

**SAHAVIRIYA STEEL INDUSTRIES PUBLIC COMPANY LIMITED**

**AND SUBSIDIARIES**

**AUDITOR'S REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

## **INDEPENDENT AUDITOR’S REPORT**

**To The Shareholders of SAHAVIRIYA STEEL INDUSTRIES PUBLIC COMPANY LIMITED**

### **Opinion**

I have audited the accompanying consolidated and separate financial statements of SAHAVIRIYA STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARIES (“the Group”) and of SAHAVIRIYA STEEL INDUSTRIES PUBLIC COMPANY LIMITED (“the Company”) which comprise the consolidated and separate statements of financial position as at 31 December 2022, and the consolidated and separate statements of profit and loss, comprehensive income, consolidated and separate statements of changes in shareholders’ equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of SAHAVIRIYA STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of SAHAVIRIYA STEEL INDUSTRIES PUBLIC COMPANY LIMITED as at 31 December 2022 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### **Basis for Audit Opinion**

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

***Material uncertainty on going concern***

As at 31 December 2022, parts of financial position of the Group and the Company are as follows;

As stated in notes 2 to financial statements, year 2022 the Group and the Company have operating net loss in the amount of Baht 2,962.8 million and Baht 2,729.9 million respectively, and the consolidated and separate statements of financial position also represented operating deficit as at 31 December 2022 amount of Baht 20,175.6 million and Baht 20,452.5 million respectively, and negative shareholders' equity of Baht 18,098.0 million and Baht 18,839.5 million respectively.

As discussed in notes 27 of the financial statements, the Central Bankruptcy Court has approved the Rehabilitation Plan on 15 December 2016 that appointed the Company as a Plan Administrator. Subsequent in 2020, the Company filed to revise the Rehabilitation Plan No.1 (Revise) which was approved by the Central Bankruptcy Court on 18 September 2020, with the following significant, the Company needs to generate sufficient cash flows to meet both its working capital requirement and for settlement the debts from operation by issuing new share capital, conversion of debt to equity, as well as seeking new source of funding. However, to consider that the successful of the Plan should have the following events; 1) the Company has made repayments for the outstanding principal to all creditors including the creditors received debt settlement from the conversion of debt to equity No.1 and No. 2 in the amount not less than 25% of the outstanding principal to be paid under the Plan and either 2) the Company has obtained new funding from an investor to settle debt which resulting to the shareholders' equity of the Company becomes positive, or 3) conversion of debt to equity as stipulated in the Plan resulting to the shareholders' equity of the Company becomes positive. The procedures period in conformity with the Plan is 5 years. The Company, therefore, filed the petition to revise the Rehabilitation Plan No. 2 by requesting for the extension procedures period in accordance with the Plan for the next one year, the Central Bankruptcy Court has ordered to approve on 14 December 2021, which was matured on 15 December 2022. Later on 14 September 2022 the Company filed the petition to revise the Plan by requesting for the extension procedures period in accordance with the Plan for the next one year, which will be matured on 15 December 2023. The Plan Administrator is able to request for revising the Plan by extending the period of procedures in conformity with the methodology stipulated in the Bankruptcy Act, the Central Bankruptcy Court has ordered to approve on 8 December 2022. Therefore, the Group and the Company will able to continue their operations as a going concern, depend on the ability to negotiate with creditor to revise the Rehabilitation Plan to have conditions for debts settlement appropriated with cash flows of the Company, which may include requesting for the extension repayment period in the future.

However these consolidated and separate financial statements do not include the reclassification and any adjustments of asset and liabilities which might be necessary should the Group and the Company be unable to operate as rehabilitation plan from the aforementioned circumstances suggested the material uncertainty that may substantial doubt about the Company's ability to operate as a going concern. Accordingly, my opinion does not change from this matter.

### **Emphasis of Matter**

Accordingly, my opinion is not modified in respect of the following matters.

1. Rehabilitation Plan revision

As stated in notes 27 to financial statements , on 14 September 2022 Sahaviriya Steel Industries Public Company Limited, the “Plan Administrator” needs to revise the Plan for rehabilitation the business of debtor to be achieved, therefore, “Application for revision of the Rehabilitation Plan” was filed to the Official Receiver and the meeting of the creditors passed the resolution to agree with the “Application for revision of the Rehabilitation Plan” and on 8 December 2022 the Central Bankruptcy Court has approved the Plan, the significant substance are as follows

- The Company requested for extending the procedures period in conformity with the Plan for the next one year which was matured on 15 December 2023 and the Plan Administrative is able to request for revising the Plan by extending the period of procedures in conformity with the methodology stipulated in the Bankruptcy Act.

2. Collection from related companies debtors under rehabilitation plan

As stated in notes 27 to financial statement, the Company has two related companies debtors, the outstanding balance as at 31 December 2022 and 2021 total amount of Baht 3,215.8 million and Baht 3,365.6 million respectively. The Company has fully set up allowance for credit losses. Such amount is higher than the amount required to comply with rehabilitation plan, that required the Company to collect from those two related companies not less than the amount of Baht 300 million per annum and all outstanding debt (both existing and new debts) within the end of 2021, not exceeding Baht 1,760 million which may cause by the default under the Plan. However, the incident is not the cause of default because the Creditors Committee has not yet notice for such defaulting. At present, the Company is following up such debts.

Presently, the Company suggested the guidelines to settle the outstanding debts of those two receivables and alleviated the trouble to submit for the approval by the Creditors Committee and is currently under the Creditors Committee’s trial.

3. Liabilities from guarantee borrowings settlement (Creditors class 4 under rehabilitation plan)

As stated in notes 3 (f) to financial statements with reference to Sahaviriya Steel Industries UK's ("SSI UK") is discontinued its operation and the liquidator have been appointed and entered into control which resulted to the lender of SSI UK demanded immediate payment of the outstanding balances of borrowings. The lender required responsibility for the liabilities in acting as guarantor of the Company in which such liabilities were classified as creditors class 4 under business rehabilitation plan of the Company ("Creditors class 4"). As stated in notes 27 to financial statements.

At present, the process of liquidity is not finalized. Contingent liabilities from guarantee as stated in notes 34 (b) to financial statements from contractual damages from environmental insurance amounting to USD 31 million, has not been changed.

**Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

**Assets**

Impairment of property, plant and equipment

As described in notes 17 to the financial statements, the Group and the Company's property, plant and equipment which are stated at cost less accumulated depreciation and impairment losses are significant amount. The management exercise judgment in determining the impairment loss due to the recoverable amount of the property, plant and equipment is determined on value in use by estimate future cash flows that the entity expects to derive from the assets which related to the projection of future operating performance, future plan and determination of an appropriate discount rate and key assumptions. Therefore, I have identified that considering the impairment loss of property, plant and equipment is the significant matter that requires special attention in the audit.

My audit procedure on such matter

I have tested the impairment of property, plant and equipment by consider and assess the reasonable and supportable assumptions and approaches in preparation of the estimate of future cash inflows or outflows which the Group and the Company expected to derive from the continuing use of the property, plant and equipment. Including assess the Group and the Company's reasonable discount rate which used for calculation of the recoverable amount of the property, plant and equipment and considered the adequacy of the information disclosure related to impairment of property, plant and equipment.

### **Other Information**

Management is responsible for the other information. The other information comprises information in the annual report of the Group, (but does not include the consolidated and separate financial statements and my auditor's report thereon), The annual report of the Group is expected to be made available to me after the date of this auditor's report date.

My opinion on the consolidated and separate financial statements does not cover the other information and I do not and will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and the management of the Group.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with the Code of Ethics for Professional Accountants regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

D I A International Audit Company Limited



(Mrs. Suvimol Chrityakierne)

C.P.A. (Thailand)

Registration No. 2982

28 February 2023

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of financial position

As at 31 December 2022

Unit : Baht

Assets	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<b>Current assets</b>					
Cash and cash equivalents	7	552,405,209	496,419,762	432,451,791	383,871,876
Trade accounts receivable	8	228,521,688	124,435,894	105,582,023	43,445,503
Other current receivables from related parties	6	59,133,435	36,381,221	69,621,989	49,490,922
Current contract assets	9.1	56,868,800	21,146,617	-	-
Short-term loans from related parties	6	-	26,788,560	24,736,380	26,788,560
Current portion of long-term loans	6	-	25,959,391	13,074,945	25,959,391
Inventories	10	7,535,865,689	8,021,248,242	7,512,389,555	7,996,400,012
Other current assets	11	408,249,639	560,765,449	339,325,728	494,664,560
<b>Total current assets</b>		<b>8,841,044,460</b>	<b>9,313,145,136</b>	<b>8,497,182,411</b>	<b>9,020,620,824</b>
<b>Non-current assets</b>					
Other non-current financial assets	12	62,401,001	74,048,419	60,215,087	72,690,296
Investments in subsidiaries	13	-	-	323,999,930	323,999,930
Investments in joint venture	15	2,576,756,742	2,741,466,298	2,628,781,546	2,628,781,546
Long-term loans	16	-	507,040,469	497,158,043	507,040,469
Property, plant and equipment	17	11,274,245,749	10,542,803,469	9,325,126,873	9,430,057,754
Right-of-use assets	18.1	138,052,280	50,112,105	118,770,804	29,975,973
Other intangible assets	19	18,123,822	18,083,109	15,330,404	14,845,113
Deferred tax assets	20	18,736,214	15,403,465	-	-
Other non-current assets		15,419,982	16,532,969	13,588,038	14,961,587
<b>Total non-current assets</b>		<b>14,103,735,790</b>	<b>13,965,490,303</b>	<b>12,982,970,725</b>	<b>13,022,352,668</b>
<b>Total assets</b>		<b>22,944,780,250</b>	<b>23,278,635,439</b>	<b>21,480,153,136</b>	<b>22,042,973,492</b>

The accompanying notes are an integral part of these financial statements.

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of financial position (Cont'd)

As at 31 December 2022

Unit : Baht

Liabilities and shareholders' equity	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<b>Current liabilities</b>					
Short-term borrowings from financial institutions	21	62,068,897	39,000,000	-	-
Trade accounts payable	22	4,929,562,760	4,844,666,302	4,886,829,625	4,806,977,778
Other current payables to related parties	6	29,516,047	11,477,271	44,400,184	28,411,940
Other current payables	23	392,024,954	226,005,776	189,981,552	185,118,238
Current contract liabilities	9.1	658,895,163	550,436,976	633,539,316	536,027,575
Current portion of long-term borrowings from financial institutions	25	401,991	-	-	-
Current portion of liabilities under rehabilitation plan	27	1,359,058,964	1,420,201,862	1,359,058,964	1,420,201,862
Current portion of lease liabilities	18.2	35,413,211	33,711,976	25,754,609	27,411,982
Short-term borrowings from related parties	6	1,519,921,384	-	1,519,921,384	24,423,914
Corporate income tax payable		1,337,428	10,166,413	-	-
Provisions under onerous contracts	9.4	34,596,028	104,991,274	34,596,028	104,991,274
Other non-current financial liabilities	24	18,322,943	2,415,933	17,398,437	540,200
<b>Total current liabilities</b>		<b>9,041,119,770</b>	<b>7,243,073,783</b>	<b>8,711,480,099</b>	<b>7,134,104,763</b>
<b>Non-current liabilities</b>					
Long-term borrowings from financial institutions	25	12,599,951	-	-	-
Liabilities under rehabilitation plan	27	31,104,493,297	30,628,525,877	31,112,484,156	30,636,516,736
Lease liabilities	18.2	105,518,743	17,243,349	92,654,079	3,463,753
Deferred tax liabilities	20	192,626,998	38,689,914	16,173,910	16,184,258
Non-current provisions for employee benefits	26	468,053,191	421,759,817	386,008,905	361,451,707
Other non-current provisions	28	117,533,721	-	-	-
Other non-current liabilities		823,876	823,876	823,876	823,876
<b>Total non-current liabilities</b>		<b>32,001,649,777</b>	<b>31,107,042,833</b>	<b>31,608,144,926</b>	<b>31,018,440,330</b>
<b>Total liabilities</b>		<b>41,042,769,547</b>	<b>38,350,116,616</b>	<b>40,319,625,025</b>	<b>38,152,545,093</b>

The accompanying notes are an integral part of these financial statements.

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of financial position (Cont'd)

As at 31 December 2022

Unit : Baht

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<b>Liabilities and shareholders' equity</b>					
<i>Shareholders' equity</i>					
Share capital					
Authorized share capital					
11,113,018,280 common shares					
of Baht 1 each	29	11,113,018,280	11,113,018,280	11,113,018,280	11,113,018,280
Issued and paid-up share capital					
11,113,018,280 common shares					
of Baht 1 each	29	11,113,018,280	11,113,018,280	11,113,018,280	11,113,018,280
Share discount on ordinary shares		(9,500,000,000)	(9,500,000,000)	(9,500,000,000)	(9,500,000,000)
Deficit		(20,175,632,086)	(17,191,282,046)	(20,452,490,169)	(17,722,589,881)
<b>Equity attributable to owners of the Company</b>		<b>(18,562,613,806)</b>	<b>(15,578,263,766)</b>	<b>(18,839,471,889)</b>	<b>(16,109,571,601)</b>
Non-controlling interests		464,624,509	506,782,589	-	-
<b>Total shareholders' equity</b>		<b>(18,097,989,297)</b>	<b>(15,071,481,177)</b>	<b>(18,839,471,889)</b>	<b>(16,109,571,601)</b>
<b>Total liabilities and shareholders' equity</b>		<b>22,944,780,250</b>	<b>23,278,635,439</b>	<b>21,480,153,136</b>	<b>22,042,973,492</b>

The accompanying notes are an integral part of these financial statements.

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of profit and loss

For the year ended 31 December 2022

Unit : Baht

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<b>Income</b>					
Revenue from sales		32,877,406,339	34,524,201,377	32,877,624,882	34,528,067,377
Revenue from rendering of services		1,055,880,088	789,263,335	324,293,671	212,887,674
Dividend income	13	-	-	66,300,000	101,100,000
Other income		18,929,595	90,625,434	8,367,691	101,322,101
<b>Total income</b>		<b>33,952,216,022</b>	<b>35,404,090,146</b>	<b>33,276,586,244</b>	<b>34,943,377,152</b>
<b>Expenses</b>					
Cost of sales		32,683,534,838	31,615,651,836	32,800,288,777	31,732,686,270
Cost of rendering of services		844,073,975	692,992,394	237,850,528	177,714,910
Distribution costs		59,195,828	88,124,401	60,401,263	79,829,476
Administrative expenses		677,914,702	625,407,516	530,840,140	547,782,074
Management benefit expenses		133,843,299	110,796,428	127,911,382	109,588,011
Gain (loss) on exchange rate		19,666,870	1,070,772	18,571,868	(1,199,222)
(Reversed) Expected credit losses		(117,757,538)	17,879,017	(143,819,963)	17,816,935
Loss on onerous contracts	9.4	(70,395,246)	92,700,499	(70,395,246)	92,700,499
<b>Total expenses</b>		<b>34,230,076,728</b>	<b>33,244,622,863</b>	<b>33,561,648,749</b>	<b>32,756,918,953</b>
<b>Profit (loss) from operating activities</b>		(277,860,706)	2,159,467,283	(285,062,505)	2,186,458,199
Finance income		29,041,080	14,331,204	27,495,132	14,232,699
Finance costs		(1,790,465,919)	(1,633,003,385)	(1,769,502,693)	(1,633,049,914)
Gains (losses) on exchange rate from liabilities under rehabilitation plan - net	27	(690,165,023)	(1,784,537,611)	(690,165,023)	(1,784,537,611)
Adjustment from decrease of guarantee obligations from liquidation of the creditor class 4	27	-	586,293,720	-	586,293,720
Share of profit (loss) on equity securities of joint venture by equity method	15	(164,709,557)	177,309,631	-	-
<b>Profit (loss) before income tax expense</b>		<b>(2,894,160,125)</b>	<b>(480,139,158)</b>	<b>(2,717,235,089)</b>	<b>(630,602,907)</b>
Tax (expense) income		(6,923,981)	(16,421,101)	10,347	(1,062,416)
<b>Profit (loss) for the year</b>		<b>(2,901,084,106)</b>	<b>(496,560,259)</b>	<b>(2,717,224,742)</b>	<b>(631,665,323)</b>
<b>Profit (loss) attributable to</b>					
Owners of the Company		(2,922,822,407)	(536,310,834)	(2,717,224,742)	(631,665,323)
Non-controlling interests	14	21,738,301	39,750,575	-	-
<b>Profit (loss) for the year</b>		<b>(2,901,084,106)</b>	<b>(496,560,259)</b>	<b>(2,717,224,742)</b>	<b>(631,665,323)</b>
<b>Basic earnings (loss) per share (Baht)</b>		<b>(0.26)</b>	<b>(0.05)</b>	<b>(0.24)</b>	<b>(0.06)</b>

The accompanying notes are an integral part of these financial statements.

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of comprehensive income

For the year ended 31 December 2022

Unit : Baht

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<b>Profit (loss) for the year</b>		<u>(2,901,084,106)</u>	<u>(496,560,259)</u>	<u>(2,717,224,742)</u>	<u>(631,665,323)</u>
<b>Other comprehensive income for the year</b>					
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>					
Exchange differences on translating financial statements - net		(30,817,148)	-	-	-
Gains (losses) on remeasurements of defined benefit plans					
- the Group	26	(35,464,696)	-	(12,675,546)	-
Income tax relating to components of profit or loss	20	4,557,830	-	-	-
<b>Other comprehensive income for the year-net of tax</b>		<u>(61,724,014)</u>	<u>-</u>	<u>(12,675,546)</u>	<u>-</u>
<b>Total comprehensive income (expense) for the year</b>		<u><b>(2,962,808,120)</b></u>	<u><b>(496,560,259)</b></u>	<u><b>(2,729,900,288)</b></u>	<u><b>(631,665,323)</b></u>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		(2,984,350,040)	(536,310,834)	(2,729,900,288)	(631,665,323)
Non-controlling interests		21,541,920	39,750,575	-	-
<b>Total comprehensive income (expense) for the year</b>		<u><b>(2,962,808,120)</b></u>	<u><b>(496,560,259)</b></u>	<u><b>(2,729,900,288)</b></u>	<u><b>(631,665,323)</b></u>

The accompanying notes are an integral part of these financial statements.

**Sahaviriya Steel Industries Public Company Limited and Subsidiaries**

**Statements of changes in shareholders' equity**

**For the year ended 31 December 2022**

Unit : Baht

<b>Consolidated financial statements</b>							
	Issued and paid-up share capital	Share discount on ordinary shares issuance	Retained earnings (deficit)		Equity attributable to owners of the Company	Non-controlling interests	Total shareholders' equity
			Legal reserve	Unappropriated (deficit)			
<b>Balance as at 31 December 2020</b>	11,113,018,280	(9,500,000,000)	-	(16,654,971,212)	(15,041,952,932)	520,932,014	(14,521,020,918)
Total comprehensive income (expense) for the year	-	-	-	(536,310,834)	(536,310,834)	39,750,575	(496,560,259)
Dividend paid to non-controlling interests	-	-	-	-	-	(53,900,000)	(53,900,000)
<b>Balance as at 31 December 2021</b>	<b>11,113,018,280</b>	<b>(9,500,000,000)</b>	<b>-</b>	<b>(17,191,282,046)</b>	<b>(15,578,263,766)</b>	<b>506,782,589</b>	<b>(15,071,481,177)</b>
<b>Balance as at 31 December 2021</b>	11,113,018,280	(9,500,000,000)	-	(17,191,282,046)	(15,578,263,766)	506,782,589	(15,071,481,177)
Total comprehensive income (expense) for the year	-	-	-	(2,984,350,040)	(2,984,350,040)	21,541,920	(2,962,808,120)
Dividend paid to non-controlling interests	-	-	-	-	-	(63,700,000)	(63,700,000)
<b>Balance as at 31 December 2022</b>	<b>11,113,018,280</b>	<b>(9,500,000,000)</b>	<b>-</b>	<b>(20,175,632,086)</b>	<b>(18,562,613,806)</b>	<b>464,624,509</b>	<b>(18,097,989,297)</b>

The accompanying notes are an integral part of these financial statements.

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of changes in shareholders' equity

For the year ended 31 December 2022

Unit : Baht

	Separate financial statements				Total shareholders' equity
	Issued and paid-up share capital	Share discount on ordinary shares issuance	Retained earnings (deficit) Legal reserve	Unappropriated (deficit)	
<b>Balance as at 31 December 2020</b>	11,113,018,280	(9,500,000,000)	-	(17,090,924,558)	(15,477,906,278)
Total comprehensive income (expense) for the year	-	-	-	(631,665,323)	(631,665,323)
<b>Balance as at 31 December 2021</b>	<b>11,113,018,280</b>	<b>(9,500,000,000)</b>	<b>-</b>	<b>(17,722,589,881)</b>	<b>(16,109,571,601)</b>
<b>Balance as at 31 December 2021</b>	11,113,018,280	(9,500,000,000)	-	(17,722,589,881)	(16,109,571,601)
Total comprehensive income (expense) for the year	-	-	-	(2,729,900,288)	(2,729,900,288)
<b>Balance as at 31 December 2022</b>	<b>11,113,018,280</b>	<b>(9,500,000,000)</b>	<b>-</b>	<b>(20,452,490,169)</b>	<b>(18,839,471,889)</b>

The accompanying notes are an integral part of these financial statements.



