792	5,008,910	312,701	339,752	72,120	71,546	5,325,613	5,420,208
China	-	1,151	-	-	-	-	-	1,151
Vietnam	807	308	-	-	-	-	807	308
Myanmar	-	101	-	-	-	-	-	101
Total	<u>4,941,599</u>	<u>5,010,470</u>	<u>312,701</u>	<u>339,752</u>	<u>72,120</u>	<u>71,546</u>	<u>5,326,420</u>	<u>5,421,768</u>

The Group has disclosed the revenue classification information using income recording methods as follows:

(Unit : Thousand Baht)

	Consolidated Statements							
	Sales and revenue from installation - net		Steel cutting service income		Transportation income		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
At point in time	4,039,507	4,244,697	312,701	339,752	71,779	70,706	4,423,987	4,655,155
Over time	970,879	874,476	-	-	341	840	971,220	875,316
Total	<u>5,010,386</u>	<u>5,119,173</u>	<u>312,701</u>	<u>339,752</u>	<u>72,120</u>	<u>71,546</u>	<u>5,395,207</u>	<u>5,530,471</u>

(Unit : Thousand Baht)

	Separate Statements							
	Sales and revenue from installation - net		Steel cutting service income		Transportation income		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
At point in time	4,039,507	4,244,697	312,701	339,752	71,779	70,706	4,423,987	4,655,155
Over time	902,092	765,773	-	-	341	840	902,433	766,613
Total	<u>4,941,599</u>	<u>5,010,470</u>	<u>312,701</u>	<u>339,752</u>	<u>72,120</u>	<u>71,546</u>	<u>5,326,420</u>	<u>5,421,768</u>

## 18. OTHER INCOME

	(Unit : Thousand Baht)			
	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
Rental income	11,699	10,523	11,699	10,523
Other services income	5,202	5,321	5,202	5,321
Claim for damaged steel	564	58	564	58
Gain on disposal of assets	487	1,325	487	1,325
Others	2,507	1,853	2,997	2,634
Total	20,459	19,080	20,949	19,861

## 19. PROVIDENT FUND

The Company has established a contributory registered provident fund in accordance with the Provident Fund Acts B.E. 2530 and 2542. Under the plan, the Company and employees contribute to the Fund at a percentage of the employees' basic salaries. The employees are entitled to receive the Company's contribution upon resignation from the Company after completion of one year service according to the specified contribution rates. The Company's contribution for the years 2023 and 2022, which was charged to operations, amounted to Baht 12.66million and Baht 12.20million, respectively.

## 20. EXPENSESBY NATURE

	(Unit : Thousand Baht)			
	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
Raw materials and supplies used	3,966,054	4,236,224	3,930,132	4,174,278
Changes in inventories of finished goods and work in progress	202,705	(78,429)	193,017	(79,200)
Salaries, wages, and other employee benefits	501,397	489,694	484,223	469,095
Transportation expense	162,872	161,380	160,868	157,619
Subcontractor fees	115,114	104,438	107,118	90,525
Depreciation	62,849	71,833	61,719	70,891
Packaging expense	63,245	75,054	63,245	75,054
Hire of work	34,505	25,771	34,505	25,771
Repair and maintenance expenses	29,209	30,098	29,195	30,002
Utility expense	26,017	26,749	25,756	26,428

## 21. DEFERRED TAX AND INCOME TAX

### 21.1 Deferred tax

Deferred income tax assets and liability are as follows:

(Unit : Thousand Baht)

	Consolidated and Separate Statements	
	2023	2022
Deferred income tax assets	25,832	25,892
Deferred income tax liability	(11,055)	(13,102)
Net	<u>14,777</u>	<u>12,790</u>

The movements in deferred income tax assets and liability are as follows :

(Unit: Thousand Baht)

	Consolidated and Separate Statements			
	1 January 2023	Recognised as income(expense)		31 December 2023
		Statement of profit or loss	Other comprehensive income	
<u>Deferred income tax assets</u>				
From allowance forexpected credit loss	4,613	(1,003)	-	3,610
From allowance for employee benefits obligation	21,279	943	-	22,222
Total	<u>25,892</u>	<u>(60)</u>	<u>-</u>	<u>25,832</u>
<u>Deferred income tax liability</u>				
From excess depreciation for tax computation purpose	(13,102)	2,047	-	(11,055)
Net	<u>12,790</u>	<u>1,987</u>	<u>-</u>	<u>14,777</u>

(Unit: Thousand Baht)