**Sahaviriya Steel Industries Public Company Limited and Subsidiaries**

**Statements of cash flows**

**For the year ended 31 December 2022**

Unit : Baht

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Cash flows from operating activities</b>				
Profit (loss) for the year	(2,901,084,106)	(496,560,259)	(2,717,224,742)	(631,665,323)
<i>Adjustments for</i>				
Depreciation and amortisation	854,390,108	750,582,280	751,122,468	642,988,336
(Reversed) Bad debt and doubtful accounts	(143,819,963)	17,879,017	(143,819,963)	17,816,935
Loss on devaluation of inventories (reversal)	44,044,553	460,189,988	44,044,553	460,189,988
Unrealized loss (gain) on exchange rate	(167,411,210)	(26,196,168)	(182,504,110)	(28,405,091)
Loss (gain) on forward contracts	15,907,010	1,684,057	16,858,237	(191,676)
Write-off equipment	1,283,358	139,305	1,249,976	134,416
Employee benefit provisions	33,677,425	32,566,041	25,346,481	27,793,951
Other provisions	5,675,094	-	-	-
Loss on onerous contracts (reversal)	(70,395,246)	92,700,499	(70,395,246)	92,700,499
Loss (gain) on disposal of property, plant and equipment	-	(5,535,230)	(67,225)	(5,409,997)
(Reversed) Loss on impairment of property, plant and equipment	-	(899,000)	-	-
Share of loss of joint venture (net of tax)	170,089,328	(177,309,631)	-	-
Loss (gain) on exchange rate from liabilities under rehabilitation plan - net	690,165,023	1,784,537,611	690,165,023	1,784,537,611
Adjustment from decrease of guarantee obligations from liquidation of the creditor class 4	-	(586,293,720)	-	(586,293,720)
Finance costs	1,790,465,919	1,633,003,385	1,769,502,693	1,633,049,914
Finance income	(29,041,080)	(14,331,204)	(27,495,132)	(14,232,699)
Dividend income	-	-	(63,300,000)	(101,100,000)
Tax expense (income)	(650,130)	16,421,101	(10,347)	1,062,416
Profit (loss) from operating activities before changes in operating assets and liabilities :	293,296,083	3,482,578,072	93,472,666	3,292,975,560
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	76,724,858	142,507,633	81,683,443	125,300,941
Other current receivables from related parties	(22,752,214)	(22,662,491)	(31,586,286)	(27,583,667)
Current contract assets	(35,722,183)	(4,553,521)	-	-
Inventories	447,436,849	(4,165,044,906)	439,965,904	(4,196,184,449)
Other current assets	179,863,817	(282,094,434)	163,888,403	(283,941,738)
Other non-current assets	1,112,982	399,561	(116,429,183)	364,667
Trade accounts payable	280,777,849	1,978,855,568	275,728,147	1,976,918,700
Other current payables to related parties	(6,264,780)	392,602	12,647,914	9,031,024
Other current payables	52,232,947	22,992,414	23,167,042	23,385,865
Current contract liabilities	98,383,004	(273,477,301)	97,511,741	(276,206,622)
Cash provided by (used in) operating activities	1,365,089,212	879,893,197	1,040,049,791	644,060,281

The accompanying notes are an integral part of these financial statements.

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of cash flows (Cont'd)

For the year ended 31 December 2022

Unit : Baht

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Employee benefit obligations paid	(22,848,747)	(1,970,630)	(13,464,830)	(1,021,625)
Income tax paid	(52,941,721)	(34,499,713)	(2,652,468)	(5,135,450)
Income tax received	3,880,731	-	-	-
<b>Net cash provided by operating activities</b>	<b>1,293,179,475</b>	<b>843,422,854</b>	<b>1,023,932,493</b>	<b>637,903,206</b>
<b><i>Cash flows from investing activities</i></b>				
Investments in subsidiaries	-	-	-	(45,000,000)
Finance income received	33,383,241	2,669,231	32,612,335	2,570,726
Increase (Decrease) in other non-current financial assets	11,647,418	(29,912,579)	12,475,209	(29,367,970)
Payments for short-term loans from related parties	-	(15,349,570)	-	(15,349,570)
Proceeds from short-term loans to related parties	-	1,024,950	-	1,024,950
Proceeds from long-term loans to related parties	23,851,961	6,466,209	10,777,016	6,466,209
Acquire of property, plant and equipment	(704,107,495)	(354,455,335)	(519,263,859)	(298,249,018)
Sales of property, plant and equipment	-	5,535,714	67,472	5,410,480
Acquire of intangible assets	(4,639,456)	(3,079,006)	(3,560,747)	(2,920,456)
Dividend received	-	-	38,142,332	45,000,000
<b>Net cash used in investing activities</b>	<b>(639,864,331)</b>	<b>(387,100,386)</b>	<b>(428,750,242)</b>	<b>(330,414,649)</b>
<b><i>Cash flows from financing activities</i></b>				
Finance cost paid	(119,887,389)	(77,281,806)	(117,160,799)	(73,993,791)
Proceeds from short-term borrowings from financial institutions	23,068,897	-	-	-
Proceeds from long-term borrowings from financial institutions	310,841	-	-	-
Payments for short-term borrowings				
from financial institutions	-	(1,000,000)	-	-
Proceeds from short-term borrowings from				
related parties	6,276,150,210	-	6,276,150,210	-
Payments for short-term borrowings from related companies	(4,756,228,827)	-	(4,756,228,827)	-
Payments for liabilities under rehabilitation plan	(1,923,608,311)	(457,608,607)	(1,923,608,311)	(457,608,607)
Payments for lease liabilities	(33,435,118)	(35,852,252)	(25,754,609)	(27,705,759)
Dividend paid	(63,700,000)	(53,900,000)	-	-
<b>Net cash used in financing activities</b>	<b>(597,329,697)</b>	<b>(625,642,665)</b>	<b>(546,602,336)</b>	<b>(559,308,157)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>55,985,447</b>	<b>(169,320,197)</b>	<b>48,579,915</b>	<b>(251,819,600)</b>
Cash and cash equivalents as at 1 January	496,419,762	665,739,959	383,871,876	635,691,476
<b>Cash and cash equivalents as at 31 December</b>	<b>552,405,209</b>	<b>496,419,762</b>	<b>432,451,791</b>	<b>383,871,876</b>
<b>Significant non-cash transactions</b>				
Other payables-property, plant and equipment	-	(18,029,823)	(9,123,822)	(18,235,483)
Dividend income offset against borrowings repayment				
and borrowings interest payment	-	-	25,158	56,100,000
Decrease in long-term loans	-	-	(527,996,820)	-
Increase in long-term loans to related parties	-	-	516,060,553	-

The accompanying notes are an integral part of these financial statements.

**Sahaviriya Steel Industries Public Company Limited and subsidiaries**

**Notes to financial statements**

**For the year ended 31 December 2022**

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## **Sahaviriya Steel Industries Public Company Limited and subsidiaries**

### **Notes to financial statements**

**For the year ended 31 December 2022**

#### **1. General information**

Sahaviriya Steel Industries Public Company Limited (“the Company”), is incorporated in Thailand. The Company was listed on the Stock Exchange of Thailand in September 1994 and has its registered office at 28/1 Prapawit Building, 2nd-3rd Floor, Surasak Road, Kwang Silom, Khet Bangrak, Bangkok, Thailand and its plant located at 9, Moo 7, Tambon Mae Rumphueng, Amphur Bang Saphan, Prachuabkirikhan, Thailand. The Company, its subsidiaries and its joint venture are hereinafter collectively referred to as “the Group”.

The major shareholders comprise Krung Thai Bank Public Company Limited held at 40.49%, Siam Commercial Bank Public Company Limited at 40.22% and Tisco Public Company Limited at 7.87%.

The principal businesses of the Company are manufacturing and distributing of hot rolled coils. Details of the Company’s subsidiaries and joint venture are given in Notes 13 and 15.

#### **2. Basis of operation as a going concern**

For the year ended 31 December 2022, the Group has operating net loss in the amount of Baht 2,962.8 million (loss for the year of Baht 2,272.6 million added loss on exchange rate of liabilities under rehabilitation plan - net amount of Baht 690.2 million) (2021 : the Group has operating net loss in the amount of Baht 496.6 million (profit for the year of Baht 701.6 million less gain on sale of security for debt settlement under rehabilitation plan amount of Baht 586.3 million and added loss on exchange rate of liabilities under rehabilitation plan - net amount of Baht 1,784.5 million) and accumulated loss of Baht 20,175.6 million (31 December 2021 : amount of Baht 17,191.3 million). negative shareholder equity amount of Baht 18,098.0 million (31 December 2021 : amount of Baht 15,071.5 million).

For the year ended 31 December 2022, the Company has operating net loss in the amount of Baht 2,729.9 million (loss for the year of Baht 2,039.7 million added loss on exchange rate of liabilities under rehabilitation plan - net amount of Baht 690.2 million) (2021 : the Company have operating net loss in the amount of Baht 631.7 million (profit for the year of Baht 566.5 million less gain on sale of security for debt settlement under rehabilitation plan amount of Baht 586.3 million and added loss on exchange rate of liabilities under rehabilitation plan - net amount of Baht 1,784.5 million) and accumulated loss of Baht 20,452.5 million (31 December 2021 : amount of Baht 17,722.6 million), negative shareholder equity amount of Baht 18,839.5 million (31 December 2021 : amount of Baht 16,109.6 million).

In 2015, the Board of directors authorized the Company to file the rehabilitation plan to the Central Bankruptcy Court on 1 October 2015, and as of 15 December 2016, the Central Bankruptcy Court approved the rehabilitation plan and nominated the Company a plan administrator.

Subsequent on 18 June 2020, the Official Receiver has attended the creditors meeting and the creditors passed the resolution to agree with the revised plan (the Plan dated 14 July 2016 additional revised by the creditors' meeting held on 18 June 2020) ("the Plan No. 2") and the Plan No. 2 is approval by the Central Bankruptcy Court on 18 September 2020.

Subsequent on 22 September 2021, Sahaviriya Steel Industries Public Company Limited "plan administrator" needs to revise the plan for the achievement of business rehabilitation of the debtor, therefore, the petition is filed "Application for revision of Rehabilitation Plan" to the Official Receiver. The Official Receiver has held the creditors meeting on 9 November 2021 and the creditors passed the resolution to agree with the "Application for revision of Rehabilitation Plan" and the Central Bankruptcy Court ordered to approve on 14 December 2021.

The significant substance for successful of the Plan should have the following events;

- 1) The Company has made repayment for the outstanding principals to all creditors in accordance with the rehabilitation plan including the case of creditors who received the repayment by conversion debts to equity No.1 and No. 2 in the total amount not less than 25% of the outstanding principals to be repaid under the Plan and
- 2) The Company has secured new funding from an investor(s) to repay debt such that the shareholders' equity of the Company becomes positive, or
- 3) Debt to equity conversion in accordance with the Rehabilitation Plan has been executed such that the shareholders' equity of the Company becomes positive.

The rehabilitation plan has a six-year implementation period from the date of the Court ordered to approve on 15 December 2016, which was matured on 15 December 2022. In the event that the implementation of this plan is not fulfilled within 6 years, the plan administrator is able to proceed for revising the plan by requesting for extension the procedures period according to the methodology as stipulated in the Bankruptcy Act.

On 14 September 2022 Sahaviriya Steel Industries Public Company Limited, the “Plan Administrator” has filed “Application for revision of the Rehabilitation Plan” to the Official Receiver and the meeting of the creditors passed the resolution to agree with the “Application for revision of the Rehabilitation Plan”, by requesting for the extension procedures period in accordance with the Plan for the next one year, which will be matured on 15 December 2023. And on 8 December 2022 the Central Bankruptcy Court has approved the Plan.

Moreover, the Company has requested to revise rehabilitation plan in order to continue the business operation as a going concern and to be able to proceed for successful in accordance with the Plan in the future.

#### Past performance operation

After the Central Bankruptcy Court approved the Company’s rehabilitation plan (the Plan dated 14 July 2016 additional revised by the creditors’ meeting held on 18 June 2020) and the applications for revision of rehabilitation plan approved by the Central Bankruptcy Court on 14 December 2021, the Company acted as a plan administrator operates under the condition as stipulated in the plan including the meeting attendance with the creditors committee to monitor the results and compliance with the conditions in the plan together with evaluate the successful of the plan on a monthly basis, as well as reporting the progress on the implementation of the plan to the Official Receiver on a quarterly basis.

#### Debt repayment under rehabilitation plan

During the preparation of the rehabilitation plan, the Company and the financial advisor used the assumption to prepared financial projections to determine the average ability to settle the annual debt by reference to the past performance as detailed in the business rehabilitation plan of the Company and with the conditions for the Creditors Committee to be responsible for consideration to allocate excess cash flows (if any) which arose from the operating results better than the projections. on the assumption that the allocation of excess cash flow will generate the greatest benefit to the business.

### Long-term operating plan

The Company and its bank creditor concluded that the Company should invite other two business partnerships, who are a global producer and a global steel wholesaler to initiate long-term business plan together. Then entered into the Memorandum of Understanding (MOU) to support the Company on multiple perspectives i.e. material sourcing, working capital for future business expansion and production and management technology.

However, at the end of 2022, the Company has reviewed its future strategic plan and plans to create more new businesses and planned to resolve the group's debts.

In addition, the Company has received working capital loans from the Bank, which started to withdraw since May 2022 onwards. The Company believes that the Company will have sufficient working capital to operate its operations in the next one year, and during the period, the Company is able to repay the debt as planned and allocate to repay excess cash flow from which the Company performs better than the estimates provided in the rehabilitation plan.

The consolidated and separate financial statements have been prepared by the Management in accordance with the continuity of operation as a going concern basis on the assumption that the rehabilitation will be succeeded and that the business will have sufficient funds and credit limits to be used in the business operations of the Group and the Company. However, the appropriate of this assumption depends on the success of the rehabilitation plan, as well as the implementation of measures to improve profitability and cash flow, ability in capital restructuring, ability to settle debts and the ability to provide financing from other sources to provide sufficient funds, and the ability to negotiate with creditors to improve the rehabilitation plan to meet the conditions for debts settlement appropriated with cash flow of the business. This may include requesting an extension of the repayment period in the future.

The consolidated and separate financial statements do not include reclassification or asset and liability adjustments, which may be necessary if the Group and the Company be unable to continue their operation as a going concern. Therefore, the realisable value of assets may be significantly less than the book value and incurred additional contingent liabilities, if the Group and the Company are unable to continue their operation as a going concern.



### 3. Basis of preparation of the financial statements

#### (a) Statement of compliance

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

The consolidated and separate financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

#### (b) Basis of consolidation

The financial information has been prepared by including the financial statements of Sahaviriya Steel Industries Public Company Limited, subsidiaries and associates (collectively “the Group) as following:

Name of entity	Type of business	31 December 2022	31 December 2021
		(%)	(%)
<u>Direct subsidiaries</u>			
Prachuap Port Co., Ltd.	Deep-sea port and marine shipping services	51.00	51.00
West Coast Engineering Co., Ltd.	Maintenance services	99.99	99.99

Name of entity	Type of business	31 December 2022	31 December 2021
		(%)	(%)
<u>Indirect subsidiaries</u>			
Helium Miracle 303 Limited (Shareholding at 100% by West Coast Engineering Co., Ltd.)	Investment	100.00	100.00
Helium Miracle 301 Limited	Non-operation	100.00	100.00
Helium Miracle 302 Limited	Dissolution	-	100.00
<u>Indirect subsidiaries</u>			
Redcar Bulk Terminal Limited (Shareholding at 100% by Helium Miracle 303 Limited)	Port to handle products for marine transportation.	100.00	-
<u>Direct associate</u>			
Thai Cold Rolled Steel Sheet Public Company Limited	Production and distribution of cold rolled coils	35.19	35.19

The Company has taken the financial statements of an overseas subsidiary, Redcar Bulk Terminal Limited to prepare the consolidated financial statements in which the Company holds indirect shares in that company at 100%. Therefore, the Company is an ultimate parent company in accordance with Financial Reporting Standard No. 10 “Consolidated Financial Statements”. The preparation of such consolidated financial statements has been approved in accordance with the minutes of the Board of Directors’ Meeting No. 2/2023 held on 16 February 2023.

On 25 July 2022, Helium Miracle 302, a subsidiary of Helium Miracle 303, has filed for dissolution with a government agency in England and closed the company on 18 October 2022.

The consolidated financial statements relate to the Company, its subsidiaries and joint venture (together referred to as the “Group”) and the Group’s interests in joint venture.

### *Business combinations*

The Group applies the acquisition method for all business combinations when control is transferred to the Group other than those with entities under common control.

The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses. The consolidated financial statements have been prepared by indirect financial statements.

When the share-based payment awards is issued (replacement awards) in exchange for a project held by the acquiree's employees (acquiree awards), depending on the cost of the service in the past. The portion of the replacement awards that is included in measuring the consideration transferred in a business combination equals to the market-based measure of the acquire awards. If future work requirements exist, the difference between the value included in measuring the consideration transferred and the market-based measure of the replacement awards are recognised as remuneration cost for post-combination service.

Contingent liabilities of the acquired company derived from business combination are recognise as liabilities if there are current obligations arose from past events and fair value can be reliably measured.

The Group measures the non-controlling interests based on the ratio of net assets derived from the acquiree.

Costs relating to the acquisition of the Group arose from the business combination, such as legal advisory expenses professional fees and other consultant fees are expended when they are incurred.

### *Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

### *Non-controlling interests*

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

### *Loss of control*

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

### *Interests in equity-accounted investees*

The Group's interests in equity-accounted investees comprise interests in a joint venture.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Interests in joint ventures are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

*Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealized income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with joint venture are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

**(c) *Basis of measurement***

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

**(d) *Functional and presentation currency***

The financial statements are prepared and presented in Thai Baht which is the Company's functional currency. All financial information and the notes to financial statements presented in Thai Baht has been rounded to the nearest thousand unless otherwise stated.

**(e) *Leases***

Determining the lease term with extension and termination options - The Group as a lessee

In determining the lease term, the management is required to exercise judgment in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease, considering all relevant factors and circumstances that create an economic incentive for the Group to exercise either the extension or termination option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

*Lease classification - The Group as a lessor*

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

*Allowance for expected credit losses of trade receivables and contract assets*

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

**(f) *Liquidation and Deconsolidation of SSI UK and Financial statements of SSI UK***

Sahaviriya Steel Industries UK Limited ("SSI UK") is an integrated iron and steel slab producer, from the results of operating loss and continuously reducing of the world steel price, as a result, In 2015, SSI UK has stopped its steel slab manufacturing and the liquidator was appointed and become control. The Company has no a power to control the business or operation of SSI UK Limited anymore. With this cause, assets and liabilities of SSI UK were eliminated from the consolidated financial statements and instead of the recognition of investment in SSI UK which were amortized in full by net realisable value during the 2015.

Presently, progress detail with SSI UK state as Note 14 and 27.

Net interests and carrying value of investments in SSI UK has been transferred to assets held for disposal in the separate financial statements as at 31 December 2022 and 2021. Details are as follows:

	Unit : Thousand Baht			
	<u>Ownership interest</u>	<u>Cost method</u>	<u>Impairment</u>	<u>At cost - net</u>
	(%)			
Investments in Sahaviriya Steel				
Industries UK Limited	100	27,481,792	27,481,792	-

#### **4. New financial reporting standards**

##### **4.1 Issued and revised financial reporting standards adoption during the year**

During the year, the Group and the Company has adopted a number of revised financial reporting standards and interpretations which are effective for the financial statements for the period beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

##### **4.2 Financial reporting standards that became effective for fiscal years beginning on or after January 1, 2023**

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for the financial statements for the fiscal year beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Company is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

## 5. Summary of significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

### (a) *Revenues and expenses*

#### *Sale of goods*

The Group recognised revenue from sales when control of goods is transferred to the customer, generally on delivery of the goods to the customers and revenues are derecognised where the management still controls or manages the goods sold or has significant uncertainties in the economic benefits of selling the goods or providing the service. The amounts of revenues and cost incurred cannot be reliably measured. Revenues from sales are presented at net realisable value after deducting estimated of return and discount.

#### *Revenue from rendered of services*

The Group considered that service contract mostly contain only one performance obligation. The Group recognised revenue over time taking into account the stage of completion measuring based on incurred cost compared with expected cost to fulfill the contract.

The Group would consider the probability revenues from contract modification damage claim, delay one fine. Revenue would be recognised only to the extent that it is highly probable that a significant reversal in the amount of commulative revenue recognised will not occur.

When value and progress cannot be realiably measured revenue would recognised not over occurred cost that expected to recover.



#### *Revenues from construction contract*

The Group are recognised as income over time of construction contract by using output method to measure the stage of completion of the contract which compared the actual costs at the end of the reporting year and total estimated costs of construction contract. The Company shall provide the provision for loss on construction when the expected losses incurred for revenues recognised in the reporting period immediately. The excess over contract revenue is presented as “Contract assets” in statements of position and discount of contract revenue is presented as “Contract liability” in statements of financial position.

#### *Dividend income*

Dividend income is recognised in profit or loss on the date the Group’s right to receive payments is established.

#### *Finance income*

The Group recognised as income on an accrual basis by referring to the effective interest rate.

#### *Commissions*

When the Group acts in the capacity of an agent rather than as the principal in a transaction, the Group will recognize revenue when the service is rendered at a net amount as commission.

#### *Other income and expenses*

Other income and expenses are recognised on accrual basis.

#### **(b) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and highly liquid short-term investments and are not subject to the withdrawal restriction.

**(c) *Trade and other accounts receivable***

Trade and other accounts receivable are stated at their invoice value less allowance for expected credit losses.

**(d) *Inventories***

Inventories are measured at the lower of cost and net realisable value.

Cost of slab raw materials are calculated using the weighted average basis, cost of finished goods are calculated by using a specific identification. Costs comprise cost of acquisition, cost, costs of conversion and other costs incurred in bringing the inventories to their present location and condition, In case of finished goods and work in process by themselves, cost of goods includes the allocation of fixed production overhead by referring to the normal capacity production.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

**(e) *Non-current assets held for sale***

Non-current assets (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. The assets (or disposal group) are measured at the lower of their carrying value and fair value less cost to sell.

Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories and financial assets.

Impairment losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

**(f) *Investments in subsidiaries and joint venture***

Investments in subsidiaries and joint venture in the separate financial statements of the Company are accounted for using the cost method. Investments in joint venture in the consolidated financial statements are accounted for using the equity method.

(g) ***Property, plant and equipment***

Recognition and measurement

*Owned assets*

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains or losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss.

*Subsequent costs*

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

*Depreciation*

Depreciation is calculated based on the depreciable amount, which is the cost of building and equipment, or other amount substituted for cost, less its residual value.

Depreciation is charge to profit or loss and is based on a straight-line basis over the estimated useful lives of each component of an item of asset or the unit of production. The estimated useful lives are as follows:

Land improvements	5 years
Leasehold and leasehold improvements	5 and 25 years
Buildings and building improvements	5 and 20 years
Machinery, tools and equipment	
- in production line	The unit of production
- in steel making line	20 years
- in service line	5 – 10 years
- other tools and equipment	3 – 10 years
Furniture, fixtures and office equipment	5 – 10 years
Vehicles	5 years
Roads	5, 20 and 27 years
Berth and berth facilities	5 and 30 years
Tug boats	5 – 17 years
Customs cargo warehouse	5 years

The Group is not recognised depreciation on freehold land or assets under construction and installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

**(h) Leases**

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### *The Company as a lessee*

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

#### **a) Right-of-use assets**

Right-of-use assets are measured at cost, less any accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land and land improvement	3 years
Building and building improvement	3-5 years
Vehicles	3-5 years

**b) Lease liabilities**

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the year in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the incremental borrowing rate which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease cannot be readily determined. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

**c) Short-term leases and leases of low-value assets**

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

**d) Sale and leaseback transactions**

The Group measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the Group. Accordingly, the Group recognises only the amount of any gain or loss that relates to the rights transferred to the lessor.

If the fair value of the consideration for the sale of an asset lower than the fair value of the asset, the difference is accounted for as a prepayment of lease payments to measure the sale proceeds at fair value.

## ***The Company as a lessor***

### *Finance leases*

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

### *Operating leases*

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

#### **(i) *Other Intangible assets***

Other Intangible assets that are acquired by the Group and have finite useful lives 1 - 10 years are measured at cost less accumulated amortization and accumulated impairment losses.

#### **(j) *Impairment of non-financial assets***

The carrying amounts of the Group's assets or its cash-generating unit are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

#### *Reversals of impairment*

Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

#### **(k) *Trade and other current payables***

Trade and other current payables are stated at cost.

#### **(l) *Employee benefits***

##### ***Short-term employee benefits***

The Group recognised salaries, wages, bonuses and contributions to the social security fund as expenses when incurred.

##### ***Post-employment benefits and other long-term employee benefits***

###### ***Defined contribution plans***

The Group and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.



### *Defined Benefit Plans*

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The Group calculated the obligation under the defined benefit plan by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefits plans are recognised immediately in other comprehensive income.

Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognizes restructuring-related costs.

### *Other long-term employee benefits*

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior years. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the year in which they incurred.

### **(m) Provisions**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

### *Onerous contracts*

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting the Group's obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

### **(n) Finance costs**

Borrowing costs indirectly attributable to the acquisition of construction or production of qualifying assets that are recognised in profit or loss using the effective interest rate method.

### **(o) Income tax**

Income tax expense for the year comprises current tax and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint venture to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting year, to recover or settle the carrying amount of its assets and liabilities.

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

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the year that such a determination is made.

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 same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**(p) *Earnings per share***

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held.

**(q) *Segment reporting***

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

(r) ***Financial instrument***

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

*Classification and measurement of financial assets*

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

*Financial assets at amortised cost*

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in the income statement when the asset is derecognised, modified or impaired.

*Financial assets at FVTPL*

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in the income statement

These financial assets include derivatives, security investments held for trading, equity investments which the Company has not irrevocably elected to classify at FVTOCI and financial assets with cash flows that are not solely payments of principal and interest.

### *Classification and measurement of financial liabilities*

Except for derivative liabilities, at initial recognition the Company financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Company takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the income statement.

### *Derecognition of financial instruments*

#### Financial asset

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

#### Financial liability

The Group derecognised a financial liability when the obligation under the liability is discharged or cancelled or expires.

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate is at least 10 percent different from the discounted present value of the remaining cash flows of the original financial liability.

If the modification is not substantial, the difference between; (1) the carrying amount of the liability before the modification; and (2) the present value of cash flows after modification should be recognized in profit or loss as the modification gain or loss within other gains and losses.

#### *Impairment of financial assets*

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

#### *Offsetting of financial instruments*

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

#### **(s) *Derivatives and hedge accounting***

The Group uses foreign currencies exchange rate swaps as a derivative to hedge its foreign currencies exchange rate risks.

The Group recognised initial of derivatives at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The Group presented derivatives as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

(t) ***Measurement of fair values***

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

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

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

When measuring the fair value of an asset or a liability, the Company/the Group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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

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

(u) ***Transactions in foreign currencies***

The Group records the transactions in foreign currencies converting into Thai Baht by using the exchange rates ruling on the transaction dates. The outstanding balances of accounts in foreign currencies as at the statements of financial position date are converted into Thai Baht by using the exchange rates ruling on the same day.

Gain or loss on exchange is taken into income or expense as incurred.

(v) ***Related party transactions***

Related parties comprise individuals or enterprises that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associated companies and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

(w) ***Use of management's judgement and estimates***

The preparation of financial statements in conformity with Thai Financial Reporting Standards ("TFRSs") at times requires the management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ from these estimates. Significant judgments and estimates are as follows:

***Market interest rate for discounting cash flows for the write-off of financial liabilities.***

The Group uses judgment to use the market interest rate in discounting cash flows for the write-off of financial liabilities to measure the fair value of each contract after debt restructuring under the rehabilitation plan. This market interest rate reflects the company's current financial cost. The reference interest rate is adjusted with other factors that are comparable to the Company's risk, such as interest rates of 4 major commercial banks.



### ***Allowance for expected credit losses of trade receivables and contract assets***

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

### ***Allowance for obsolete of inventories***

In determining allowance for obsolete of inventories, the management needs to make judgment in estimating allowance for expected credit losses of inventories by estimating net realisable value from the expected selling price in the normal course of business less the selling expenses and allowance for obsolete and slow-moving inventories upon the condition of goods and aging analysis of inventories.

### ***Leases***

#### ***Determining the lease term with extension and termination options - The Group as a lessee***

In determining the lease term, the management is required to exercise judgement in assessing whether the Company is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

#### ***Estimating the incremental borrowing rate - The Group as a lessee***

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate (IBR) to discount lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

#### *Lease classification - The Group as a lessor*

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

#### ***Property, plant and equipment/Depreciation***

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

#### ***Deferred tax assets***

The Group recognised deferred tax assets for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

#### ***Non-current provisions for employees benefit***

The obligations under the defined benefit plans are determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

### ***Recognition and derecognition of assets and liabilities***

In considering whether to recognise or to derecognise assets or liabilities, the management is required to make judgment on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and assessments.

### ***Translation of foreign currency financial statements***

The main change of this accounting standards is to provide guidance of reporting currency in form of the currency of the primary economic environment in which the entity operates. Therefore, the entity is required to determine its functional currency and translate currency used for foreign operation and report the effects of such translation.

The Group operates in a Pound Sterling environment, with purchases and sales predominantly quoted and settled in Pound Sterling. Accordingly, the management determines that Pound Sterling is the functional currency of Group's vessel operating entities whilst Thai Baht is the presentation currency of the Group.

This accounting standard requires all transactions to be initially recorded in the functional currency, Pound Sterling. All transactions that are not denominated in Pound Sterling are foreign currency transactions and :

1. Exchange differences arising on translation generally are recognised in profit or loss.
2. Exchange differences arising from translation of functional currency to presentation currency are recognised in shareholders' equity. In general, when the Thai Baht presentation currency appreciates against the Pound Sterling functional currency, the carrying amount of assets, liabilities and the exchange differences on translation of financial statements in equity is likely to reduce. Conversely, when the Thai Baht depreciates against the Pound Sterling, the carrying amount of assets, liabilities and the exchange differences on translation of financial statements in equity is likely to increase.

Foreign currency transactions they are translated into functional currency at the exchange rates ruling on the transaction dates. Monetary assets and liabilities denominated in foreign currency remaining at the statement of financial position date are translated into functional currency at the exchange rate ruling on the statement of financial position date. Gains and losses arising from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income in the period in which they are incurred.

However, to comply with the financial reporting requirements of the Stock Exchange of Thailand and the Department of Business Development, the Group presents the consolidated financial statements by translating from Pound Sterling to Thai Baht. The assets and liabilities are translated into Thai Baht using the average buying and selling rates determined by a commercial bank at period-end, whereas the statement of income is translated using average exchange rates during the period. Differences from such translations have been presented in other comprehensive income.

### ***Goodwill***

Goodwill arising on an acquisition of a business is carried at cost which equivalent to cost of the acquisition of the business excess the fair value of net assets acquired. If the fair value of assets acquired is higher than cost of the business acquisition, the Company will recognize the higher as gain in the statements of income.

Goodwill is stated at the cost less accumulated impairment allowance and will be tested for impairment annually or when there is an indication that they are impaired.

For the purposes of impairment testing, goodwill arising from business acquisitions is allocated to cash-generating units (or groups of cash-generating units of assets) that is expected to benefit from the synergies of the business acquisition. The Company will assess the recoverable value of each cash-generating units (or a group of cash-generating units of assets). If the recoverable value of cash-generating units is less than the carrying value, the Company will recognise impairment losses in the statement of income. Impairment losses are not reversed in the future.

## 6. Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationship with related parties or key management personnel are as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Prachuap Port Co., Ltd.	Thailand	Subsidiary, shareholding in the proportion of 51.00% Common director
West Coast Engineering Co., Ltd.	Thailand	Subsidiary, shareholding in the proportion of 99.99% Common director
Helium Miracle 303	England	The Company is indirect shareholder and had common directors
Helium Miracle 301	England	The Company is indirect shareholder and had common directors
Helium Miracle 302 (dissolved on 18 October 2022)	England	The Company is indirect shareholder and had common directors
Redcar Bulk Terminal Limited	England	The Company is indirect shareholder and had common directors
Thai Cold Rolled Steel Sheet Public Company Limited	Thailand	joint venture, shareholding in the proportion of 35.19% Common director
Krung Thai Bank Public Company Limited	Thailand	Shareholder in the Company
The Siam Commercial Bank Public Company Limited	Thailand	Shareholder in the Company
Tisco Financial Group Public Company Limited	Thailand	Shareholder in the Company
Sahaviriya Group Corporation Limited	Thailand	Shareholder in the Company, common directors and direct shareholding by the Company's director(s)
Vanomet Holding AG	Switzerland	Common shareholder and directors and common director with a subsidiary
Thai Coated Steel Sheet Co., Ltd.	Thailand	Shareholding by the Company and direct shareholding by the Company's director(s)

<b>Name of entities</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>
Bangsaphan Barmill Public Company Limited	Thailand	Common directors and direct shareholding by the Company's director(s)
B.S. Metal Co., Ltd.	Thailand	Direct and indirect shareholding by the Company's director(s)
Sahaviriya Plate Mill Public Company Limited	Thailand	Common directors
Prapawit Building Property Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Western Housing Co., Ltd.	Thailand	Common directors and direct shareholding by the Company's director(s)
Sahaviriya Management Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
C.A.R. Services Co., Ltd.	Thailand	Common shareholders
Sahaviriya Panich Corporation Co., Ltd.	Thailand	Direct and indirect shareholding by the Company's director(s)
Line Transport Co., Ltd.	Thailand	Common directors with the subsidiary and indirect shareholding by the Company's director(s)
Bangpakong Lighyer Co.,Ltd.	Thailand	Indirect shareholding by the Company's director(s)
Bangpakong Port Co., Ltd.	Thailand	The Company's shareholder is director
Sahaviriya Steel Corporation Co., Ltd.	Thailand	Common shareholder and the Company's shareholder is director
Thai Steel Sales Co., Ltd.	Thailand	Common directors and direct shareholding by the Company's director(s)
Prachuap Pattana Development Co., Ltd.	Thailand	Common directors and indirect shareholding by the Company's director(s)
SVL Corporation Co., Ltd.	Thailand	Common shareholder and directors and indirect shareholding by the Company's director(s)
Sahaviriya Shipping Limited	Hong Kong	Indirect shareholding by the Company's director(s)
Sahaviriya Shipping HK Limited	Hong Kong	Indirect shareholding by the Company's director(s)
Vanomet AG	Switzerland	Common shareholder and common director with a subsidiary
Vanomet Finance AG	Switzerland	Common shareholder and common director with a subsidiary
Vanomet International AG	Switzerland	Common shareholder and common director with a subsidiary

Name of entities	Country of incorporation/ nationality	Nature of relationships
Atlantic Steel AG	Switzerland	Common shareholder and common director with a subsidiary
Bangpakong Shape Steel Co., Ltd.	Thailand	Indirect shareholding by the Company's director(s) and the Company's shareholder is director
Steel Process Holdings Co., Ltd.	Thailand	Direct shareholding by the Company's director(s)
Sahaviriya Capital Holdings Co., Ltd.	Thailand	Direct shareholding by the Company's director(s)
Bangna 26 Property Co., Ltd.	Thailand	Common shareholders
KP Capital Co., Ltd.	Thailand	The Company's shareholder is director
Sahaviriya Orchid Co., Ltd.	Thailand	The Company's shareholder is director
Surasak Muang-Chol Property Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Tong Real Estate Co., Ltd.	Thailand	The Company's shareholder is director
Krisna Residence Co., Ltd.	Thailand	Common directors
Chonglom Property Co., Ltd.	Thailand	Common directors and direct shareholding by the Company's director(s)
Chumphontanee Property Co., Ltd.	Thailand	The Company's shareholder is director
Soi Hiland Property Co., Ltd.	Thailand	Indirect shareholding by the Company's director(s)
Prachuap Steel Co., Ltd.	Thailand	The Company's shareholder is director
Pomprachul Steel Co., Ltd.	Thailand	The Company's shareholder is director
Bangplakod Steel Co., Ltd.	Thailand	Common shareholders
SSP Asset Co., Ltd.	Thailand	Common directors and direct shareholding by the Company's director(s)
SV Nittan Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Phrapradaeng Shape Steel Co., Ltd.	Thailand	The Company's shareholder is director
Amarin Steel Co, Ltd.	Thailand	The Company's shareholder is director
Kim Heng Seng Steel Co., Ltd.	Thailand	Common shareholders and the Company's shareholder is director
Saha Land Property Holding Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
SCJ & Associates Co., Ltd.	Thailand	Common directors and direct shareholding by the Company's director(s)

Name of entities	Country of incorporation/ nationality	Nature of relationships
T C H Asset Co., Ltd.	Thailand	Common directors and direct shareholding by the Company's director(s)
Thanarom Property Sale Co., Ltd.	Thailand	Common directors and direct shareholding by the Company's director(s)
Thipayasombat Co., Ltd.	Thailand	Common directors and indirect shareholding by the Company's director(s)
Western Security Guard Co. Ltd.	Thailand	Common directors and indirect shareholding by the Company's director(s)
Pathiu Agriculture Co. Ltd.	Thailand	The Company's shareholder is director
Sahaviriya Tower Co. Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Sai Ngam Garden Co. Ltd.	Thailand	Common directors
Spicy Co. Ltd.	Thailand	Common directors and direct shareholding by the Company's director(s)
Siam Sunrise Co. Ltd.	Thailand	Common directors
Bangsaphan Agricultural Energy Co. Ltd.	Thailand	Common directors and direct shareholding by the Company's director(s)
B.N.Steel Trading Co. Ltd.	Thailand	Direct and indirect shareholding by the Company's director(s)
SVLTechnology Co. Ltd.	Thailand	Indirect shareholding by the Company's director(s)
SVL Property Corporation Co. Ltd.	Thailand	Indirect shareholding by the Company's director(s)
Thepprathanpornmongkol Co. Ltd.	Thailand	Indirect shareholding by the Company's director(s)
Pornpattanacharoen Co. Ltd.	Thailand	Indirect shareholding by the Company's director(s)
Big Blue Co. Ltd.	Thailand	Indirect shareholding by the Company's director(s)
Bangsapan Sampun Co. Ltd.	Thailand	Direct shareholding by the Company's director(s)
DD Foods Corporation Co. Ltd	Thailand	Indirect shareholding by the Company's director(s)
Siam Train Co., Ltd	Thailand	Direct shareholding by the Company's director(s)
Bang Toey Property Co., Ltd.	Thailand	Common directors and indirect shareholding by the Company's director(s)



Name of entities	Country of incorporation/ nationality	Nature of relationships
Cristalla Co., Ltd.	Thailand	Common directors
Chuchawal Royal Haskoning Co., Ltd.	Thailand	Common directors
Chubb Samaggi Insurance Public Company Limited	Thailand	Common directors
C.T. Land Co., Ltd.	Thailand	Common directors
CMDF Digital Infrastructure Co., Ltd.	Thailand	Common directors
Tris Corporation Co., Ltd.	Thailand	Common directors
TCC Intertrade Co., Ltd.	Thailand	Common directors
Thunthiphaya Co., Ltd.	Thailand	Common directors
Boon Rawd Brewery Co.,Ltd.	Thailand	Common directors
Boutique Corporation Public Company Limited	Thailand	Common directors
Plantheon Co., Ltd	Thailand	Common directors
Plantheon Trading Co., Ltd	Thailand	Common directors
Phupen Co., Ltd	Thailand	Common directors
Samart Corporation Public Company Limited	Thailand	Common directors
Siam Food (2513) Co., Ltd	Thailand	Common directors
Siam Food Products Public Company Limited	Thailand	Common directors
Chememan Public Company Limited	Thailand	Common directors
National Digital Id Co., Ltd	Thailand	Common directors
Western Seaboard Co., Ltd	Thailand	Common directors
Mk Restaurant Group Co., Ltd	Thailand	Common directors
Empire Asia Energy Group Co., Ltd	Thailand	Common directors
Asco Business Promotion Co., Ltd	Thailand	Common directors
Thai Light Block & Panel Co., Ltd	Thailand	Common directors
Key management personnel	Thailand	Persons having authority and responsibility for planning directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.

The pricing policies for particular types of transactions are explained further below:

<b>Transactions</b>	<b>Pricing policies with subsidiary companies and joint venture</b>	<b>Pricing policies with related companies</b>
Sale of goods	Third party pricing used, dependent on volume and relevant market considerations.	Third party pricing used, dependent on volume and relevant market considerations.
Rendering of port services	Port services rendered are charged based on Ministry of Transportation-determined rates, dependent on service volume and relevant market considerations.	Port services rendered are charged based on Ministry of Transportation-determined rates, dependent on service volume and relevant market considerations.
Rendering of other services	Charges for rendering of services and maintenance-related services are based on agreements and common credit term.	Charges for rendering of services and maintenance-related services are based on agreements and common credit term.
Dividend income	Right to receive dividends	Right to receive dividends.
Other income	Sales of scrap material are priced based on scrap weight and the prices set by the Company.  Revenue from providing management staff to subsidiaries and joint venture are based on agreements.	Sales of scrap material are priced based on scrap weight and the prices set by the Company.  Revenue from providing management staff to related parties are based on agreements.
Purchase of goods	Purchases of goods for production are based on third party prices under terms and conditions normally applicable to similar transactions.  Certain purchases of steel slab between the company and subsidiaries are based on the agreed price formula.  Purchases of rolls are charged on agreed prices.	Purchases of raw material for production are based on market price.
Receiving of other services	Maintenance-related services are charged based on long-term maintenance service agreements. The term of the agreement can be modified according to business circumstances.	Transportation charges are based on agreements, dependent on cargo weight and distance.  Warehouse rental is charged based on rental agreements.  Cut sheet services are charged based on agreements.
Receiving of port services	Port services rendered are charged based on Ministry of Transportation-determined rates, dependent on service volume and relevant market considerations.	
Distribution costs and administrative expense	Port services rendered are charged based on Ministry of Transportation-determined rates, dependent on service volume and relevant market considerations.	Domestic transportation services are charged based on agreements, dependent on cargo weight and distance.  Warehouse rental is charged based on rental agreements.  Cut sheet services are charged based on agreements.
Loans	The contractual interest rate	The contractual interest rate
Borrowing	The contractual interest rate	The contractual interest rate

Significant transactions for the year ended 31 December 2022 and 2021 with related parties are summarized as follows:

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
<b>Subsidiaries</b>				
Cost of services	-	-	275	3,866
Purchases of goods and receiving of services	-	-	433,240	326,813
Dividend income	-	-	66,300	101,100
Other income	-	-	10,279	16,551
Distribution costs and administrative expenses	-	-	6,226	-
Finance costs	-	-	480	3,335
<b>Joint venture</b>				
Sales of goods	745,787	2,176,789	745,787	2,176,789
Revenue from rendering of services	111,322	94,607	-	-
Purchased of raw material and receiving of services	17			
Other income	9,089	11,320	9,089	11,320
Distribution costs and administrative expenses	808	113	808	113
<b>Other related parties</b>				
Sales of goods	3,807,347	3,966,932	3,807,347	3,966,932
Revenue from rendering of services	52,209	140,734	-	-
Purchases of goods and receiving of services (including other related expenses)	817,478	572,874	815,122	565,464
Finance income	20,140	3,059	18,788	3,059
Other income	15,686	17,804	12,953	15,599
Distribution costs and administrative expenses	41,068	46,867	35,162	32,447
Finance costs	48,100	1,231	46,472	-

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
<b>The committee and key management</b>				
<b>personnel remuneration</b>				
The committee remuneration	5,932	9,864	2,530	6,862
<b>Key management personnel remuneration</b>				
Short-term benefits	132,051	110,715	114,450	104,767
Statutory severance pay	6,296	4,951	4,933	4,785
Other long-term benefits	41	41	37	36
<b>Total key management personnel</b>				
<b>remuneration</b>	<b>138,388</b>	<b>115,707</b>	<b>119,420</b>	<b>109,588</b>
<b>Total the committee and key management</b>				
<b>personnel remuneration</b>	<b>144,320</b>	<b>125,571</b>	<b>121,950</b>	<b>116,450</b>

Balances as at 31 December 2022 and 2021 with related parties were as follows:

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
<b><i>Cash and cash equivalents - related parties</i></b>				
Krung Thai Bank Public Company Limited	410,654	392,494	356,383	351,463
Siam Commercial Bank Public Company Limited	80,499	32,115	72,249	28,171
<b>Net</b>	<b>491,153</b>	<b>424,609</b>	<b>428,632</b>	<b>379,634</b>
<b><i>Other non-current financial assets - related parties</i></b>				
Krung Thai Bank Public Company Limited	2,443	108	2,335	-
Siam Commercial Bank Public Company Limited	57,881	72,690	57,881	72,690
<b>Net</b>	<b>60,324</b>	<b>72,798</b>	<b>60,216</b>	<b>72,690</b>
<b><i>Trade accounts receivable from related parties</i></b>				
<b>Joint venture</b>				
Thai Cold Rolled Steel Sheet Public Company				
Limited	19,094	17,811	-	-

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
<b><i>Trade accounts receivable from related parties</i></b>				
B.S. Metal Co., Ltd.	1,591,556	1,675,752	1,591,556	1,675,752
Sahaviriya Panich Corporation Co., Ltd.	1,624,280	1,689,882	1,624,280	1,689,882
Others	18,407	9,764	5,408	7,049
<b>Total</b>	<b>3,253,337</b>	<b>3,393,209</b>	<b>3,221,244</b>	<b>3,372,683</b>
<i>Less</i> Expected credit loss	(3,215,836)	(3,365,634)	(3,215,836)	(3,365,634)
<b>Net</b>	<b>37,501</b>	<b>27,575</b>	<b>5,408</b>	<b>7,049</b>
<b><i>Other receivables from related parties</i></b>				
<b>Subsidiaries</b>				
West Coast Engineering Co., Ltd.	-	-	13,494	13,361
Prachuap Port Co., Ltd.	-	-	98	32
<b>Joint venture</b>				
Thai Cold Rolled Steel Sheet Public Co., Ltd.	183	181	183	181
<b>Other related parties</b>				
Vanomet AG (as prepaid for goods)	174,219	195,920	174,219	195,920
Allowance for prepaid for goods	(174,219)	(195,920)	(174,219)	(195,920)
Sahaviriya Plate Mill Public Company Limited (Net from expected credit loss amount of Baht 48 million)	2,648	2,192	2,648	2,192
Line Transport Co., Ltd.	255	243	-	-
Thai Steel Sales Co., Ltd.	5,516	13,651	5,156	13,651
B.S. Metal Co., Ltd (Net from expected credit loss amount of Baht 18 million)	25,730	10,237	25,730	10,237
Others	24,801	9,877	22,312	9,837
<b>Total</b>	<b>59,133</b>	<b>36,381</b>	<b>69,621</b>	<b>49,491</b>