	Consolidated and Separate Statements			31 December 2022
	1 January 2022	Recognised as income(expense)		
		Statement of profit or loss	Other comprehensive income	
<u>Deferred income tax assets</u>				
From allowance forexpected credit loss	2,786	1,827	-	4,613
From allowance for employee benefits obligation	21,352	(73)	-	21,279
Total	24,138	1,754	-	25,892
<u>Deferred income tax liability</u>				
From excess depreciation for tax computation purpose	(16,044)	2,942	-	(13,102)
Net	8,094	4,696	-	12,790

## 21.2 Income tax

Income tax expenses for the years ended 31 December 2023 and 2022 are as follows:

	(Unit : Thousand Baht)			
	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
Current income tax expenses	70,371	61,632	70,371	61,632
Deferred tax	(1,987)	(4,696)	(1,987)	(4,696)
Total	68,384	56,936	68,384	56,936

Applicable tax rates for the Company and subsidiary are as follows:

	Tax rates (%)
Income tax rate under the Revenue Code for the Company	20.00
Income tax rate for subsidiary in Vietnam	28.00

Income tax for the years ended 31 December 2023 and 2022 are as follows:

	(Unit : Thousand Baht)			
	Consolidated Statements		Separate Statements	
	2023	2022	2023	2022
Profit before income tax	333,558	273,930	345,235	288,398
Income tax rate	20	20	20	20
Income tax calculated from tax rate	66,712	54,786	69,047	57,680
Reconciling items:				
Tax on non - deductible expenses	6,312	7,206	6,312	7,206
Tax on income tax exempted revenue	(6,144)	(7,104)	(6,144)	(7,104)
Tax on additional deduction of expenses	(831)	(846)	(831)	(846)
Tax on lossof subsidiary	2,335	2,894	-	-
Income tax	68,384	56,936	68,384	56,936
<u>Less</u> Prepaid income tax	(52,253)	(50,599)	(52,253)	(50,599)
Income tax payable	16,131	6,337	16,131	6,337

The subsidiary has unused taxable loss carried forward of Baht 11.80 million which will expire in 2028. The subsidiary has not recognized this item as deferred tax asset because it is not probable that the subsidiary will have sufficient future taxable profit to utilize such benefit.

## 22. SEGMENT REPORTING

The Group is engaged in manufacturing business of accessories made from steel, installing metal roofing and wall panels, and steel cutting services. Details of core revenues for the years ended 31 December 2023 and 2022 are as follows:

(Unit: Thousand Baht)

Consolidated Statements										
For the years ended 31 December										
2023					2022					
Sales and installation income – net	Steel cutting services income	Transportation income	Eliminated	Total	Sales and installation income – net	Steel cutting services income	Transportation income	Eliminated	Total	
Revenues from sales and service	5,011,193	312,701	72,120	(807)	5,395,207	5,119,481	339,752	71,546	(308)	5,530,471
Costs of sales and services	(4,391,697)	(286,065)	(29,976)	944	(4,706,794)	(4,557,906)	(306,656)	(21,006)	457	(4,885,111)
<b>Gross profit</b>	<b>619,496</b>	<b>26,636</b>	<b>42,144</b>	<b>137</b>	<b>688,413</b>	<b>561,575</b>	<b>33,096</b>	<b>50,540</b>	<b>149</b>	<b>645,360</b>
Gain on exchange rate					1,603					949
Finance cost					(19,468)					(15,904)
Depreciation					(62,849)					(71,833)
Transportation expense					(162,872)					(161,380)
Profit before income tax					333,558					273,930
Total assets					3,889,902					4,389,444
Total liabilities					657,206					1,305,886

(Unit: Thousand Baht)

Separate Statements								
For the years ended 31 December								
2023				2022				
Sales and installation income – net	Steel cutting services income	Transportation income	Total	Sales and installation income – net	Steel cutting services income	Transportation income	Total	
Revenues from sales and service	4,941,599	312,701	72,120	5,326,420	5,010,470	339,752	71,546	5,421,768
Costs of sales and services	(4,327,353)	(286,065)	(27,972)	(4,641,390)	(4,454,189)	(306,656)	(17,245)	(4,778,090)
<b>Gross profit</b>	<b>614,246</b>	<b>26,636</b>	<b>44,148</b>	<b>685,030</b>	<b>556,281</b>	<b>33,096</b>	<b>54,301</b>	<b>643,678</b>
Gain on exchange rate				3,360				1,523
Finance cost				(18,247)				(14,765)
Depreciation				(61,719)				(70,891)
Transportation expense				(160,868)				(157,619)
Profit before income tax				345,235				288,398
Total assets				3,894,235				4,335,950
Total liabilities				637,259				1,237,426

### Major Customers

The Company and subsidiary do not have major customers who can have significant impact on the Company's and subsidiary's business during the years 2023 and 2022.