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b><i>Accrued interest receivable - related parties</i></b>				
<b><i>related parties</i></b>				
Redcar Bulk Terminal Limited	-	139	-	139
Helium Miracle 303	-	-	15,538	-
<b><i>Current contract assets - related parties</i></b>				
<b>Joint venture</b>				
Thai Cold Rolled Steel Sheet Public Company Limited	6,890	2,599	-	-
<b><i>Right-of-use (net) - related parties</i></b>				
<b><i>related parties</i></b>				
Prapawit Building Property Co., Ltd.	-	32,739	107,743	22,084
<b><i>Trade accounts payable to related parties</i></b>				
<b>Subsidiaries</b>				
West Coast Engineering Co., Ltd.	-	-	18,785	6,826
Prachuap Port Co., Ltd.	-	-	11,304	8,403
<b>Other related parties</b>				
B.S. Metal Co., Ltd.	715	968	715	968
SVL Corporation Co., Ltd.	47,464	61,517	47,464	61,517
Sahaviriya Plate Mill Public Company Limited	4,236	2,920	4,236	2,920
Others	2,388	3,795	2,389	3,762
<b>Total</b>	<b>54,803</b>	<b>69,200</b>	<b>84,893</b>	<b>84,396</b>
<b><i>Other current payables to related parties</i></b>				
<b>Subsidiaries</b>				
West Coast Engineering Co., Ltd.	-	-	31,300	18,058
Prachuap Port Co., Ltd.	-	-	926	254

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
<b>Other related parties</b>				
Prapawit Building Property Co., Ltd.	311	283	286	259
Thai Steel Sales Co., Ltd.	360	480	-	-
SVL Corporation Co., Ltd.	1,785	484	1,294	355
B.S. Metal Co., Ltd.	1,392	3,876	1,392	3,876
Others	25,668	6,354	9,202	5,610
<b>Total</b>	<b>29,516</b>	<b>11,477</b>	<b>44,400</b>	<b>28,412</b>

***Current contract liabilities - Other related parties*****Joint venture**

Thai Cold Rolled Steel Sheet Public Company

Limited	101,929	1,393	99,000	-
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**Other related parties**

Thai Steel Sales Co., Ltd.	1,316	212,196	1,316	212,196
B.S. Metal Co., Ltd.	43,452	19,685	43,452	19,685
Sahaviriya Panich Corporation Co., Ltd.	1,512	3,248	1,512	3,248
Sahaviriya Plate Mill Public Company Limited	897	999	-	-
<b>Total</b>	<b>149,106</b>	<b>237,521</b>	<b>145,280</b>	<b>235,129</b>

***Lease liabilities (net) - related parties******related parties***

Prapawit Building Property Co., Ltd.	-	32,094	-	23,284
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***Short-term loans - related parties***

Redcar Bulk Terminal Limited	-	26,789	24,736	26,789
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Movements during the year on Short-term loans borrowings from related parties were as follows:

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
<b>As at 1 January</b>	-	11,056	26,789	11,056
Increase	-	15,350	-	15,350
Decrease	-	(1,025)	-	(1,025)
Unrealized loss (gain) on exchange rate	-	1,408	(2,053)	1,408
<b>As at 31 December</b>	<b>-</b>	<b>26,789</b>	<b>24,736</b>	<b>26,789</b>

On 16 October 2020, the Company entered into a secured short term loan agreement with Redcar Bulk Terminal Limited of GBP 0.60 million, an interest rate of MLR+1% per annum (of two major bank creditor under the rehabilitation plan) which is paid every month. The principal is repayable on 31 December 2022.

On 8 December 2022, the Company entered into an agreement for extending the repayment period for all principal repayments to be made by 31 December 2023.

On 15 February 2022, the Board of directors' meeting of subsidiary No. 2/2022, passed the resolution to provide financial support by providing short-term loans to Redcar Bulk Terminal Limited in the amount of GBP 0.25 million at an interest rate of MLR+1% per annum. Interest is payable on a monthly basis and the support period ends by 31 December 2022, which has collateral as a right to transfer the receiving of invoice payment or the lease payment. Subsequently, on 15 June 2022, the Board of directors meeting of subsidiary No. 6/2022, passed the resolution to increase the new loan limit to GBP 0.70 million and on 14 December 2022, the Board of directors' meeting of subsidiary No. 12/2022, passed the resolution to extend the period of financial support until 31 December 2023.

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
<b><i>Long-term loans - related parties</i></b>				
Redcar Bulk Terminal Limited	-	25,959	13,075	25,959
Less Current portion of long-term loans	-	(25,959)	(13,075)	(25,959)
<b>Long-term loans - net</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
Helium Miracle 303	-	-	497,158	-
Less Current portion of long-term loans	-	-	-	-
<b>Long-term loans - net</b>	<b>-</b>	<b>-</b>	<b>497,158</b>	<b>-</b>

Movements during the year on short-term Loans from related parties were as follows:

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
<b>As at 1 January</b>	-	29,750	25,959	29,750
Increase	-	-	516,061	-
Decrease	-	(6,466)	(11,412)	(6,466)
Unrealized loss (gain) on exchange rate	-	2,675	(20,375)	2,675
<b>As at 31 December</b>	<b>-</b>	<b>25,959</b>	<b>510,233</b>	<b>25,959</b>

On 24 November 2020, the Company entered into a secured loan agreement with Redcar Bulk Terminal Limited amounting to GBP 0.74 million at an interest rate of MLR+1% per annum (of the bank, which is two major rehabilitation plans creditors). The principal and interest are repayable every end of month (GBP 0.05million per month). The first installments will be made on 24 June 2021 and must be fully paid by 24 November 2022.

In April - June 2022, Redcar Bulk Terminal Limited did not make the principal repayment under the agreement. Subsequently, on 8 December 2022, the Company entered into the agreement for extension the plan of the receiving of principal repayment that the first installment shall be made on 24 November 2022 and the last installment by 24 June 2023.

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
<i>Proceeds from short-term loans - related parties</i>				
<b>Subsidiaries</b>				
Prachuap Port Co., Ltd.	-	-	-	24,424
<b>Related parties</b>				
Krung Thai Bank Public Company Limited	761,284	-	761,284	-
Siam Commercial Bank Public Company Limited	758,637	-	758,637	-
<b>As at 31 December</b>	<b>1,519,921</b>	<b>-</b>	<b>1,519,921</b>	<b>24,424</b>

Movements during the year on short-term borrowings from related parties were as follows:

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
<b>Subsidiaries</b>				
<b>As 1 January</b>	-	-	24,424	74,500
Increase	-	-	-	-
Decrease	-	-	(24,424)	(50,076)
<b>As at 31 December</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,424</b>

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
<b>Related parties</b>				
<b>As 1 January</b>	-	-	-	-
Increase	-	-	6,276,150	-
Decrease	-	-	(4,756,229)	-
<b>As at 31 December</b>	<b>-</b>	<b>-</b>	<b>1,519,921</b>	<b>-</b>

On 5 February 2020, the Company entered into borrowings agreement with Prachuap Port Co., Ltd. for the amount not exceeding Baht 200 million at the interest rate of MLR per annum for using in working capital of the Company, and the Company has received borrowings of Baht 100 million, which is matured on 5 May 2020.

Later, Prachuap Pier Co., Ltd. exercised the right to offset dividend received by the Company and principal debt of Baht 25.5 million. As a result, the debt offsetting is on 5 May 2020, resulted in the Company's borrowings amount of Baht 74.5 million.

On 17 July 2020, the Company and Prachuap Port Co., Ltd. signed memorandum attached with the borrowings agreement by changing the repayment terms from the original payment within 90 days (5 May 2020) to be repaid on demand and cancelled the default interest charge at the rate of 7.5% per annum, the interest will be paid at the new rate of MLR per annum. The principal and interest are repayable every end of the month (6.025% as the drawdown date) starting on 5 May 2020.

In 2021, the Company has exercised the right to offset dividend received by the Company and the principal debt of Baht 50.1 million and accrued interest expenses of Baht 6.0 million resulted in the Company's borrowings remain of Baht 24.4 million.

On 25 January 2022, the Company entered into a foreign loan agreement with Krungthai Bank Public Company Limited with a limit of USD 25 million (Baht 850 million), which had collateral as finished goods and raw materials in form of steel and savings accounts, with interest charged at the rate of MLR+1% per annum to be used as working capital for sourcing raw materials from overseas and re-export to overseas. The repayment period is scheduled within 90-120 days.

On 11 March 2022, the Company entered into a foreign loan agreement with Siam Commercial Bank Public Company Limited with a limit of USD 25 million (Baht 795 million), which had collateral as finished goods and raw materials in form of steel and savings accounts, with interest charged at the rate of MLR+1% per annum to be used as working capital for sourcing raw materials from overseas and re-export to overseas. The repayment period is scheduled within 90-120 days.

On 29 April 2022, the Company exercised the right to offset the debt between the dividend received and the principal debt amounting to Baht 24.42 million and accrued interest amounting to Baht 0.73 million. As at 31 December 2022, the Company has no outstanding loans

As at 31 December 2022, West Coast Engineering Co., Ltd., a subsidiary, had an overdraft limit of Baht 5 million from a domestic financial institution, guaranteed by land and buildings of such subsidiary.

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<i>Liabilities under rehabilitation plan - related parties (Liabilities after discounted cash flows)</i>				
<b>Subsidiaries</b>				
Prachuap Port Co., Ltd.	-	-	7,991	7,991
<b>Other related parties</b>				
Sahaviriya Plate Mill Public Company Limited	4,300	4,300	4,300	4,300
Financial institutions Group	28,715,045	28,305,327	28,715,045	28,305,327
<b>Total</b>	<b>28,719,345</b>	<b>28,309,627</b>	<b>28,727,336</b>	<b>28,317,618</b>

Movements during the year for liabilities under the rehabilitation plan from related persons or parties are as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Other related parties</b>				
<b>Subsidiaries</b>				
Prachuap Port Co., Ltd.				
Balance as at 1 January	-	-	7,991	7,991
Repayment	-	-	-	-
<b>Balance at 31 December</b>	<b>-</b>	<b>-</b>	<b>7,991</b>	<b>7,991</b>

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Class No.1 : Secured creditors</b>				
Beginning balance	5,235,779	5,233,432	5,235,779	5,233,432
Recognised interest expenses by effective rate	367,174	344,162	367,174	344,162
Repayment	<u>(1,081,570)</u>	<u>(341,815)</u>	<u>(1,081,570)</u>	<u>(341,815)</u>
Ending balance	<u>4,521,383</u>	<u>5,235,779</u>	<u>4,521,383</u>	<u>5,235,779</u>
<b>Class No 2 : Financial institution creditors</b>				
<b>for the portions of debt claims that exceed</b>				
<b>the appraised value of the collateral</b>				
Beginning balance	7,648,651	7,292,081	7,648,651	7,292,081
Recognised interest expenses by effective rate	429,861	400,531	429,861	400,531
Repayment	<u>(238,267)</u>	<u>(43,961)</u>	<u>(238,267)</u>	<u>(43,961)</u>
Ending balance	<u>7,840,245</u>	<u>7,648,651</u>	<u>7,840,245</u>	<u>7,648,651</u>
<b>Class No 4 : Creditor of guarantee</b>				
<b>obligations for loan repayment</b>				
Balance as at 1 January	15,420,899	13,613,917	15,420,899	13,613,917
Recognised interest expenses by effective rate	714,483	695,564	714,483	695,564
Repayment	<u>(472,130)</u>	<u>(86,826)</u>	<u>(472,130)</u>	<u>(86,826)</u>
Adjustment from decrease of guarantee obligation from liquidation process of debtors	-	(586,294)	-	(586,294)
Net (gains) losses on exchange rate	<u>690,165</u>	<u>1,784,538</u>	<u>690,165</u>	<u>1,784,538</u>
Ending balance	<u>16,353,417</u>	<u>15,420,899</u>	<u>16,353,417</u>	<u>15,420,899</u>
<b>Total financial institutions group</b>	<b><u>28,715,045</u></b>	<b><u>28,305,329</u></b>	<b><u>28,715,045</u></b>	<b><u>28,305,329</u></b>

## 7. Cash and cash equivalents

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
Cash on hand	690	711	600	600
Cash at banks	551,715	495,709	431,852	383,272
<b>Total</b>	<b>552,405</b>	<b>496,420</b>	<b>432,452</b>	<b>383,872</b>

## 8. Trade accounts receivable

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
Related parties (Note 6)	3,253,337	3,393,209	3,221,244	3,372,683
Other parties	481,147	382,975	389,290	321,449
<b>Total</b>	<b>3,734,484</b>	<b>3,776,184</b>	<b>3,610,534</b>	<b>3,694,132</b>
<i>Less Expected credit losses</i>	<i>(3,505,962)</i>	<i>(3,651,748)</i>	<i>(3,504,952)</i>	<i>(3,650,686)</i>
<b>Net</b>	<b>228,522</b>	<b>124,436</b>	<b>105,582</b>	<b>43,446</b>

Aging analyses for trade accounts receivable were as follows:

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
<b>Related parties</b>				
Within credit terms	20,245	10,170	915	1,159
Overdue:				
Less than 3 months	17,256	11,381	4,493	5,890
3-6 months	-	6,024	-	-
Over 12 months	3,215,836	3,365,634	3,215,836	3,365,634
<b>Total</b>	<b>3,253,337</b>	<b>3,393,209</b>	<b>3,221,244</b>	<b>3,372,683</b>
<i>Less Expected credit losses</i>	<i>(3,215,836)</i>	<i>(3,365,634)</i>	<i>(3,215,836)</i>	<i>(3,365,634)</i>
<b>Total</b>	<b>37,501</b>	<b>27,575</b>	<b>5,408</b>	<b>7,049</b>

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Other parties</b>				
Within credit terms	142,097	75,431	90,399	29,725
Overdue:				
Less than 3 months	13,724	19,734	7,120	6,672
3-6 months	24,266	1,696	359	-
6-12 months	9,738	-	2,296	-
Over 12 months	291,322	286,114	289,116	285,052
<b>Total</b>	<u>481,147</u>	<u>382,975</u>	<u>389,290</u>	<u>321,449</u>
<i>Less Expected credit losses</i>	<u>(290,126)</u>	<u>(286,114)</u>	<u>(289,116)</u>	<u>(285,052)</u>
<b>Total</b>	<u><b>191,021</b></u>	<u><b>96,861</b></u>	<u><b>100,174</b></u>	<u><b>36,397</b></u>
<b>Net</b>	<u><b>228,522</b></u>	<u><b>124,436</b></u>	<u><b>105,582</b></u>	<u><b>43,446</b></u>

The normal credit terms granted by the Group ranges from 5 to 90 days.

As at 31 December 2022, the Company has two related receivables of which the outstanding passed due over 12 months remaining. Baht 3,215 million, provided allowance for expected credit losses in full. During 2022, the Company received the debt repayment amount of Baht 150 million and reversed allowance for expected credit losses by the same amount. The Company must comply with the repayment and outstanding debt conditions in accordance with the rehabilitation plan (as stated in note 27.4).

## 9 Current contract assets / Current contract liabilities

### 9.1 Contract balances

		Unit : Thousand Baht			
		<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
Note		2022	2021	2022	2021
<b>Current contract asset</b>					
Unbilled revenue					
	Related companies	6	6,890	2,599	-
	Other companies		44,804	13,448	-
	Retention receivable		5,175	5,100	-
	<b>Total Current contract assets</b>		<b>56,869</b>	<b>21,147</b>	<b>-</b>
<b>Current contract liabilities</b>					
Unearned revenue from services and advance from customer - related companies					
	Advanced received from service income	6	3,826	2,392	-
	Amount received advance for goods		145,280	235,129	145,280
	<b>Total</b>		<b>149,106</b>	<b>237,521</b>	<b>145,280</b>
Unearned revenue from services and advance from customer - other companies					
	Advanced received from service income		37,235	14,362	15,705
	Amount received advance for goods		472,554	298,554	472,554
	<b>Total</b>		<b>509,789</b>	<b>312,916</b>	<b>488,259</b>
	<b>Total current contract liabilities</b>		<b>658,895</b>	<b>550,437</b>	<b>633,539</b>

### 9.2 Revenue recognised in relation to contract balances

		Unit : Thousand Baht			
		<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		2022	2021	2022	2021
Revenues previously recognised in unearned services income brought forward					
		14,416	38,417	1,611	26,828
Revenues previously recognised in advance received for goods brought forward					
		533,634	785,390	533,634	785,390



### 9.3 Revenue recognised in relation to contract balances

As at 31 December 2022, the Group expects to have service revenues for future recognition for unsatisfied performance obligation (or partially unsatisfied) of contracts with customers amounting to Baht 234 million (2021: Baht 702 million). The Group expects to satisfy the obligations of the contract within 3 years and have revenues from the sale of goods which are expected to meet the obligations of the contract of Baht 618 million (2021: Baht 534 million).

### 9.4 Provisions for onerous contracts

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
Provisions for onerous contracts at the beginning of the period	104,991	12,291	104,991	12,291
Realized loss on onerous contracts (reverse) loss	(70,395)	92,700	(70,395)	92,700
Provisions for onerous contracts at the ending of the period	34,596	104,991	34,596	104,991

## 10. Inventories

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
Finished goods	2,455,395	2,721,159	2,463,184	2,725,220
Work in progress	49,398	22,903	36,903	6,659
Raw materials	1,760,197	799,023	1,756,345	792,893
Spare parts and factory supplies	818,356	790,907	803,438	784,372
Inventories under collateral management agreement and delivery of ownership of goods and services ( <i>Note 22</i> )	2,761,051	2,664,467	2,761,051	2,664,467
Goods in transit	538,914	1,826,189	538,914	1,826,189
<b>Total</b>	<b>8,383,311</b>	<b>8,824,648</b>	<b>8,359,835</b>	<b>8,799,800</b>
<i>Less Allowance for devaluation</i>	(847,445)	(803,400)	(847,445)	(803,400)
<b>Net</b>	<b>7,535,866</b>	<b>8,021,248</b>	<b>7,512,390</b>	<b>7,996,400</b>

## 11. Other current assets

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Prepaid expenses	21,835	18,320	15,513	15,046
Prepaid for goods and supplies	170,842	409,305	170,340	403,189
Revenue Department receivable	98,495	14,749	90,954	13,339
Income tax deducted at source	53,408	67,520	18,164	15,511
Others	63,670	58,903	44,355	55,612
<b>Total</b>	<b>408,250</b>	<b>568,797</b>	<b>339,326</b>	<b>502,697</b>
<i>Less Expected credit losses</i>	-	(8,032)	-	(8,032)
<b>Net</b>	<b>408,250</b>	<b>560,765</b>	<b>339,326</b>	<b>494,665</b>

## 12. Other non-current financial assets

Other non-current financial assets as at 31 December 2022 and 2021 are as follows:

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Other non-current financial assets at amortised cost</b>				
Restricted deposit at financial institution	62,401	74,048	60,215	72,690
<b>Other non-current financial assets at amortised cost</b>				
Equity securities of non-listed company	294,000	294,000	294,000	294,000
<i>Less allowance for loss on remeasuring investments</i>	(294,000)	(294,000)	(294,000)	(294,000)
<b>Total other non-current financial assets</b>	<b>62,401</b>	<b>74,048</b>	<b>60,215</b>	<b>72,690</b>

- 1) The Group and the Company used bank deposit to guarantee against bank's issuance of letter of guarantee commercial loans.
- 2) The Company has equity instruments as investments in ordinary shares of Thai Coated Steel Sheet Company Limited which engaged in business of manufacturing and distribution of electro galvanized steel sheet in the proportion of investment at 3.70%.

### 13. Investments in subsidiaries

Investments in subsidiaries as at 31 December 2021 and 2020 were as follows:

Unit : Thousand Baht

Name of entity	Type of business	Separate financial statements										Dividend income	
		Ownership proportion		Paid-up capital		Cost method		Impairment		At cost - net		for the year ended	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
		(%)	(%)										
<u>Direct subsidiaries</u>													
Prachuap Port Co., Ltd.	Deep-sea port and marine shipping services	51.00	51.00	400,000.00	400,000.00	204,000	204,000	-	-	204,000	204,000	66,300	56,100
West Coast Engineering Co., Ltd.	Maintenance services	99.99	99.99	120,000.00	75,000.00	120,000	120,000	-	-	120,000	120,000	-	45,000
<u>Indirect subsidiaries</u>													
Helium Miracle 303 Limited	Investment business	100.00	100.00	39.80	39.80	-	-	-	-	-	-	-	-
Helium Miracle 301 Limited	Non-operating	100.00	100.00	39.80	39.80	-	-	-	-	-	-	-	-
Helium Miracle 302 Limited <sup>(1)</sup>	Dissolution	-	100.00	-	39.80	-	-	-	-	-	-	-	-
Redcar Bulk Terminal Limited	Port to handle products for marine transportation	100.00	-	1,134,053,528.30	-	-	-	-	-	-	-	-	-
				(GBP 11,998,957)									
<b>Total</b>						<b>324,000</b>	<b>324,000</b>	<b>-</b>	<b>-</b>	<b>324,000</b>	<b>324,000</b>	<b>66,300</b>	<b>101,100</b>

(1) The dissolution has been registered on 18 October 2022.

### **13. Investments in subsidiaries (continued)**

#### Direct subsidiaries

As at 31 December 2022, the Company had invested in Prachuap Port Co., Ltd. amounting to Baht 204 million. The shareholding proportion remains consistency. In 2022, the Company received a dividend of Baht 66.3 million by cash of Baht 41.1 million. The remaining was exercised the right to offset the debt with principal amounting to Baht 24.4 million and accrued interest amounting to Baht 0.8 million as stated in note 6.

According to the minutes of the Board of directors' meeting as the Rehabilitation Plan administrator No.4/2021 held on 18 March 2021 and minutes of the Creditors Committee's meeting No. 4/2021 held on 2 April 2021, approved the Company to acquire of newly issued ordinary shares of West Coast Engineering Co., Ltd. in the amount of Baht 45 million (4,500,000 shares of Baht 10 each), with the condition that the Company must receive dividend from West Coast Engineering Co., Ltd. of Baht 45 million to pay for such new shares (formerly, the Company has 7,500,000 shares of Baht 75 million). The Company has already paid for such shares in full and the increase was registered with the Ministry of Commerce on 1 June 2021.

As at 31 December 2022, the Company has investment in the amount of Baht 120 million in West Coast Engineering Co., Ltd. The shareholding proportion remains the same.

#### Indirect subsidiaries

The Company has invested 99.99% in West Coast Engineering Co., Ltd. (subsidiary), which is a 100% shareholder in Helium Miracle 303 Limited (an indirect subsidiary) in which (HM 303) holds 100% shares in Redcar Bulk Terminal Limited and Helium Miracle 301 Limited and Helium Miracle 302 Limited.

#### 14. Non-controlling interests

The following table summaries the information relating to each of the Group's subsidiaries that has a material non-controlling interest, before any intra-group eliminations:

Unit : Thousand Baht

	<b>31 December 2022</b>			
	<b>Prachuap Port Co., Ltd.</b>	<b>Other individually immaterial subsidiaries</b>	<b>Intra-group eliminations</b>	<b>Total</b>
Non-controlling interest percentage	49			
Current assets	125,889			
Non-current assets	964,784			
Current liabilities	(15,442)			
Non-current liabilities	(42,373)			
<b>Net assets</b>	<b>1,032,858</b>			
Carrying amount of non-controlling interest	<u>506,100</u>	-	(41,475)	464,625
Revenue	235,543			
Profit (loss)	45,507			
Other comprehensive income	1,603			
<b>Total comprehensive income</b>	<b>47,110</b>			
Profit (loss) allocated to non-controlling interest	<u>23,084</u>	-	(1,542)	21,542
Cash flows from operating activities	109,710			
Cash flows from investing activities	(3,490)			
Net cash used in financing activities				
(dividends to non-controlling interest: Baht 24.5 million)	<u>(109,139)</u>			
<b>Net decrease in cash and cash equivalents</b>	<b><u>(2,919)</u></b>			

Unit : Thousand Baht

31 December 2021

	<b>Prachuap Port Co., Ltd.</b>	<b>Other individually immaterial subsidiaries</b>	<b>Intra-group eliminations</b>	<b>Total</b>
Non-controlling interest percentage	49			
Current assets	154,635			
Non-current assets	1,041,081			
Current liabilities	(26,468)			
Non-current liabilities	(53,500)			
<b>Net assets</b>	<b>1,115,748</b>			
Carrying amount of non-controlling interest	546,716	-	(39,933)	506,783
Revenue	272,658			
Profit (loss)	81,884			
<b>Total comprehensive income</b>	<b>81,884</b>			
Profit (loss) allocated to non-controlling interest	40,123	-	(372)	39,751
Cash flows from operating activities	182,251			
Cash flows used in investing activities	(41,703)			
Net cash used in financing activities				
(dividends to non-controlling interest: Baht 24.5 million)	(58,473)			
<b>Net increase in cash and cash equivalents</b>	<b>82,075</b>			

## 15. Investments in joint venture

Investments in joint venture as at 31 December 2021 and 2020 were as follows:

Unit : Thousand Baht

<b>Consolidated financial statements</b>													
Name of entity	Type of business	Ownership proportion		Paid-up capital		Cost method		Equity method		Share of profit (loss) for the year		Dividend income for the year ended	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
		(%)	(%)										
Thai Cold Rolled Steel Sheet Public Company Limited	Production and distribution of cold coils	35.19	35.19	4,816,350	4,816,350	3,817,962	3,817,962	2,576,757	2,741,466	(164,710)	177,309	-	-
<b>Total</b>						<b>3,817,962</b>	<b>3,817,962</b>	<b>2,576,757</b>	<b>2,741,466</b>	<b>(164,710)</b>	<b>177,309</b>	<b>-</b>	<b>-</b>

Unit : Thousand Baht

**Separate financial statements**

Name of entity	Type of business	Ownership proportion		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income for the year ended	
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
		(%)	(%)										
Thai Cold Rolled Steel Sheet Public Company Limited	Production and distribution of cold coils	35.19	35.19	4,816,350	4,816,350	3,817,962	3,817,962	1,189,180	1,189,180	2,628,782	2,628,782	-	-
<b>Total</b>						<b>3,817,962</b>	<b>3,817,962</b>	<b>1,189,180</b>	<b>1,189,180</b>	<b>2,628,782</b>	<b>2,628,782</b>	<b>-</b>	<b>-</b>

Thai Cold Rolled Steel Sheet Public Company Limited has operated its business.

The Company has pledged 150,176,007 common shares in a joint-venture, Thai Cold Rolled Steel Sheet Public Company Limited to Marubeni-Itochu Steel Inc. for the commercial loan of Marubeni-Itochu Steel Incorporation provided to Sahaviriya Steel Industries UK Limited. In 2016, the Company recognised loss on guarantee amount of Baht 513 million as outstanding debts and presented as provisions under rehabilitation plan.

For the year ended 31 December 2022 and 2021, there is no dividend payment.



### *Joint venture*

The following table summarises the financial information of the joint venture as included in their own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in these companies.

	Unit : Thousand Baht	
	2022	2021
Revenue	18,103,037	15,775,780
Profit (loss) from continuing operations	(492,517)	516,296
<b>Total comprehensive income</b>	<b>(485,768)</b>	<b>516,296</b>
Attributable to non-controlling interest	(314,826)	334,611
Attributable to investee's shareholders	(170,942)	181,685
Current assets	3,925,628	4,613,780
Non-current assets	3,081,040	3,189,069
Current liabilities	(2,033,797)	(2,343,880)
Non-current liabilities	(111,912)	(112,243)
<b>Net assets</b>	<b>4,860,959</b>	<b>5,346,726</b>
Attributable to non-controlling interest	3,150,288	3,465,213
Attributable to investee's shareholders	1,710,571	1,881,513
Group's interest in net assets of investee at 1 January	2,741,466	2,564,157
Total comprehensive income attributable to the Group	(164,709)	177,309
<b>Carrying amount of interest in investee at 31 December</b>	<b>2,576,757</b>	<b>2,741,466</b>

**Contingent liabilities and commitments relating to the joint venture:**

	2022	2021
<i>Contingent liabilities directly incurred by the Group</i>		
<i>Capital commitments in relation to interest in joint venture</i>		
Group's share of the joint venture according to		
- from capital expenditure	Baht 41.7 million, USD 0.28 million, JPY 69.9 million	Baht 53.9 million, USD 0.07 million, JPY 44.9 million and Euro 0.04 million
- from non-cancellable operating lease commitments	-	-
- from raw materials and chemical purchases	Baht 24.9 million, and USD 10.5 million	Baht 11.2 million, and USD 12.5 million
- from other contracts	Baht 16 million, and JYP 10.6 million	Baht 15.3 million, and JYP 10.6 million
- Guarantee	Baht 9.29 million	Baht 9.29 million

## 16. Long-term loans

Unit : Thousand Baht

<b>Consolidated and Separate financial statements</b>		
Notes	31 December 2022	31 December 2021
<b>Principal</b>		
	507,040	507,040
Cork Gully LLP		
Helium Miracle 303 Limited	497,158	-
6		
Redcar Bulk Terminal Limited	13,075	25,959
6		
<b>Total</b>	<b>1,017,273</b>	<b>532,999</b>
<i>Less Transfer to HM303</i>	(507,040)	-
6		
<i>Less Current portion</i>	(13,075)	(25,959)
6		
<b>Net</b>	<b>497,158</b>	<b>507,040</b>
<b>Accrued interest</b>		
	-	20,956
Cork Gully LLP		
Helium Miracle 303 Limited	15,538	-
6		
Redcar Bulk Terminal Limited	-	-
6		
<b>Total</b>	<b>15,538</b>	<b>20,956</b>

As at 31 December 2022, there is borrowings amount of GBP 12.06 million by prevailing the exchange rate at the transactions date at Baht 42.79 per 1 GBP and at the end of the year at Baht 41.23 per 1GBP.

Movement transaction during the year for long-term loans as follows:

Unit : Thousand Baht

<b>Consolidated and Separate financial statements</b>							
		31 December				Unrealised	
	Notes	2021	Increase	Decrease	Adjusted	gains (losses) on exchange	31 December 2022
<b>Principal</b>							
Cork Gully LLP		507,040	-	-	(507,040)	-	-
Helium Miracle 303 Limited	6	-	-	-	516,061	(18,903)	497,158
Redcar Bulk Terminal Limited	6	25,959	-	(10,777)	-	(2,107)	13,075
<b>Total Principal</b>		<b>532,999</b>	<b>-</b>	<b>(10,777)</b>	<b>9,021</b>	<b>(21,010)</b>	<b>510,233</b>
<i>Less Current portion</i>		<i>(25,959)</i>					<i>(13,075)</i>
<b>Net</b>		<b>507,040</b>					<b>497,158</b>
<b>Accrued interest</b>							
Cork Gully LLP		20,956	-	-	(20,956)	-	-
Helium Miracle 303 Limited	6	-	15,979	-	-	(441)	15,538
Redcar Bulk Terminal Limited	6	-	1,190	(1,190)	-	-	-
<b>Total</b>		<b>20,956</b>	<b>17,169</b>	<b>(1,190)</b>	<b>(20,956)</b>	<b>(441)</b>	<b>15,538</b>

## **Cork Gully LLP**

On 5 February 2020, the Company entered into loans agreement with Cork Gully LLP which is a receiver representative appointed by bank creditors of Sahaviriya Steel Industries UK Limited (“SSI UK”) for exercise right to purchase ordinary shares of Redcar Bulk Terminal Limited (“RBT”) which engaged in port business in England from British Steel Limited (“BSL”) in the proportion of 50% of total issued share capital amount of GBP 11.36 million equivalents to Baht 463 million with the condition that Cork Gully LLP in being Receiver, held the acquired share capital and used them as guarantee to the Company against its borrowings. Subsequent on 24 February 2020, SSI UK received the transferred of share capital of RBT, resulted to the increase in proportion of shareholding in RBT from 50% to 100%. Such loans are charged interest at LIBOR averaged 3 months+2% per annum which will be matured on 5 February 2025 and transferred the debts including interest to Helium Miracle 303 Limited

On 7 July 2022, the Company and Helium Miracle 303 Limited "HM303", an indirect subsidiary (as stated in note 6), entered into the following contractual transactions:-

- The Company entered into a loan agreement with Helium Miracle 303 for GBP 12.06 million equivalent to Baht 516.06 million at the interest rate of MLR+1% per annum. The principal and interest will repayable in a lump sum within 6 July 2027. The loan will be offset against the Cork Gully LLP loan, which consists of GBP 11.36 million in principals, equivalent to Baht 486.09 million. The remaining is accrued interest of GBP 0.65 million, equivalent to Baht 27.87 million, and proceeds for the registration of RBT shares transfer to Helium Miracle 303 Limited in the amount of GBP 0.05 million, equivalent to Baht 2.10 million. As a result, it does not have the debts with Sahaviriya Steel Industry Public Company Limited anymore.

- On the same day, Helium Miracle 303 entered into an agreement to purchase the shares of Redcar Bulk Terminal Limited "RBT", in which the Company indirectly holds shares, with Sahawiriya Steel Industries UK Limited "SSI UK" through Cork Gully LLP (as receiver of SSI UK under liquidation process), which operates deep-water terminals for cargo transportation, located in the Southbank area, on the banks of the River Tees, North East of the United Kingdom. Total of 26,502,716 shares, representing 100% of the total number of shares, were agreed to purchase at a price of GBP 12.06 million, provided that HM303 entered into a pledge entire shares agreement with the collateral agent "NatWest Market PLC" of SSI UK's creditor banking group.

## 17. Property, plant and equipment

Unit : Thousand Baht

### Consolidated financial statements

	Land and land improvement	Factory and office buildings	Machinery, tools and factory equipment	Office furniture, fixtures and equipment	Vehicles	Assets under construction and installation	Total
<i>Cost</i>							
<b>As at 31 December 2020</b>	<b>1,679,470</b>	<b>2,123,984</b>	<b>19,355,411</b>	<b>259,682</b>	<b>92,876</b>	<b>1,044,455</b>	<b>24,555,878</b>
Additions	45,694	7,613	52,864	13,740	1,972	215,440	337,323
Transfers	75,989	74,299	260,554	7,273	484	(418,599)	-
Transfers to cost of inventory	-	-	-	-	-	(169,655)	(169,655)
Transfer to other intangible assets	-	-	-	-	-	(8,211)	(8,211)
Disposal/write off	(7,816)	(40)	(20,493)	(11,160)	(2,350)	-	(41,859)
Adjustment	-	-	-	-	(38)	-	(38)
<b>As at 31 December 2021</b>	<b>1,793,337</b>	<b>2,205,856</b>	<b>19,648,336</b>	<b>269,535</b>	<b>92,944</b>	<b>663,430</b>	<b>24,673,438</b>
Additions	12,747	27,349	106,073	31,475	6,062	447,471	631,177
Received transfer from business combination	671,800	355,350	777,070	110	-	6,506	1,810,836
Transfers	4,748	55,682	43,494	705	-	(104,629)	-
Transfers to cost of inventory	-	-	-	-	-	(248,660)	(248,660)
Disposal/write off	-	(3,181)	(24,018)	(20,087)	(1,694)	-	(48,980)
Adjustment							
Exchange different of translating financial statements	(42,812)	(12,800)	(27,990)	(4)	-	(234)	(83,840)
<b>As at 31 December 2022</b>	<b>2,439,820</b>	<b>2,628,256</b>	<b>20,522,965</b>	<b>281,734</b>	<b>97,312</b>	<b>763,884</b>	<b>26,733,971</b>

Unit : Thousand Baht

Consolidated financial statements

	Land and land improvement	Factory and office buildings	Machinery, tools and factory equipment	Office furniture, fixtures and equipment	Vehicles	Assets under construction and installation	Total
<b>Depreciation</b>							
<b>As at 31 December 2020</b>	<b>270,035</b>	<b>1,850,765</b>	<b>10,707,933</b>	<b>207,534</b>	<b>87,707</b>	-	<b>13,123,974</b>
Depreciation for the year	69,795	55,449	391,386	21,211	1,575	-	539,416
Disposal/write off	(6,917)	(35)	(20,453)	(11,065)	(2,350)	-	(40,820)
Adjustment	-	-	-	-	(38)	-	(38)
<b>As at 31 December 2021</b>	<b>332,913</b>	<b>1,906,179</b>	<b>11,078,866</b>	<b>217,680</b>	<b>86,894</b>	-	<b>13,622,532</b>
Depreciation for the year	81,301	85,100	377,643	23,037	2,452	-	569,533
Received transfer from business combination	-	154,995	677,132	1	-	-	832,128
Disposal/write off	-	(1,777)	(19,484)	(19,643)	(1,694)	-	(42,598)
Adjustment							
Exchange different of translating financial statements	-	(5,583)	(24,390)	-	-	-	(29,973)
<b>As at 31 December 2022</b>	<b>414,214</b>	<b>2,138,914</b>	<b>12,089,767</b>	<b>221,075</b>	<b>87,652</b>	-	<b>14,951,622</b>

Unit : Thousand Baht

**Consolidated financial statements**

	Land and land improvement	Factory and office buildings	Machinery, tools and factory equipment	Office furniture, fixtures and equipment	Vehicles	Assets under construction and installation	Total
<i>Loss on impairment</i>							
<b>As at 31 December 2020</b>	<b>387,348</b>	<b>16,088</b>	<b>86,566</b>	-	-	<b>19,000</b>	<b>509,002</b>
Write off	(899)	-	-	-	-	-	(899)
<b>As at 31 December 2021</b>	<b>386,449</b>	<b>16,088</b>	<b>86,566</b>	-	-	<b>19,000</b>	<b>508,103</b>
Unchanged	-	-	-	-	-	-	-
<b>As at 31 December 2022</b>	<b>386,449</b>	<b>16,088</b>	<b>86,566</b>	-	-	<b>19,000</b>	<b>508,103</b>
<i>Net book value</i>							
<b>As at 31 December 2021</b>	<b>1,073,975</b>	<b>283,589</b>	<b>8,482,904</b>	<b>51,855</b>	<b>6,050</b>	<b>644,430</b>	<b>10,542,803</b>
<b>As at 31 December 2022</b>	<b>1,639,157</b>	<b>473,254</b>	<b>8,346,632</b>	<b>60,659</b>	<b>9,660</b>	<b>744,884</b>	<b>11,274,246</b>



Unit : Thousand Baht

Separate financial statements

	Land and land improvement	Factory and office buildings	Machinery, tools and factory equipment	Office furniture, fixtures and equipment	Vehicles	Assets under construction and installation	Total
<i>Cost</i>							
<b>As at 31 December 2020</b>	<b>1,006,391</b>	<b>1,960,395</b>	<b>16,887,179</b>	<b>212,880</b>	<b>64,951</b>	<b>1,028,525</b>	<b>21,160,321</b>
Additions	3,957	7,613	52,267	12,425	1,972	201,778	280,012
Transfers	75,989	74,299	260,554	7,273	484	(418,599)	-
Transfer to other intangible assets	-	-	-	-	-	(8,211)	(8,211)
Transfers to cost of inventory	-	-	-	-	-	(169,655)	(169,655)
Disposal/write off	-	-	(18,668)	(11,115)	-	-	(29,783)
<b>As at 31 December 2021</b>	<b>1,086,337</b>	<b>2,042,307</b>	<b>17,181,332</b>	<b>221,463</b>	<b>67,407</b>	<b>633,838</b>	<b>21,232,684</b>
Additions	12,747	24,800	96,461	28,641	3,495	440,334	606,478
Transfers	4,748	55,682	43,494	705	-	(104,629)	-
Transfers to cost of inventory	-	-	-	-	-	(248,660)	(248,660)
Disposal/write off	-	(549)	(10,290)	(16,824)	-	-	(27,663)
<b>As at 31 December 2022</b>	<b>1,103,832</b>	<b>2,122,240</b>	<b>17,310,997</b>	<b>233,985</b>	<b>70,902</b>	<b>720,883</b>	<b>21,562,839</b>

Unit : Thousand Baht

Separate financial statements

	Land and land improvement	Factory and office buildings	Machinery, tools and factory equipment	Office furniture, fixtures and equipment	Vehicles	Assets under construction and installation	Total
<b>Depreciation</b>							
<b>As at 31 December 2020</b>	<b>230,882</b>	<b>1,739,451</b>	<b>8,981,389</b>	<b>169,677</b>	<b>59,627</b>	-	<b>11,181,026</b>
Depreciation for the year	4,821	50,938	365,746	18,089	1,530	-	441,124
Disposal/write off	-	-	(18,628)	(11,021)	-	-	(29,649)
<b>As at 31 December 2021</b>	<b>235,703</b>	<b>1,790,389</b>	<b>9,328,507</b>	<b>176,745</b>	<b>61,157</b>	-	<b>11,592,501</b>
Depreciation for the year	18,459	72,528	348,542	19,869	2,100	-	461,498
Disposal/write off	-	(549)	(9,479)	(16,384)	-	-	(26,412)
<b>As at 31 December 2022</b>	<b>254,162</b>	<b>1,862,368</b>	<b>9,667,570</b>	<b>180,230</b>	<b>63,257</b>	-	<b>12,027,587</b>

Unit : Thousand Baht

Separate financial statements

	Land and land improvement	Factory and office buildings	Machinery, tools and factory equipment	Office furniture, fixtures and equipment	Vehicles	Assets under construction and installation	Total
<i>Loss on impairment</i>							
<b>As at 31 December 2020</b>	<b>110,137</b>	<b>13,422</b>	<b>86,566</b>	-	-	-	<b>210,125</b>
Unchanged	-	-	-	-	-	-	-
<b>As at 31 December 2021</b>	<b>110,137</b>	<b>13,422</b>	<b>86,566</b>	-	-	-	<b>210,125</b>
Unchanged	-	-	-	-	-	-	-
<b>As at 31 December 2022</b>	<b>110,137</b>	<b>13,422</b>	<b>86,566</b>	-	-	-	<b>210,125</b>
<i>Net book value</i>							
<b>As at 31 December 2021</b>	<b>740,497</b>	<b>238,496</b>	<b>7,766,259</b>	<b>44,718</b>	<b>6,250</b>	<b>633,838</b>	<b>9,430,058</b>
<b>As at 31 December 2022</b>	<b>739,533</b>	<b>246,450</b>	<b>7,556,861</b>	<b>53,755</b>	<b>7,645</b>	<b>720,883</b>	<b>9,325,127</b>

Assets value of the Group before accumulated depreciation of building and equipment which were fully depreciated but are still in use up to 31 December 2022 amounted to Baht 3,022 million (2021: Baht 2,884 million).

Assets value of the Company before accumulated depreciation of building and equipment which were fully depreciated but are still in use up to 31 December 2022 amounted to Baht 2,180 million (2021: Baht 2,167 million).

As at 31 December 2022, the Group and the Company has mortgaged/ pledged assets amounting to approximately Baht 8,451 million and Baht 8,221 million respectively (2021: Baht 8,688 million and Baht 8,450 million, respectively), as collateral against bank overdrafts, short-term borrowings and long-term borrowings from financial institutions, and letter of guarantee for electricity, port and goods warehouse, as described in Note 34 to financial statements.