## 23. DIVIDEND PAYMENT

On 28 April 2023, at the 2023 Annual General meeting, the shareholders passed a resolution to approve the payment of cash dividend to the common shareholders from operating results for the year ended 31 December 2022 at Baht 0.185 per share for 639,997,880 common share, amounting to Baht 118,399,608 The Company paid such dividend on 26 May 2023.

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, totaling Baht 147,198,937. The Company paid such dividend on 27 May 2022.

## 24. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The changes in the Company and subsidiary's liabilities arising from financing activities are classified as follows:

	(Unit : Thousand Baht)	
	Bank overdrafts and Short – term loans	
	Consolidated Statements	Separate Statements
<b>Balance at 1 January 2023</b>	787,215	759,310
<b>Cash – flows:</b>		
Repayment	(5,983,391)	(5,920,703)
Proceeds	5,387,614	5,345,831
<b>Balance at 31 December 2023</b>	<b>191,438</b>	<b>184,438</b>
<b>Balance at 1 January 2022</b>	750,728	731,151
<b>Cash – flows:</b>		
Repayment	(7,026,742)	(6,972,743)
Proceeds	7,063,229	7,000,902
<b>Balance at 31 December 2022</b>	<b>787,215</b>	<b>759,310</b>

## 25. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities carried on the statement of financial position include cash and cash equivalents, restricted deposits with banks, trade accounts receivable, other accounts receivable, investment, trade accounts payable, other accounts payables and loans. The accounting policies on recognition and measurement of these items are disclosed in the respective accounting policies in Note 3 to the financial statements.



## 25.1 Interest rate risk

The interest rate risk arose from the changes in market interest rates in the future that will affect the results of the Company and subsidiary's operations and its cash flows. As of 31 December 2023 and 2022, the Company and subsidiary have financial assets and financial liabilities with exposure to interest rate risk as follows:

(Unit : Thousand Baht)

	2023				Interest rate (%)
	Consolidated Statements				
	Floating Interest Rate	Fixed Interest Rate	No Interest	Total	
<b><u>Financial assets</u></b>					
Cash and cash equivalents	119,819	-	29,906	149,725	0.15 – 0.60
Trade accounts receivable					
- general customers - net	-	-	1,135,590	1,135,590	-
- related companies	-	-	42,098	42,098	-
Unbilled accrued income	-	-	102,615	102,615	-
Total	<u>119,819</u>	<u>-</u>	<u>1,310,209</u>	<u>1,430,028</u>	
<b><u>Financial liabilities</u></b>					
Bank overdrafts and short - term					
loans from financial institutions	191,438	-	-	191,438	2.86 – 7.58
Trade accounts and notes payable					
- general suppliers	-	-	94,084	94,084	-
- related companies	64,527	-	25,348	89,875	8.27
Advances from customers	-	-	17,179	17,179	-
Total	<u>255,965</u>	<u>-</u>	<u>136,611</u>	<u>392,576</u>	

(Unit : Thousand Baht)

2022					
Consolidated Statements					
	Floating Interest Rate	Fixed Interest Rate	No Interest	Total	Interest rate (%)
<b>Financial assets</b>					
Cash and cash equivalents	143,212	-	7,189	150,401	0.05 - 0.30
Trade accounts receivable					
- general customers - net	-	-	1,184,952	1,184,952	-
- related companies	-	-	70,964	70,964	-
Amounts due from related companies	-	-	91	91	-
Unbilled accrued income	-	-	102,418	102,418	-
<b>Total</b>	<b>143,212</b>	<b>-</b>	<b>1,365,614</b>	<b>1,508,826</b>	

**Financial liabilities**

<b>Financial liabilities</b>					
Bank overdrafts and short - term loans from financial institutions	787,215	-	-	787,215	1.28 - 8.90
Trade accounts and notes payable					
- general suppliers	-	-	140,460	140,460	-
- related companies	72,071	-	37,222	109,293	7.79
Advances from customers	-	-	28,009	28,009	-
<b>Total</b>	<b>859,286</b>	<b>-</b>	<b>205,691</b>	<b>1,064,977</b>	

(Unit : Thousand Baht)

2023					
Separate Statements					
	Floating Interest Rate	Fixed Interest Rate	No Interest	Total	Interest rate (%)
<b>Financial assets</b>					
Cash and cash equivalents	103,582	-	29,760	133,342	0.15 - 0.60
Trade accounts receivable					
- general customers - net	-	-	1,129,133	1,129,133	-
- related companies	-	-	42,098	42,098	-
Amounts due from related companies	-	-	627	627	-
Short - term loan to subsidiary company	-	32,753	-	32,753	2.65 - 6.90
Unbilled accrued income	-	-	102,615	102,615	-
<b>Total</b>	<b>103,582</b>	<b>32,753</b>	<b>1,304,233</b>	<b>1,440,568</b>	