## 18. Right-of-use assets / Lease liabilities

### 18.1 Right-of-use assets

The book value of right-of-use assets under lease land, building, leasehold and equipment agreement, and the movement for 2022 as follows:

	Unit : Thousand Baht			
	<b>Consolidated financial statements</b>			
	<b>Land</b>	<b>Building and improvement</b>	<b>Vehicles</b>	<b>Total</b>
<b>Cost</b>				
As at 1 January 2022	10,670	83,244	28,500	122,414
Additions	-	109,586	14,965	124,551
Decrease	-	-	(1,139)	(1,139)
As at 31 December 2022	10,670	192,830	42,326	245,826
<b>Accumulated depreciation</b>				
As at 1 January 2022	5,291	50,028	16,983	72,302
Depreciation for the year	2,689	26,927	6,994	36,610
Depreciation - Changing condition/write off	-	-	(1,139)	(1,139)
As at 31 December 2022	7,980	76,955	22,838	107,773
<b>Net book value</b>				
<b>As at 31 December 2022</b>	<b>2,690</b>	<b>115,875</b>	<b>19,488</b>	<b>138,053</b>

Unit : Thousand Baht

	<b>Separate financial statements</b>			
	<b>Land</b>	<b>Building and improvement</b>	<b>Vehicles</b>	<b>Total</b>
<b>Cost</b>				
As at 1 January 2022	10,670	66,252	10,676	87,598
Additions	-	109,586	8,217	117,803
As at 31 December 2022	10,670	175,838	18,893	205,401
<b>Accumulated depreciation</b>				
As at 1 January 2022	5,291	44,168	8,163	57,622
Depreciation for the year	2,689	23,927	2,392	29,008
As at 31 December 2022	7,980	68,095	10,555	86,630
<b>Net book value</b>				
<b>As at 31 December 2022</b>	<b>2,690</b>	<b>107,743</b>	<b>8,338</b>	<b>118,771</b>

## 18.2 Lease liabilities

The book value of Lease liabilities and the movement for 2022 as follows:

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2022	2021	2022	2021
As at 1 January	50,956	72,885	30,876	50,513
Additions	124,550	13,923	117,802	8,068
Received transfer from business combination	3,902	-	-	-
Repayment	(38,486)	(35,852)	(30,269)	(27,706)
Exchange differences on translating financial statement	10	-	-	-
As at 31 December	140,932	50,956	118,409	30,876
<i>Less: Current portion of long-term lease</i>	(35,414)	(33,712)	(25,755)	(27,412)
<b>Lease liabilities – net current portion of long-term lease</b>	<b>105,518</b>	<b>17,244</b>	<b>92,654</b>	<b>3,464</b>

The Company is liable on minimum lease payment as at 31 December 2022 and 2021 are as follows:

Unit : Thousand Baht

	Consolidated financial statements					
	2022			2021		
	Less than 1 year	1 - 5 years	Total	Less than 1 year	1 - 5 years	Total
Sum of minimum lease payment	42,929	117,947	160,876	35,766	21,109	56,875
Deferred lease interest	(7,515)	(12,429)	(19,944)	(2,054)	(3,865)	(5,919)
<b>Present value of minimum lease payment</b>	<b>35,414</b>	<b>105,518</b>	<b>140,932</b>	<b>33,712</b>	<b>17,244</b>	<b>50,956</b>

  

	Separate financial statements					
	2022			2021		
	Less than 1 year	1 - 5 years	Total	Less than 1 year	1 - 5 years	Total
Sum of minimum lease payment	32,223	104,176	136,399	28,398	6,024	34,422
Deferred lease interest	(6,468)	(11,522)	(17,990)	(986)	(2,560)	(3,546)
<b>Present value of minimum lease payment</b>	<b>25,755</b>	<b>92,654</b>	<b>118,409</b>	<b>27,412</b>	<b>3,464</b>	<b>30,876</b>

Lease expenses for the year ended 31 December 2022 and 2021 are recognised in the following items in profit or loss.

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Depreciation of right-of-use assets	35,830	33,724	28,228
Interest paid from lease liabilities	2,732	3,842	1,495	2,481
Expenses relating to short-term lease	-	236	-	-
Expenses relating to leases of low-value assets	547	74	-	-
<b>Total</b>	<b>39,109</b>	<b>37,876</b>	<b>29,723</b>	<b>29,329</b>

The Group entered into lease land, building space and vehicles agreement for using in its operation for the averaged period approximate 3 years to 5 years.

19. Other intangible assets

Unit : Thousand Baht

	<b>Consolidated financial statements</b>			
	Right of use licenses	Software copy right	Assets under installation	Total
<i>Cost</i>				
<b>As at 31 December 2020</b>	<b>7,836</b>	<b>254,146</b>	<b>32,039</b>	<b>294,021</b>
Increase	-	2,965	115	3,080
Transfer to property, plant and equipment	-	8,211	-	8,211
<b>As at 31 December 2021</b>	<b>7,836</b>	<b>265,322</b>	<b>32,154</b>	<b>305,312</b>
Increase	275	4,364	-	4,639
<b>As at 31 December 2022</b>	<b>8,111</b>	<b>269,686</b>	<b>32,154</b>	<b>309,951</b>
<i>Amortization and loss on impairment</i>				
<b>As at 31 December 2020</b>	<b>5,482</b>	<b>243,530</b>	<b>32,039</b>	<b>281,051</b>
Amortization for the year	1,102	5,076	-	6,178
<b>As at 31 December 2021</b>	<b>6,584</b>	<b>248,606</b>	<b>32,039</b>	<b>287,229</b>
Amortization for the year	915	3,683	-	4,598
<b>As at 31 December 2022</b>	<b>7,499</b>	<b>252,289</b>	<b>32,039</b>	<b>291,827</b>
<i>Net book value</i>				
<b>As at 31 December 2021</b>	<b>1,252</b>	<b>16,716</b>	<b>115</b>	<b>18,083</b>
<b>As at 31 December 2022</b>	<b>612</b>	<b>17,397</b>	<b>115</b>	<b>18,124</b>

Unit : Thousand Baht

**Separate financial statements**

	Software copy right	Assets under installation	Total
<i>Cost</i>			
<b>As at 31 December 2020</b>	<b>244,754</b>	<b>32,039</b>	<b>276,793</b>
Increase	2,805	115	2,920
Received transfer from property, plant and equipment	8,211	-	8,211
<b>As at 31 December 2021</b>	<b>255,770</b>	<b>32,154</b>	<b>287,924</b>
Increase	3,560	-	3,560
<b>As at 31 December 2022</b>	<b>259,330</b>	<b>32,154</b>	<b>291,484</b>
<i>Amortization and loss on impairment</i>			
<b>As at 31 December 2020</b>	<b>236,460</b>	<b>32,039</b>	<b>268,499</b>
Amortization for the year	4,580	-	4,580
<b>As at 31 December 2021</b>	<b>241,040</b>	<b>32,039</b>	<b>273,079</b>
Amortization for the year	3,075	-	3,075
<b>As at 31 December 2022</b>	<b>244,115</b>	<b>32,039</b>	<b>276,154</b>
<i>Net book value</i>			
<b>As at 31 December 2021</b>	<b>14,730</b>	<b>115</b>	<b>14,845</b>
<b>As at 31 December 2022</b>	<b>15,215</b>	<b>115</b>	<b>15,330</b>



## 20. Deferred tax

Deferred tax assets and liabilities as at 31 December 2022 and 2021 were as follows:

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
Deferred tax assets	18,736	15,403	-	-
Deferred tax liabilities	(192,627)	(38,690)	(16,174)	(16,184)
<b>Net</b>	<b>(173,891)</b>	<b>(23,287)</b>	<b>(16,174)</b>	<b>(16,184)</b>

Unit : Thousand Baht

	<b>Consolidated financial statements</b>			
	<b>Assets</b>		<b>Liabilities</b>	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
Total	155,835	28,235	(329,726)	(51,522)
Offsetting of taxes	(137,099)	(12,832)	137,099	12,832
<b>Deferred tax assets (liability)</b>	<b>18,736</b>	<b>15,403</b>	<b>(192,627)</b>	<b>(38,690)</b>

Unit : Thousand Baht

	<b>Separate financial statements</b>			
	<b>Assets</b>		<b>Liabilities</b>	
	31 December	31 December	31 December	31
	2022	2021	2022	December
	2022	2021	2022	2021
Deferred tax liabilities	-	-	(16,174)	(16,184)

Movements of deferred tax assets and liabilities during the year were as follows:

Unit : Thousand Baht

<b>Consolidated financial statements</b>						
(Charged)/Credited to:						
As at	Other			Received	Different	As at
1 January	Profit	compre	hensive	transfer from	from	31 December
2022	or loss	income	combination	exchange	rate	2022
<b><i>Deferred tax assets</i></b>						
Trade accounts receivable	212	(10)	-			202
Property, plant and equipment	8,815	291	-	58,045	(2,091)	65,060
Finance lease liabilities	375	(190)	-	303	(11)	477
Finance lease liabilities	152	14	-	-	-	166
Non-current provisions for employee benefit	12,062	(212)	4,558	-	-	16,408
Taxable loss carry forward	6,619	(1,593)	-	71,055	(2,559)	73,522
<b>Total</b>	<b>28,235</b>	<b>(1,700)</b>	<b>4,558</b>	<b>129,403</b>	<b>(4,661)</b>	<b>155,835</b>
<b><i>Deferred tax liabilities</i></b>						
Other current assets	(41)	41	-	-	-	-
Property, plant and equipment	(50,533)	6,999	-	(295,543)	10,645	(328,432)
Finance lease liabilities	(948)	(346)	-	-	-	(1,294)
<b>Total</b>	<b>(51,522)</b>	<b>6,693</b>	<b>-</b>	<b>(295,543)</b>	<b>10,645</b>	<b>(329,726)</b>
<b>Net</b>	<b>(23,287)</b>	<b>4,994</b>	<b>4,558</b>	<b>(166,140)</b>	<b>5,984</b>	<b>(173,891)</b>

Unit : Thousand Baht

<b>Separate financial statements</b>				
(Charged)/Credited to:				
As at	Other			As at
1 January	Profit	comprehensive	income	31 December
2022	or loss	income	income	2022
<b><i>Deferred tax liabilities</i></b>				
Property, plant and equipment	(16,184)	10	-	(16,174)
<b>Total</b>	<b>(16,184)</b>	<b>10</b>	<b>-</b>	<b>(16,174)</b>

The Group has not recognised deferred tax assets in temporary differences of some transaction and tax losses because it is not probable that future taxable profit will be available against which the Group can utilize the benefits therefrom or temporary differences will be reversed in the future.

## 21. Short term borrowings from financial institution

	Unit: Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
Short-term borrowings from financial institutions - collateral				
Promissory Note	42,000	39,000	-	-
Trust receipts	20,069	-	-	-
<b>Total</b>	<b>62,069</b>	<b>39,000</b>	<b>-</b>	<b>-</b>

As at 31 December 2022, the above-mentioned borrowings are owned by West Coast Engineering Co., Ltd., a subsidiary has short-term credit lines from two local financial institutions totaling Baht 169.5 million, charged interest at the rate of MLR-0.75 per annum (As at 31 December 2021: Baht 95.5 million), the interest is payable on monthly basis.

As at 31 December 2022, the Group had unutilized credit facilities total amount of Baht 94.9 million and the Company had no credit facilities (As at 31 December 2021 : Baht 76.5 million for the Group and no credit facilities for the Company).

Short-term borrowings from PPC, a subsidiary are guaranteed by mortgaging land with its construction structured thereon and / in the future of the subsidiary. Bank overdrafts and short-term borrowings of WCE, a subsidiary are guaranteed by mortgaging land with its construction and transferring the privileges derived from assets insurance of such subsidiary.

## 22. Trade accounts payable

Unit: Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Related parties (Note 6)	54,804	69,200	84,893	84,396
Other parties	4,874,759	4,775,466	4,801,937	4,722,582
<b>Total</b>	<b>4,929,563</b>	<b>4,844,666</b>	<b>4,886,830</b>	<b>4,806,978</b>

### *Inventory under collateral management agreement*

The Company entered into the collateral management agreements with company which are incorporated in Japan. Under the terms of the agreements, the Company has to pay a partial deposit and the remainder when withdrawing inventory from the representative company. The Company retains all or a significant portion of the risks and rewards relating to the collateralized inventory. Inventory is stored in the warehouse facilities for which that counter party appoints a representative to act as the collateral manager. These transactions are treated as inventory under collateral management agreements and trade payable under collateral management agreements within the statement of financial position.

## 23. Other Current Liabilities

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Accrued expense	260,651	110,973	121,823	100,564
Other payables	81,238	51,958	34,141	38,399
Amounts received in advance from				
sales of goods	1,680	4,740	-	-
Other	48,456	58,335	34,018	46,155
<b>Total</b>	<b>392,025</b>	<b>226,006</b>	<b>189,982</b>	<b>185,118</b>

## 24. Other Current Financial Liabilities

Other current financial liabilities as at 31 December 2022 and 2021 are as follows:

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
Forward contracts	18,323	2,416	17,398	540

Forward contracts, derivatives assets held for trading are not defined in hedge accounting relationship, present at fair value through profit or loss.

## 25. Long-term borrowings from financial institutions

Unit : Thousand Baht

	<b>Consolidated</b>
	<b>financial statements</b>
	31 December 2022
<b>Principals</b>	
Wards	11,483
Royal Bank Scotland	1,519
<b>Total</b>	<b>13,002</b>
<i>Less Current portion of long-term borrowing from financial institutions</i>	<i>(402)</i>
<b>Net</b>	<b>12,600</b>

As at 31 December 2022, the above-mentioned loans are owned in total by Redcar Bulk Terminal Limited, an indirect subsidiary which has short-term credit lines from two foreign financial institutions, charged interest on a monthly basis at the rate of 2.5% per annum which does not have any collateral.

26. Non-current provisions for employee benefit

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<i>Statements of financial position</i>				
<i>as at 31 December</i>				
<b>Provisions in statements of financial position for:</b>				
Statutory severance pay	439,025	397,333	364,378	341,558
Other long-term employee benefits	29,028	24,427	21,631	19,894
<b>Total</b>	<b>468,053</b>	<b>421,760</b>	<b>386,009</b>	<b>361,452</b>

*For the year ended 31 December*  
**Statement of comprehensive income**  
**Recognised in profit or loss:**

Statutory severance pay	29,479	30,138	23,465	25,903
Other long-term employee benefits	2,429	2,428	1,881	1,891
<b>Total</b>	<b>31,908</b>	<b>32,566</b>	<b>25,346</b>	<b>27,794</b>

**Statutory severance pay**

The Group and the Company operate defined benefit plans based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

The movement in the present value of the provisions for employee benefits for the year ended 31 December 2022 and 2021 were shown in the table below:

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Provisions for employee benefits at 1 January	421,760	391,164	361,452	334,679
<b>Recognised in profit or loss:</b>				
Current service costs and interest	31,908	32,566	25,346	27,794
<b>Recognised in other comprehensive income</b>				
Gains (losses) on re-measurements of defined benefit plans	35,465	-	12,676	-
<b>Other</b>				
Benefits paid by the plan	(21,080)	(1,970)	(13,465)	(1,021)
<b>Provisions for employee benefits at 31 December</b>	<b>468,053</b>	<b>421,760</b>	<b>386,009</b>	<b>361,452</b>

Expenses relating to long-term employee benefits for the year ended 31 December 2022 recognised in other comprehensive income are as follows:

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
Cost of sales	14,085	14,303	10,438	10,659
Distribution costs	3,051	2,958	2,889	2,801
Administrative expenses	14,772	15,305	12,019	14,334
<b>Total</b>	<b>31,908</b>	<b>32,566</b>	<b>25,346</b>	<b>27,794</b>

Profit and loss from gains on re-measurements of defined benefit plans recognised in other comprehensive income arising from:

	Unit : Thousand Baht	
	<b>Consolidated</b>	<b>Separate financial</b>
	<b>financial statements</b>	<b>statements</b>
	2022	2022
Demographic assumptions	40,205	23,104
Financial assumptions	(70,692)	(52,686)
Experience adjustments	65,952	42,258
<b>Total</b>	<b>35,465</b>	<b>12,676</b>
<b>Actuarial assumptions</b>		

The principal actuarial assumptions at the reporting date (expressed as weighted averages are as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
Discount rate	2.82-3.83	1.63-1.71	3.21	1.71
Future salary growth	5.35-7.01	5.62-7.02	7.01	7.02
Employee turnover rate (%)	0.0-15.0	0.0-29.0	0.0-10.0	0.0-12.0

Assumptions regarding future mortality have been based on published statistics and mortality tables.

### *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 obligations by the amounts shown below:

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	Increase	Decrease	Increase	Decrease
<b>Provisions for employee benefits</b>				
<b>31 December 2022</b>				
Discount rate (0.5% movement)	(17,545)	21,929	(13,934)	18,081
Future salary growth (0.5% movement)	18,637	(14,691)	15,331	(11,558)
Employee turnover rate (0.5-1% movement)	(19,202)	23,697	(12,411)	16,033

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	Increase	Decrease	Increase	Decrease
<b>Provisions for employee benefits</b>				
<b>31 December 2021</b>				
Discount rate (0.5% movement)	(13,680)	17,284	(11,512)	14,980
Future salary growth (0.5% movement)	15,101	(11,859)	12,616	(9,512)
Employee turnover rate (0.5-1% movement)	(15,150)	18,750	(10,296)	13,255



## 27. Liabilities under business rehabilitation plan and progressive

The Company recorded liabilities under rehabilitation plan at the amortised cost as at 31 December 2022 and 2021 are presented as follows:

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
Current portion of liabilities under rehabilitation plan	1,359,059	1,420,202	1,359,059	1,420,202
Overdue portion of liabilities under rehabilitation plan	31,104,493	30,628,526	31,112,484	30,636,517
<b>Total</b>	<b>32,463,552</b>	<b>32,048,728</b>	<b>32,471,543</b>	<b>32,056,719</b>

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
<b><i>Current of liabilities</i></b>				
The creditor class 1	652,534	658,163	652,534	658,163
The creditor class 2	207,411	214,062	207,411	214,062
The creditor class 3	64,486	66,553	64,486	66,553
The creditor class 4	408,257	420,500	408,257	420,500
The creditor class 5	26,299	27,142	26,299	27,142
The creditor class 6	-	33,710	-	33,710
The creditor class 7	-	-	-	-
The creditor class 12	72	72	72	72
<b>Total</b>	<b>1,359,059</b>	<b>1,420,202</b>	<b>1,359,059</b>	<b>1,420,202</b>
<b><i>Non-current of liabilities</i></b>				
The creditor class 1	4,171,218	4,924,983	4,171,218	4,924,983
The creditor class 2	7,632,834	7,434,588	7,632,834	7,434,588
The creditor class 3	2,373,089	2,311,454	2,373,089	2,311,454
The creditor class 4	15,945,160	15,000,399	15,945,160	15,000,399
The creditor class 5	967,822	942,685	967,822	942,685
The creditor class 6	-	-	-	-
The creditor class 7	4,300	4,300	12,291	12,291
The creditor class 12	10,070	10,117	10,070	10,117
<b>Total</b>	<b>31,104,493</b>	<b>30,628,526</b>	<b>31,112,484</b>	<b>30,636,517</b>
<b>Total liabilities under rehabilitation plan</b>	<b>32,463,552</b>	<b>32,048,728</b>	<b>32,471,543</b>	<b>32,056,719</b>

Changes in liabilities under rehabilitation plan which stated at amortised cost for the year ended 31 December 2022 and 2021 are as follows:

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Balance at fair value as at 1 January	32,048,728	29,752,371	32,056,719	29,760,362
Recognised interest expenses by effective rate	1,713,958	1,623,951	1,713,958	1,623,951
Repayment	(1,989,299)	(525,838)	(1,989,299)	(525,838)
Adjustment from decrease of obligations guarantee from liquidation of the creditor class 4	-	(586,294)	-	(586,294)
Net (gains) losses on exchange rate	690,165	1,784,538	690,165	1,784,538
Balance as at 31 December	<u>32,463,552</u>	<u>32,048,728</u>	<u>32,471,543</u>	<u>32,056,719</u>

Liabilities under business rehabilitation of secured portion, detailed of security, land building and equipment as stated in notes 17 to financial statements.

**Liabilities under rehabilitation plan as at 31 December 2022 and 2021 classified by currency as follows:**

Unit : Thousand Baht

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Baht currency	16,110,135	16,627,829	16,118,126	16,635,820
USD currency	16,353,417	15,420,899	16,353,417	15,420,899
<b>Total</b>	<u><b>32,463,552</b></u>	<u><b>32,048,728</b></u>	<u><b>32,471,543</b></u>	<u><b>32,056,719</b></u>

## **Rehabilitation plan and progressive**

On 1 October 2015, the Board of the Company approved to file the petition for business rehabilitation to the Central Bankruptcy Court. Subsequent on 10 March 2016, the Central Bankruptcy Court has ordered the Company to rehabilitate the business and appointed the Company to be a planner (“the Planner”) which announced in the Royal Gazette on 26 April 2016.

As at 15 September 2016, the Official Receiver arranged the creditors meeting for considering the plan and the creditors’ meeting passed the special resolution to accept the rehabilitation plan (the Plan) and appointed three creditors to be the Creditors Committee, consist of Siam Commercial Bank Public Company Limited, Krung Thai Bank Public Company Limited and Tisco Bank Public Company Limited.

As at 15 December 2016, the Central Bankruptcy Court ordered to approve with the Plan dated 14 July 2016 (revised plan No.1 amendment by the Creditors Committee on 15 September 2016) (the Plan No. 1). The Plan is determined the Company to be the Plan Administrator.

In 2020 the Company ceased to repay the principal under the Plan since March 2020 (interest under the Plan still normally pay) and the Company has filed the petition for revising the Plan No.1 on 27 April 2020 to the Official Receiver. on 18 June 2020, the Official Receiver has attended the creditors meeting and the creditors passed the resolution to agree with the revised plan (the Plan dated 14 July 2016 additional revised by the creditors’ meeting held on 18 June 2020) (“the Plan No. 2”). and the Plan No. 2 is approval by the Central Bankruptcy Court on 18 September 2020 which scheduled to commence the first principal repayment in March 2021.

On 22 September 2021, Sahaviriya Steel Industries Public Company Limited, "Plan Administrator", necessarily needs to revise the plan for the successful of rehabilitation of debtor's business. Therefore, "Application for revision of Rehabilitation Plan" (A request for amendment of the Rehabilitation Plan No. 2) to the Official Receiver. Accordingly, the Official Receiver held a meeting on 9 November 2021, and the majority creditors meeting approved with "A request for amendment the Rehabilitation Plan" and was subsequently approved by the Central Bankruptcy Court on 14 December 2021.

On 14 September 2022, Sahaviriya Steel Industries Public Company Limited, "Plan Administrator", necessarily needs to revise the plan for the successful of rehabilitation of debtor's business. Therefore, "Application for revision of Rehabilitation Plan" have been filed to the Official Receiver and the creditors’ meeting passed the resolution to agree by requesting the extension procedures period in accordance with the Plan to the next one year which will be matured on 15 December 2023 and the Central Bankruptcy Court has approved on 8 December 2022.

For financial liabilities that have material difference, will recognize as the new financial liabilities at fair value by discount cash flow method, using market rate, interest expense is recognized by market rate. Different amount between carrying amount of original financial liabilities and present value of new financial liabilities will be recognized as gain on debt restructuring in the statement of profit or loss and other comprehensive income. If, such new financial liabilities do not have material restructuring difference, the Company will recognize the modified financial liabilities by discount cash flow, using original effective interest rate, including the recognition of gain on debt restructuring and interest expense, using original effective interest rate in the statement of profit or loss and other comprehensive income.

The substances of the Plan No.1 and No. 2 and applications for revising the rehabilitation plan No. 2 are as follows:

### 1. Classification of the creditors

The Business Rehabilitation Plan (the “Plan”) has classified the creditors who filed applications for repayment of debts into 13 classes. The total debt claim denominated in Baht 33,849.9 million and in other currencies which include amount of USD 990.9 million, GBP 4.6 million and EUR 0.1 million (converted into Baht at the exchange rate as at 10 March 2016, the date that the Court issued Rehabilitation Order in which the exchange rate for USD 1 equal Baht 35.4546, GBP 1 equal Baht 50.5173 and EUR 1 equal Baht 39.0923, total debt claim equivalent to Baht 69,220.2 million). Detail is as follows:

Classes No.	Classes of Creditor	Total indebtedness amount equivalent to Thai Baht (in Thousand Baht)		
		Principal	Interest	Total
1	Secured creditors	9,780,633	8,764	9,789,397
2	Financial institution creditors for the portions of debt claims that exceed the appraised value of the collateral	12,468,299	2,271,120	14,739,419
3	Financial institution creditors who are the joint creditors under the Debt Restructuring Agreement	3,968,607	526,228	4,494,835
4	Creditor of guarantee obligations for loan repayment	28,006,355	1,865,495	29,871,850
5	Suppliers of key raw materials	1,592,058	172,264	1,764,322
6	Government agencies and authorities	177,397	204,022	381,419
7	Related party creditors	872,574	587	873,161
8	Trade accounts payable	15,110	387	15,497
9	Creditor under the guarantee agreement	3,545,460	224,786	3,770,246
10	Creditor of contingent liabilities relating to guarantees	1,185,026	-	1,185,026
11	Creditor of fines and/or damages incurred in relation to defaults of contract	279,391	-	279,391
12	Creditor of professional fees under consultant agreements	1,927,893	21,251	1,949,144
13	Issuers of bank guarantees	105,562	925	106,487
	<b>Total</b>	<b>63,924,365</b>	<b>5,295,829</b>	<b>69,220,194</b>

Remark: All creditors who filed applications for repayment of debts to the Official Receiver will receive payment under the terms and conditions set forth in the Plan when the Official Receiver, the Bankruptcy Court, or the Supreme Court (as applicable) issues a final order to validate the debt.

## **2. Capital Restructuring**

On the date that the Court issued Rehabilitation Order, the Company had registered capital amount of Baht 50,263.7 million with the registered number of ordinary shares equivalent to 50,263.7 million shares at the par value of Baht 1 each. The issued and paid-up share capital was Baht 32,166.3 million and unissued share capital was Baht 18,097.4 million. The Plan Administrator will restructure the capital as follows:

### ***2.1 Decrease the unissued ordinary shares***

Within 90 days after the date the Court issues an order approving the Plan, the Company has to decrease the registered but unissued ordinary shares for 18,097.4 million shares. Such decrease will bring down the total value of the registered shares to be equivalent to the total value of issued and paid-up shares at Baht 32,166.3 million dividing into 32,166.3 million ordinary shares at the par value of Baht 1 each.

On 23 December 2016, the Company filed a petition for an amendment of the Memorandum of Association to decrease the unissued ordinary shares. The Court granted permission, on 22 February 2017, to amend the Memorandum of Association in order to cancel the unissued 18,097,401,000 ordinary shares at par value of Baht 1 each. The decrease of share registered capital resulted to the decreasing from Baht 50,263.7 million to Baht 32,166.3 million. The Company has registered the decrease share capital with the Ministry of Commerce on 1 March 2017.

### ***2.2 Decrease the issued and paid-up share capital by reducing the number of issued and paid-up shares***

Within 90 days after the date the Court's Plan Approval Date, the Company has to decrease the registered share capital from Baht 32,166.3 million to approximately Baht 1,109 million by reducing the number of ordinary shares by applying the ratio of existing shares 29 shares to 1 share. After such reduction, the Company will have the total value of its registered and paid-up shares equivalent to approximately Baht 1,109 million dividing into 1,109 million ordinary shares at the par value of Baht 1 each.

On 19 April 2017, the Company filed the petition to the Central Bankruptcy Court for amendment the Memorandum of Association of the Company for decreasing share capital and on 26 April 2017, the Court ordered the Company to amend the Memorandum of Association to be 31,053,243,844 ordinary shares by decreasing share capital from Baht 32,166.3 million to Baht 1,113.0 million. The Company has registered the decrease share capital with the Ministry of Commerce on 13 July 2017.

### **2.3 *Increase the share capital by the Debt to Equity Conversion No.1***

Within 90 days after the date the Court's Plan Approval Date, the Company has to increase the total value registered and paid-up shares by Baht 10,000 million by issuing ordinary shares at the amount of 10,000 million shares to be the reserve shares for debt to equity conversion for the creditor in class 2 and/or 3 and/or 4 in conformity with the conditions as stipulated in the Plan. The conversion will be Baht 0.05 per 1 share. After such execution, the Company will have the registered and paid-up share capital of approximately Baht 11,109 million dividing into 11,109 issued and paid-up ordinary shares at the par value of Baht 1 each. Nonetheless, the timeframe for the decrease of unissued ordinary shares, the decrease of the issued and paid-up share capital and the increase of the share capital by the Debt to Equity Conversion No. 1 may be extended for not more than 90 days.

On 24 July 2017, the Company filed the petition to the Central Bankruptcy Court for amendment the Memorandum of Association of the Company for increasing share capital for conversion debt to equity No.1 and on 21 September 2017, the Court has ordered to approve the amendment of memorandum of association for increasing share capital 10,000,000,000 shares at par value of Baht 1 each. As a result, the Company has the increase share capital from Baht 1,113 million to Baht 11,113 million. The Company has registered the decrease share capital with the Ministry of Commerce on 19 October 2017.

The Company converted debt to equity No. 1 to the creditors as determined in the Plan by issuing new 10,000,000,000 ordinary shares at par value of Baht 1 each to 4 creditors who expressed their wishes at the price of Baht 0.05 per share, amounting to Baht 500 million. The Company has filed the amendment of the Memorandum of Association on 28 March 2018.

### **2.4 *Increase of registered share capital for the Debt to Equity Conversion No.2***

After the completion of the Debt to Equity Conversion No.1, in case where the creditor may proceed the Debt to Equity Conversion No. 2, their debt will be repaid by the Company's ordinary shares to be newly issued in conformity with the conditions as stipulated in the Plan. The Plan Administrator will have to increase the registered share capital and increase the issued and paid-up share capital by issuing adequate number of ordinary shares at the par value of Baht 1 each to be the reserve shares for the Debt to Equity Conversion No.2 of each and every creditor whose debt will be repaid by the Debt to Equity Conversion No.2 in conformity with the conditions as stipulated in the Plan. The conversion price will be used the market price per share (the market price at the date of the creditor indicate their intention for the Debt to Equity Conversion No.2; the conversion price will be Baht 0.05 per share in the case of no market price). In the allocation of the increased ordinary shares for debt repayment to the creditor as per the aforementioned, the Company can consider to register the issued and paid-up shares one or more times.

## **2.5 Increase the share capital for debt to equity conversion for the creditor class 7, 9 and 12**

Under the principals of the debt repayment of this Plan, the Plan Administrator will have to increase the registered share capital and increase the issued and paid-up share capital by issuing adequate number of ordinary shares at the par value of Baht 1 each to be the reserve shares for the Debt to Equity conversion of the creditor class 7, 9 and 12 of the Plan. The conversion price will be Baht 0.05 per 1 share as stipulated in the Plan. In the allocation of the increased ordinary shares for debt repayment to the creditor as per the aforementioned, the Company can consider to register the issued and paid-up shares one or more times.

### **3. Debt repayment of each creditor class**

#### **3.1 Creditor Class 1 (Secured creditor)**

3.1.1 The outstanding principal of Baht 9,780.6 million will be repaid from cash flow for debt repayment and/or excess cash. The creditor will be paid for 144 monthly instalment payments (the 1st month commencing from the month after the month that the Court approves the Plan).

3.1.2 (a) From the date after the Court ordered the business rehabilitation to the Court's Plan approval date, the Creditor Class 1 will be entitled to receive interim interest on the outstanding principal at the rate of 7.5% per annum. Such interim interest will be accrued and paid in the 144th month.

(b) From the date after the Court's Plan Approval Date until the date the total debt is paid in full, the Creditor Class 1 will be entitled to receive New Interest on the principal at the rate of MLR% per annum; nonetheless, the actual interest payment will be at the rate of 0.5% . The difference between the new interest and the actual interest ("deferred new interest Portion") will be accrued and paid in the 144th month.

3.1.3 In case the Company executes the Debt to Equity Conversion No.2, the Creditor Class 1 will receive interest payment at the rate of MLR% per annum from the date after the Debt to Equity Conversion No.2 date.

3.1.4 After the Creditor Class 1 receives the repayment of debt in full as stipulated in the Plan which includes the prepayment of debt in full, or the Company has completed the Debt to Equity Conversion No.2 to the creditor who may convert their debt into shares in the Debt to Equity Conversion No.2, the Creditor Class 1 agrees to waive the interim interest and the deferred new interest portion by 50% of such interim interest and the deferred new Interest Portion.

3.1.5 With regards to the outstanding interest of Baht 8.8 million, the remaining interim interest and the remaining deferred new Interest Portion from clause 3.1.4, the Creditor Class 1 will be repaid in the 144th month. However, if the Company repays the principals of the Creditor Class 2, 3, 4 and 5 in full in any year, the Company will pay the outstanding interest, the remaining interim interest and the remaining Deferred New Interest Portion to the Creditor Class 1 in the same year.

3.1.6 Moreover, during the plan administration period, the Creditor Class 1 who has collaterals which are the shares owned by the Company, can opt to receive the repayment of its outstanding principal and interest in full by transferring the share collaterals to offset such amount. In this event, such Creditor agrees to immediately waive the interim interest and the deferred new interest portion in full on the closing date of the transfer of shares.

## **The Plan No. 2**

Since the Creditor in this class has already received the partial payment as at 28 February 2020, the outstanding principal to the Creditor Class 1 had the amount of Baht 5,755.1 million. Therefore, the substances of aforementioned No. 3.1.1 is revised to:

“3.1.1 The outstanding principal amount of Baht 5,755.1 million was received from cash inflows for debts repayment and/or cash flows surplus. The Creditor will received the payment for such debts on a monthly basis through 118 installments, commenced on the last business day of March 2021.

### **3.2 *Creditors, Class 2, 3, 4 and 5***

3.2.1 Creditor Class 2 (Financial institution creditors for the portions of debt claims that exceed the appraised value of the collateral). The outstanding principal of Baht 2,319.2 million will be repaid from cash inflows for debt repayment and/or cash flows surplus. The creditor will be received for 144 monthly instalment payments (the 1st month commencing from the month after the month that the Court approves the Plan). The remaining principal of Baht 10,149.1 million will be repaid in the 144th month from the new funding and/or refinancing and/or cash flow surplus.

3.2.2 Creditor Class 3 (Financial institution creditors who are the joint creditors under the Loan Rescheduling Agreement). The outstanding principal of Baht 722.6 million will be repaid from cash flow for debt repayment and/or excess cash. The creditor will be paid for 144 monthly instalment payments (the 1st month commencing from the month after the month that the Court approves the Plan). The remaining principal of Baht 3,246 million will be repaid in the 144th month from the new funding and/or refinancing and/or cash flow surplus.



- 3.2.3 Creditor Class 4 (Creditor of guarantee obligations for loan repayment). The outstanding principal of Baht 5,209.4 million will be repaid from cash flow for debt repayment and/or cash flow surplus. The creditor will be paid for 144 monthly instalment payments (the 1<sup>st</sup> month commencing from the month after the month that the Court approves the Plan). The remaining principal of Baht 22,796.9 million will be repaid in the 144th month from the new funding and/or refinancing and/or cash flow surplus.
- 3.2.4 Creditor Class 5 (Suppliers of key raw materials). The outstanding principal of Baht 291.7 million will be repaid from cash flow for debt repayment and/or cash flow surplus. The creditor will be paid for 144 monthly installment payments (the 1st month commencing from the month after the month that the Court approves the Plan). The remaining principal of Baht 1,300.3 million will be repaid in the 144th month from the new funding and/or refinancing and/or cash flow surplus. However, if the creditor in Class 5 have debt payable to the Company, the Plan Administrator must set off the repayment against such debt payable before repaying the installment payment.
- 3.2.5 From the date after the Court ordered the business rehabilitation to the Court's Plan Approval Date, the Creditor Classes 2, 3, 4 and 5 will be entitled to receive interim interest on the outstanding principal. Such interim interest will be accrued and paid in the 144th month. In addition, from the date after the Court's Plan Approval Date until the date the total debt is paid in full, the Creditor Classes 2, 3, 4 and 5 will be entitled to receive new interest at the rate on the principals as follows:
- |                           |                 |
|---------------------------|-----------------|
| 1st Month – 60th Month    | 1.00% per annum |
| 61st Month – 84th Month   | 1.75% per annum |
| 85th Month – 96th Month   | 2.00% per annum |
| 97th Month – 108th Month  | 2.25% per annum |
| 109th Month – 120th Month | 2.50% per annum |
| 121st Month – 144th Month | 2.75% per annum |
- In this regards, the creditor will receive actual interest payment at the rate of 0.1% per annum. The deferred new interest portion, which is the difference between the new interest and the actual interest, will be accrued and paid in the 144th month.
- 3.2.6 The Creditor Classes 2 and 4 will receive partial principal repayment by the Company's ordinary shares. The Creditor Class 3 has the right to receive partial principal repayment by the Company's ordinary shares under the Debt to Equity Conversion No. 1 as stipulated in the Plan.
- 3.2.7 The Creditor Classes 2, 3, 4 and 5 have the right to notify the Company of their intention to receive principal repayments by Company's ordinary shares under the Debt to Equity Conversion No. 2 as stipulated in the Plan.
- 3.2.8 In case the Company executes the Debt to Equity Conversion No. 2, if there are remaining outstanding principals, the interest computed and actually paid from the date after the Debt to Equity Conversion No. 2 date until the date the creditor' principals are fully paid will be MLR% per annum for Creditor Classes 2, 3 and 5, and LIBOR+4.5% per annum for Creditor Class 4.

3.2.9 The creditor Classes 2, 3, 4 and 5 agree to waive the entire amount of outstanding interests of Baht 2,271.1 million, Baht 526.2 million, Baht 1,865.5 million and 172.3 million respectively, as well as the entire interim interests and the deferred new interest portions after their principals have been paid in full as stipulated in the Plan which include the prepayment of debt in full, or have been converted to equity in the Debt to Equity Conversion No. 2 as stipulated in the Plan.

3.2.10 The debt of the Creditor Class 4 is the right to claim on the Company in the capacity of the guarantors of Sahaviriya Steel Industries UK Limited (“SSI UK”). Therefore, in case the creditor in Class 4 receive debt repayment from the liquidation process of SSI UK at whichever amount, their right to receive repayment from the Company as stipulated in the Plan will be decreased at same amount by reducing the installment repayment of the principals of the Creditor Class 4 in inverse order.

### **The Plan No. 2**

Since the Creditor in this class has already received the partial payment as at 28 February 2020, the outstanding principal to the Creditor Class 3,4 and 5 had the amount of Baht 1,603.3 million, Baht 498.5 million, Baht 3,144.6 million and Baht 203.3 million respectively which was received from cash inflows for debt repayment and /or cash flows surplus. Therefore, the substances of the mentioned above No.3.2.1, 3.2.2, 3.2.3, and 3.2.4 are revised to:

“3.2.1 Creditor Class 2 (Financial institution creditors for the portions of debt claims that exceed the appraised value of the collateral). The outstanding principal of Baht 1,603.3 million will be repaid from cash inflows for debt repayment and/or cash flows surplus. The Creditor will received the payment for such debts on a monthly basis through 118 installments, commenced on the last working day of March 2021 and the outstanding principal in the amount of Baht 10,153.4 million will be received the repayment in December 2030 from the new funding and/or refinancing and/or cash flow surplus”.

“3.2.2 Creditor Class 3 (Financial institution creditors who are the joint creditors under the Loan Rescheduling Agreement). The outstanding principal of Baht 498.5 million will be repaid from cash inflows for debt repayment and/or cash flows surplus. The Creditor will received the payment for such debts on a monthly basis through 118 installments, commenced on the last business day of March 2021 and the outstanding principal in the amount of Baht 3,156.7 million will be received the repayment in December 2030 from the new funding and/or refinancing and/or cash flow surplus”.

“3.2.3 Creditor Class 4 ( Creditor of guarantee obligations for loan repayment). The outstanding principal of Baht 3,144.6 million will be repaid from cash inflows for debt repayment and/or cash flows surplus. The Creditor will received the payment for such debts on a monthly basis through 118 installments, commenced on the last business day of March 2021 and the outstanding principal in the amount of Baht 19,901.6 million will be received the repayment in December 2030 from the new funding and/or refinancing and/or cash flow surplus”.

“3.2.4 Creditor Class 5 (Suppliers of key raw materials). The outstanding principal of Baht 203.3 million will be repaid from cash inflows for debt repayment and/or cash flows surplus. The Creditor will received the payment for such debts on a monthly basis through 118 installments, commenced on the last business day of March 2021 and the outstanding principal in the amount of Baht 1,287.4 million will be received the repayment in December 2030 from the new funding and/or refinancing and/or cash flows surplus. However, if the creditor in Class 5 have debt payable to the Company, the Plan Administrator must offset the repayment against such debt payable before repaying the installment payment”.

## **The Plan No. 2**

Since the Creditor Class 2, 3, 4 and 5 has changed the repayment table, therefore, the substances of aforementioned No. 3.2.5 and 3.2.9 are revised to:

“3.2.5 From the date after the Court ordered the business rehabilitation to the Court’s Plan Approval Date, the Creditor Classes 2, 3, 4 and 5 will be entitled to receive interim interest on the outstanding principal. Such interim interest will be accrued and paid in the 168th month. In addition, from the date after the Court’s Plan Approval Date until the date the total debt is paid in full, the Creditor Classes 2, 3, 4 and 5 will be entitled to receive new interest at the rate on the outstanding principals as follows:

1st Month – 60th Month	1.00% per annum
61st Month – 84th Month	1.75% per annum
85th Month – 96th Month	2.00% per annum
97th Month – 108th Month	2.25% per annum
109th Month – 120th Month	2.50% per annum
121st Month – 168th Month	2.75% per annum

In this regards, the creditor will receive actual interest payment at the rate of 0.1% per annum. The deferred new interest portion, which is the difference between the new interest and the actual interest, will be paid in December 2030”.

## **The Plan No. 2**

“3.2.9 The creditor Classes 2, 3, 4 and 5 agree to waive the entire amount of outstanding interests of Baht 2,257.9 million, Baht 523.5 million, Baht 1,662.4 million and 150.3 million accordingly, as well as the entire interim interests and the deferred new interest portions after their principals have been paid in full as stipulated in the Plan which include the prepayment of debt in full, or have been converted to equity in the Debt to Equity Conversion No. 2 as stipulated in the Plan.”

### **3.3 *Creditor Class 6 (Government agencies and authorities)***

3.3.1 The outstanding principal of Baht 177.4 million will be repaid from cash flow for debt repayment. The creditor will be paid for 60 monthly installment payments (the 1st month commencing from the month after the month that the Court approves the Plan).

3.3.2 Any other debt owed to the Creditor Class 6 including the penalty and surcharge of Baht 204.0 million, outstanding interest, defaulted interest, fines, statutory costs, expenses and others incurred from contracts and/or law whose repayments have not been stipulated in this Plan will be immediately waived for the entire amount after the completion of the debt repayment to such Creditor under the Plan.

## **The Plan No. 2**

Since the Creditor Class 6 has already received the partial payment as at 28 February 2020, the outstanding principal in the amount of Baht 63.6 million. Therefore, the substances of aforementioned No. 3.3.1 is revised to:

“3.3.1 The outstanding principal of Creditor Class 6 in the amount of Baht 63.6 million will be repaid from cash inflows for debt repayment. The Creditor will received the payment for such debts on a monthly basis through 22 installments, commenced on the last business day of March 2021”.

“3.3.2 On 31 December 2022, the Company has completed the final installment of the debt repayment to group 6 creditors (the 10<sup>th</sup> creditor). The Company has requested the Revenue Department to issue a certificate of full repayment of the debt in accordance with the rehabilitation plan.

However, the Rehabilitation Plan in Clause 8.2.6 (2) provides that "Any other obligations of group 6 creditors, including additional penalty debts in the amount of Baht 204.0 million, outstanding interest debts, defaulted interest, penalties, costs, expenses and any other money incurred under the contract and/or in legal that do not prescribe the method of repayment in this plan, shall be deemed reduction in full as soon as the debt under the rehabilitation plan is fully paid to such creditors.". Accordingly, the Company does not have any outstanding interest debts, defaulted interest, penalties, costs, other expenses and money incurred under contract to the Revenue Department."

### **3.4 Creditor Class 7 (Related party creditors)**

- 3.4.1 The outstanding principal of Baht 872.6 million will be repaid by the increase in the Company's ordinary shares with the conversion price at Baht 0.05 per share within the last working day of the 84th month (the 1st month commencing from the month after the month that the Court approves the Plan). If, however, within such period of time, any Creditor in Class 7 has not yet received the final judgment of its debt claim, the Plan Administrator must increase the Company's registered ordinary shares in advance to be the reserve shares for the Debt to Equity conversion of the Creditor Class 7 and increase the number of issued and paid-up shares after the final judgment of the debt claim is issued.
- 3.4.2 Any other debt owed to the Creditor Class 7 including the outstanding interest of Baht 0.6 million defaulted interest, fines, penalty, surcharge, statutory costs, expenses and others incurred from contracts and/or law whose repayments have not been stipulated in this Plan will be immediately waived for the entire amount after the completion of the debt repayment to such creditor under the Plan.

The Creditor Class 7 On 1 February 2016, the Company's director, lender under loan agreement amount of Baht 637 million, a loan creditor entered into sell and buy agreement and transferred the right on claiming to Sahaviriya Plate Mill Public Company Limited in the amount of Baht 413.7 million and B.S. Metal Co., Ltd. in the amount of Baht 223.3 million. In 2015 ,Sahaviriya Plate Mill Public Company Limited taken the debt amounts from transfer the right on claiming to offset with trade and other receivables with the Company and resulting to the Company has to record payables with the amount to be repaid to Sahaviriya Plate Mill Public Company Limited amount of Baht 4.3 million and in 2017, B.S. Metal Co., Ltd. taken the debt amount from transfer the right on claiming to offset with trade accounts receivable with the Company in the amount of Baht 223.3 million. Later on, the Company's management withdrew the repayment request. The request was authorized by the official custodian, hence, Sahaviriya Plate Mill Public Company Limited received the repayment of Baht 4.3 million from B.S. Metal Co., Ltd.