**Financial liabilities**

<b>Financial liabilities</b>					
Bank overdrafts and short - term loans from financial institutions	184,438	-	-	184,438	2.86 - 7.58
Trade accounts and notes payable					
- general suppliers	-	-	91,270	91,270	-
- related companies	64,527	-	22,151	86,678	8.27
Advances from customers	-	-	10,519	10,519	-
<b>Total</b>	<b>248,965</b>	<b>-</b>	<b>123,940</b>	<b>372,905</b>	

(Unit : Thousand Baht)

	2022				
	Separate Statements				
	Floating Interest Rate	Fixed Interest Rate	No Interest	Total	Interest rate (%)
<b>Financial assets</b>					
Cash and cash equivalents	124,957	-	6,891	131,848	0.05 -0.25
Trade accounts receivable					
- general customers - net	-	-	1,165,174	1,165,174	-
- related companies	-	-	70,964	70,964	-
Amounts due from related companies	-	-	271	271	-
Short - term loan to subsidiary company	-	17,196	-	17,196	4.50
Unbilled accrued income	-	-	102,418	102,418	-
<b>Total</b>	<b>124,957</b>	<b>17,196</b>	<b>1,345,718</b>	<b>1,487,871</b>	
<b>Financial liabilities</b>					
Bank overdrafts and short - term loans					
from financial institutions	759,310	-	-	759,310	1.28 -6.33
Trade accounts and notes payable					
- general suppliers	-	-	136,373	136,373	-
- related companies	72,071	-	15,279	87,350	7.79
Advances from customers	-	-	20,890	20,890	-
<b>Total</b>	<b>831,381</b>	<b>-</b>	<b>172,542</b>	<b>1,003,923</b>	

## 25.2 Foreign exchange risk

The Company and subsidiary have exposure to foreign currency risk relating to the export sales and the importation of production materials, short - term loans to subsidiary and bank overdrafts and short - term loans from financial institutions denominated in foreign currencies. As at 31 December 2023 and 2022, the Company and subsidiary have assets and liabilities in foreign currencies which are considered natural hedging as follows:

	In Thousand Foreign Currencies	
	2023	2022
<b>Assets in foreign currency</b>		
USD	256	537
JPY	103,233	-
<b>Liabilities in foreign currency</b>		
USD	1,904	2,075
JPY	-	22,000

### 25.3 Credit risk

The Company and subsidiary sell its products to customers with normal credit terms. The Company and subsidiary manage their exposure to credit risk by closely monitoring collection of accounts receivable and focuses on overdue accounts. In the case of doubt about the collectability on accounts receivable, the Company and subsidiary set up allowance for expected credit loss in the accounts as deemed necessary.

### 25.4 Liquidity risk

The Company and subsidiary monitor liquidity risk and maintain a level of cash and cash equivalents at the adequate level to finance the Company and subsidiary operations and to prevent the effects from fluctuations in cash flows.

### 25.5 Fair value of financial instruments

The following methods and assumptions are used to estimate the fair value of each class of the Company's financial instruments.

- Financial assets and financial liabilities composed of cash and cash equivalents, bank overdrafts, trade accounts receivable, trade accounts payable, amounts due from related companies, short - term loan to subsidiary company, unbilled accrued income, and advances from customers which the carrying values approximate their fair values due to the relative short - term maturity of these financial instruments.
- For financial liabilities composed of notes payable and short - term loans from financial institutions which the carrying values are not materially different from the fair value since they carry interest at the rates close to market rates.

## 26. FAIR VALUE MEASUREMENT

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 : unobservable inputs for the asset or liability.

The Company has investment property at the fair value as of 31 December 2023 of Baht 60.36 million. The fair value was calculated based on the comparison of the market price of other properties in the nearby location (Level 2).

## **27. COMMITMENTS**

As of 31 December 2023, the Group has commitments as follow:

27.1 The Company has commitments to deliver products and services under a contract for installation of approximately of Baht 274.36million.

27.2 The Company has outstanding guarantees of approximately Baht 24.68million, issued by financial institutions on behalf of the Company, as required in the normal course of business.

## **28. EVENTS AFTER REPORTING PERIOD**

At the meeting on 27 February 2024, the Company's Board of Directors passed a resolution to propose the payment of dividend of Baht 0.222 per share to the common shareholders, from operating results for the year ended 31 December 2023. The dividend payment must be approved at the Annual General Meeting of the Company's shareholders.

## **29. APPROVAL OF FINANCIAL STATEMENTS**

These financial statements are authorized by the Board of Directors on 27 February 2024.