#### **The Plan No. 2**

As for the Official Receiver has a final order that this Class of Creditor to receive the debt repayment as at 28 February 2020, the outstanding principal to the Creditor Class 7 amount of Baht 12.3 million. Therefore, the substances of aforementioned No. 3.4.1 is revised to:

- “3.4.1 The outstanding principal of Baht 12.3 million will be repaid by the increase in the Company's ordinary shares with the conversion price at Baht 0.05 per share within the last working day of the 84th month (the 1st month commencing from the month after the month that the Court approves the Plan). If, however, within such period of time, any Creditor in Class 7 has yet received the final judgment of its debt claim, the Plan Administrator must increase the Company's registered ordinary shares in advance to be the reserve shares for the Debt to Equity conversion of the Creditor Class 7 and increase the number of issued and paid-up shares after the final judgment of the debt claim is issued”.

### **3.5 *Creditor Class 8 (Trade creditor)***

The debt owed to the Creditor Class 8 including the outstanding principal of Baht 15.1 million, each creditor will receive the debt settlement from cash inflows for debt settlement in the normal course of business.

### **3.6 *Creditor Class 9 (Creditor under the guarantee agreement)***

- 3.6.1 The debt of the Creditor Class 9 comprises of the outstanding principal of Baht 3,545.5 million and the outstanding interest of Baht 224.8 million. Such debt will be repaid as stipulated in the Plan when the Creditor in Class 9 in the capacity of the joint guarantor pays the principal debt on behalf of SSI UK and the principal debt of such principal creditors as per the Senior Facilities Agreement dated 16 March 2011 (and the subsequent amendments) must be already repaid in full.
- 3.6.2 The right to claim of the Creditor Class 9 will be equal to half of the amount that the Creditor Class 9 in the capacity of the joint guarantor pays to the principal creditors.
- 3.6.3 In case the Creditor Class 9 and the Company in the capacity of the joint guarantors have individually paid the principal debt to the principal creditors in accordance with such joint guarantee agreement, the Plan Administrator must offset the amount before proceeding to the Debt to Equity conversion for the Creditor Class 9.
- 3.6.4 The remaining outstanding principal after the offset will be repaid by the Company's ordinary shares to be newly issued with the conversion price at Baht 0.05 per share within 180 days after the date the Creditor in Class 9 submits evidences of the debt repayment to the Plan Administrator.
- 3.6.5 The Plan Administrator will negotiate with the Creditor Class 9 to make an agreement between the Company and the Creditor to reduce the debt and to waive the right of recourse with one another in order to decrease the debt burden or to waive the debt payment to each other.
- 3.6.6 Any other debt owed to the Creditor Class 9 including the outstanding interest, defaulted interest, fines, penalty, surcharge, statutory costs, expenses and others incurred from contracts and/or law whose repayments have not been stipulated in this Plan will be immediately waived for the entire amount after the completion of the debt repayment to such creditor under the Plan.

The Creditor Class 9 One of the creditor class 9 is the Company management who requested the Company to repay principal and interest, totaling of USD 100 million and USD 6.3 million, respectively. Later on 31 October 2016, the Official Receiver dismissed the stated request. Subsequently, on 19 January 2017, the Board of Directors' meeting of the Company passed the resolution approving the Company to prepare an agreement for a waiver of their right of recourse with one another, in respect to the joint guarantee of the Revolving Facility B Loan of SSI UK. The Company assigned the audit committee to review and agree the agreement details and condition. Details of the agreement had been considered in the Audit Committee's meeting on 27 January 2017 which is considered a related transaction.

### **3.7 Creditor Class 10 (Creditor of contingent liabilities relating to guarantees)**

- 3.7.1 The debt owed to the Creditor Class 10 comprises the outstanding principal of Baht 1,185.0 million which is contingent liability and has not been crystalized under the guarantee by the Company for SSI UK for the damages that the Creditor Class 10 may obtain or be claimed by the third party for environmental damages in relation to the Sale and Purchase Agreement and the delivery of goods per related contracts. Therefore, the Creditor Class 10 will be repaid as stipulated in the Plan only after the final judgment of their debt claims are issued and the third party, such as a governmental agency in England or a person entitled to claim, has demanded the Creditor Class 10 to pay for the damages. After the Creditor in Class 10 has already paid for such damages and submitted trustworthy evidences together with other true concerning documents to prove to the Plan Administrator that it verily pays the damages will the Creditor be paid as stipulated in the Plan.
- 3.7.2 The outstanding principal of Baht 220.4 million will be repaid from cash inflows for debt repayment and/or cash flows surplus. The creditor will be paid for 144 monthly installment payments (the 1st month commencing from the month after the month that the final order to receive the debt repayment). The remaining principal of Baht 964.6 million will be repaid in the 144th month from the new funding and/or refinancing and/or cash flows surplus.
- 3.7.3 From the date after the final judgment of the debt claim is issued and the Creditor Class 10 has already paid for such damages and submitted trustworthy evidences together with other true concerning documents to prove to the Plan Administrator that it verily pays the damages until the date the total debt is paid in full, the Creditor Class 10 will be entitled to receive new interest at the rate on the principal as specified in point 3.2.5. In this regards, the creditor will receive actual interest payment at the rate of 0.1% per annum. The deferred new interest portion which is the difference between the new interest and the actual interest, will be paid in the 144th month.

- 3.7.4 The Creditor Class 10 has the right to notify the Company of its intention to receive principal repayment by Company's ordinary shares under the Debt to Equity Conversion No.2 as stipulated in the Plan. However, if the Company has proceeded the Debt to Equity Conversion No.2 to other creditor before the Creditor Class 10 receives the final judgment and pays for any damages in accordance with the Sale and Purchase Agreement and concerning contracts to such third party, the Plan Administrator has the authority to increase the Company's registered ordinary shares in advance to be the reserve shares for the Debt to Equity conversion of the Creditor Class 10 and will increase the number of issued and paid-up shares after the final judgment of the debt claim is issued and the Creditor has submitted trustworthy evidences together with other true concerning documents to prove to the Plan Administrator that the creditor had verily paid such damages.
- 3.7.5 In case the Creditor Class 10 receives the Company's ordinary shares from the Debt to Equity Conversion, No.2 if there are remaining outstanding principals, the interest computed and actually paid from such date until the date the creditor's principals are fully paid will be LIBOR+4.5% per annum.
- 3.7.6 The Creditor Class 10 agrees to waive the entire amount of outstanding interest after their principals have been paid in full as stipulated in the Plan which includes the prepayment of debt in full, or have been converted to equity in the Debt to Equity Conversion No. 2 as stipulated in the Plan.

One of the creditor class 10 requested the Company to repay debt, totaling of USD 31 million. Subsequently, on 23 April 2018, the Official Receiver ordered the Company to repay this creditor class 10, totaling of USD 31 million, under the condition that the environment damages incurred and conformed to the environment responsibility condition under the trading of integrated still mill and steel trading agreement dated 24 February 2011.

### **The Plan No. 2**

As at 28 February 2020, the outstanding principal to be paid to the Creditor Class 10 in the amount of Baht 985.2 million. Therefore, the substances of aforementioned No. 3.7.1 and 3.7.2 are revised to:

- “3.7.1 The debt owed to the Creditor Class 10 comprises the outstanding principal of Baht 985.2 million which is contingent liability and has not been crystalized under the guarantee by the Company for SSI UK for the damages that the Creditor Class 10 may obtain or be claimed by the third party for environmental damages in relation to the Sale and Purchase Agreement and the delivery of goods per related contracts. Therefore, the Creditor Class 10 will be repaid as stipulated in the Plan only after the final judgment of their debt claims are issued and the third party, such as a governmental agency in England or a person entitled to claim, has demanded the Creditor Class 10 to pay for the damages. After the Creditor in Class 10 has already paid for such damages and submitted trustworthy evidences together with other true concerning documents to prove to the Plan Administrator that it verily pays the damages will the Creditor be paid as stipulated in the Plan.



3.7.2 The outstanding principal of Baht 183.5 million will be repaid from cash inflows for debt repayment and/or cash flows surplus. The creditor will be paid for 168 monthly installment payments, commenced on the last working day of the month after the month that the final order to receive the debt repayment and the outstanding principal in the amount of Baht 801.7 million will be received the repayment in the 144<sup>th</sup> month from the new funding and/or refinancing and/or cash flow surplus”.

**3.8 *Creditor Class 11 (Creditor of fines and/or damages incurred in relation to defaults of contract)***

3.8.1 The outstanding principal of Baht 52.0 million will be repaid from cash inflows for debt repayment and/or cash flows surplus. The creditor will be paid for 144 monthly instalment payments (the 1st month commencing from the month after the month that the final order to receive the debt repayment). The remaining principal of Baht 227.4 million will be repaid in the 144th month from the new funding and/or refinancing and/or cash flows surplus.

3.8.2 From the date after the final judgment of the debt claim is issued until the date the total debt is paid in full, the Creditor Class 11 will be entitled to receive new interest at the rate on the principal as specified in clause 3.2.5. In this regards, the creditor will receive actual interest payment at the rate of 0.1% per annum. The deferred new interest portion which is the difference between the new interest and the actual interest, will be paid in the 144th month.

3.8.3 The Creditor Class 11 has the right to notify the Company of its intention to receive principal repayment by Company’s ordinary shares under the Debt to Equity Conversion No.2 as stipulated in the Plan. However, if the Company has proceeded the Debt to Equity Conversion No.2 to other creditor before the Creditor Class 11 receives the final judgment of its claim, the Plan Administrator has the authority to increase the Company’s registered ordinary shares in advance to be the reserve shares for the Debt to Equity conversion of the Creditor Class 11 and will increase the number of issued and paid-up shares after the final judgment of the debt claim.

3.8.4 In case the Creditor Class 11 receives the Company’s ordinary shares from the Debt to Equity Conversion No 2., if there are remaining outstanding principals, the interest computed and actually paid from such date until the date the creditor’ principals are fully paid will be MLR% per annum.

3.8.5 The Creditor Class 11 agrees to waive the entire amount of outstanding interest after their principals have been paid in full as stipulated in the Plan which includes the prepayment of debt in full, or have been converted to equity in the Debt to Equity Conversion No. 2 as stipulated in the Plan.

As at 28 September 2016, one of the creditor class 11 filed a wrongful dismissal claim of Official Receiver, total amount of Baht 279 million to the Central Bankruptcy Court. Subsequently on 8 March 2017, this creditor class 11 withdrew such claim.

## **The Plan No. 2**

The debt owed to the Creditor Class 11 comprise a creditor which had the outstanding principal amount of Baht 279.4 million. Subsequent, the Official Receiver has a final order to dismiss the request to receive the repayment of this creditor in total amount. As a result, there is no creditor to have a right to receive the repayment in this class.

The Company has not recorded liabilities since the management considered that there is uncertainty and possibly in loss of economic benefit for such debts settlement.

### ***3.9 Creditor Class 12 (creditor of professional fees under consultant agreements)***

3.9.1 The outstanding principal of Baht 188.0 million will be repaid from cash inflows for debt repayment and/or cash flows surplus. The creditor will be paid for 144 monthly installment payments (the 1st month commencing from the month after the month that the Court approves the Plan). However, the Company will repay the debt to any Creditor in Class 12 only after the Creditor has already obtained the final judgment of its debt claim.

3.9.2 The outstanding principal of Baht 776.0 million will be repaid by the increase in the Company's ordinary shares with the conversion price at Baht 0.05 per share within the last working day of the 84th month (the 1st month commencing from the month after the month that the Court approves the Plan). If, however, within such period of time, any Creditor in Class 12 has not yet received the final judgment of its debt claim, the Plan Administrator must increase the Company's registered ordinary shares in advance to be the reserve shares for the Debt to Equity conversion of the Creditor Class 12 and increase the number of issued and paid-up shares after the final judgment of the debt claim is issued.

3.9.3 The remaining outstanding principal of Baht 963.9 million including the outstanding interest of Baht 21.3 million, defaulted interest, fines, penalty, surcharge, statutory costs, expenses and others incurred from contracts and/or law whose repayments have not been stipulated in this Plan will be immediately waived for the entire amount after the completion of the debt repayment to such creditor under the Plan.

One of the creditors in the Creditor class 12 of rehabilitation plan who filed the application for repayment of debts, as at 25 March 2019 there is the order of the Official Receiver to dismiss the application for receiving debt settlement of such creditor. Subsequently, such creditor filed request for disputation of which Central Bankruptcy Court has affirmed in accordance with the Official Receiver's order on 28 October 2020. Later on 7 April 2021, such creditor filed the appeal against in the Court. On 26 October 2021, the Court has affirmed the order of the Official Receiver and on 7 December 2021, the Court issued a letter for certify that the case is come to an end.

### **3.10 Creditor Class 13 (Issuers of bank guarantees)**

The Creditor in this Class is the Creditor who issued letter of guarantees to the Company to guarantee for the Company's debt. This Creditor will not be affected by the debt restructuring under this Plan because the obligation as per the letter of guarantees has not yet been due. Nonetheless, the Creditor will receive the payments for fees and other expenses in relation to the original contracts and agreements.

## **4. Collection from related company receivables**

B.S. Metal Co., Ltd. and Sahaviriya Panich Corporation Co., Ltd. have the outstanding debt with the Company and the collection from both receivables is the part of cash flows to be taken to settle to creditors under rehabilitation plan. Therefore, during the performance in accordance with the rehabilitation plan, the Company dealt with B.S Metal Co., Ltd., Sahaviriya Panich Corporation Co., Ltd. and related companies on the basis and methodology as follow:

- 4.1 If both receivables still deal with the Company that the Company gradually reduced the outstanding current trade accounts to both receivable. In the goods purchasing order from the Company that new goods will be delivered not exceed 95 per cent of the amount payment in that period and the Company has to take total receipt of the goods payment to settle the existing debt.
- 4.2 As per No. 4.1, both receivable have to settle the existing debts or goods ordered in each time by cash payment before the date of goods delivery.
- 4.3 The Company has to follow up the debt settlement from both receivables by computing the amounts between new goods valuation and goods price to be settled for the existing debt or the amounts which the receivable gradually settled debt ( if there is no trading).
- 4.4 Amounts of debt settlement which both receivable computed as per No. 4.3 not less than the amount of Baht 300 million per annum and both receivables have to make total outstanding debt settlement (the existing and new debt) to the Company within 7 years from 2017 onwards. In 2019, all outstanding debt is not exceeding than Baht 2,640 million and at the end of 2021 the outstanding debt balance (the existing and new debt) will not exceed than Baht 1,760 million.
- 4.5 If the receivables do not make payment as time determined in No. 4.2, the goods delivery to received is suspended.
- 4.6 If the Company is unable to collect the outstanding debt from B.S. Metal Co., Ltd. and Sahaviriya Panich Corporation Co., Ltd. as determined in No. 4.4 above and the Creditors Committee informed the Company by notice for such defaulting and caused to be the default as determined in the rehabilitation plan.

## **The Plan No. 2**

Add the requirement for the collection from related party debtors is as follows:

“4.7 From the date of the Court’s ordered to approve the revised rehabilitation plan, the Company has to present the guidelines for the repayment of both debtors and the solution of the troubles arising with those two debtors which are other than the stipulated in No. 9.1 (Rehabilitation Plan) above to the Creditors Committee for consideration and approval. The guideline should be thought about the benefits of the Company However, the Company shall offer another solution to resolve the troubles until the approval is made by the Creditors Committee if the Company’s solution is not satisfactory by the Creditors Committee.

### **5. Excess cash flows**

The Company's excess cash flows derived from the following allocations:

For every end of the 6-month calendar year, in the event that the sum of (1) EBITDA occurs and (2) the amount reclaimed by the Company from the reduction of B.S. Metal Co., Ltd. and Sahaviriya Panich Corporation Co., Ltd. in accordance with the criteria specified in the calculated plan have higher than profit before depreciation, interest and taxes and refund amount from debt reduction of B.S. Metal Co., Ltd. and Sahaviriya Panich Corporation Co., Ltd. assume that the total amount (1) and (2) exceeds the sum of profit before depreciation, interest and taxes, and the amount of return on debt reduction of B.S. Metal Co., Ltd. and Sahaviriya Panich Corporation Co., Ltd. are excess cash flows.

## **The Plan No. 2**

The allocation methodology of cash flows according to the revised Plan is calculated from 2 ways excess cash flows as follows:

- (1) 1st way: Bring (a) the result of actual EBITDA, less actual investment expenses (CAPEX), and exclude income from reversal of allowance for doubtful accounts. B.S. Co., Ltd. Metal Co., Ltd. and Sahaviriya Panich Corporation Co., Ltd. deducted (b) EBITDA as specified in attachment to the Plan No. 1. 2, less investment expenses (CAPEX) as specified in the attachment to the Plan No. 1.2, which is defined annually, thus calculating the 6-month periods compared to 50% of the figures in each year.
- (2) 2nd way, if the Company receives a refund from the debts reduction of B.S. Metal Co., Ltd. and Sahaviriya Panich Corporation Co., Ltd. are calculated in accordance with the criteria set out in the revised Plan as actually incurred.

Therefore, total amount calculated from clauses (1) and (2) above in each period is combined to form excess cash flows for the period and allocated as planned. For excess cash flows calculated in 2020, the Plan Administrator must not take to allocate the debts settlement.

## **6. Excess cash flows allocation methodology**

Excess cash flows were taken to allocate the debts settlement as follows:

- (1) 85% of the principal debts of class 1 creditors in proportion to the outstanding principal debt of each creditor in that class (Pro rate) are granted to reduce interim interest payable and suspended interest at 50% of the interim interest payable and suspended interest obligations based on the proportion of principal repayment from excess cash flows compared with the outstanding principal as at the date of the Court order for rehabilitation (10 March 2016).
- (2) 15% was settled for the principal of class 2 creditors, class 3, class 4, class 5, class 10, class 11 based on the proportionate of outstanding principal of each class of creditors, and each creditor in that class (Pro rate) before maturity, the Company is granted to reduce the outstanding interest payable and suspended interest obligations as planned based on the proportion of principal that the Company repays from excess cash flows compared with the outstanding principal as at the date of the Court order for rehabilitation (10 March 2016).

### **The Plan No. 2**

- (1) In 2021, the Company was able to reserve excess cash flows to support the Company's operations in total but not exceeding Baht 662 million. If this number is exceeded, the excess amount will be allocated in accordance with clause (3).
- (2) In 2022 and 2023, the Company was able to reserve excess cash flows to support the Company's operations, but when combined with the excess cash flows already reserved in accordance with Clause (1), not exceeding Baht 1,000 million. If this number is exceeded, excess amount will be allocated in accordance with clause (3).
- (3) In excess of the allocations in clauses (1) and (2) above, and from the year 2024 onwards, they should be allocated as follows:

- 3.1 15% is excess cash flows reserved for debts settlement that the Plan Administrator must deposit in the bank account with the objective of preserving the repayment of principal and interest payments according to the repayment period or as excess cash flows to pay off the debt further early to maintain this amount. The Company can set aside funds from excess cash flows to reserve repayments in excess of the principal and interest that the Company must pay to all creditors for an average of 3 periods, by calculating from the principal and interest payable of the calendar year following the year when the excess cash flows reserved exceeded that limit. However, if the Company encountered the financial trouble, it is necessary to use the excess cash flows deposited in the bank account to pay off principal and interest payments. This is a monthly installment in the order in which the payment is matured, or if the intention is to use excess cash flows to pay off the debt further early or use the funds in any other cases. The Company shall consider the necessary grounds and present the details to the Creditors Committee for consideration and approval.
- 3.2 85% will be allocated the debts settlement according to the proportion specified in the Plan as follows:
- 3.2.1 85% will be settled the principal of class 1 creditors as a proportion of the outstanding principal of each creditor in that class (Pro rate) before maturity. The Company will receive a reduction in interim interest payable and suspended interest at the rate of 50% of the interim interest payable and suspended interest obligations as defined in the Plan in proportion to the principal repayment of excess cash flows and outstanding principal as at the date of the Court order for rehabilitation.
- 3.2.2 15% was settled for the principal of class 2 creditors, class 3, class 4, class 5, class 10, class 11 based on the proportionate of outstanding principal of each class of creditors, and each creditor in that class (Pro rate) before maturity.

The Plan Administrator will prematurely repay the excess cash flow within 15 days after submitting the report of excess cash flows by deducting the debt as approved by the Creditors Committee, unless in the event of business reasons and necessities, and maintaining excess cash flows for the benefit and necessity of the Company's business operations, as well as to support the expansion of the business or its potential impact on the Company. In the event of fluctuations in steel prices or events affecting the Company's business operations in the near future, or in the event of a profit from steel stocked. If the Plan Administrator deems that the funds should not be paid early, the Plan Administrator should discuss with the Creditors Committee for approval that all or part of the excess cash flows do not bring to pay the debt early or to be calculated in the next period, and then consider whether to repay all or part of the debt or calculate it against the excess cash flows in the next period. The Company shall prepare a semi-yearly budget (at least) as well as clarify the reasons and necessary to use excess cash flows in the entity working capital.

## **7. The success of the Plan**

- 7.1 The Company has repaid the outstanding principal to every Creditor as stipulated in the Plan in the amount not less than 25% of the outstanding principal that the Company has to pay under the Plan, and
- 7.2 The Company has secured new funding from an investor(s) to repay debt such that the shareholders' equity of the Company becomes positive, or
- 7.3 Debt to equity conversion in accordance with the Rehabilitation Plan has been executed such that the shareholders' equity of the Company becomes positive.

### **The Plan No. 2**

Revise No. 5.1 above by revising to

- “7.1 The Company has made repayment for the outstanding principals to all creditors in accordance with the rehabilitation plan including the case of creditors who received the repayment by conversion debts to equity No.1 and No.2 in the total amount not less than 25% of the outstanding principals to be repaid under the Plan and”

### **Applications for revising the Plan No.2**

Cancel the original substance in clause 17.1, page 74 of the plan, and use the following substance instead "The rehabilitation plan has a six-year implementation period from the date of the Court ordered to approve the plan. In the event that the implementation of this plan is not fulfilled in accordance with Article 17.2 of the plan, within 6 years, the plan administrator is able to proceed for revising the plan by requesting for extension the procedures period according to the methodology as stipulated in the Bankruptcy Act."

## **8. Repayment for the Classes of Creditors**

### **Applications for revising the Plan No.2**

Additional the following substance is the last paragraph of clause 8.2.4, page 48 of the plan.

" However, after the Court's approval of the applications for revising the plan No. 2, entitle three creditors of class 4, and the plan administrator agreed to convert debt in foreign currencies both principal and interest into Thai Baht by determining conversion date and the reference date of exchange rate for converting foreign currency debt to both principal and interest into Thai Baht. This can define the conversion of either or partial amounts of debt in the same proportion of all Class 4 creditors and exchange rate references to use foreign exchange rates according to the average selling rate of that currency as announced by the Bank of Thailand on the date that the three creditors of Class 4 and the plan administrator further determined. Reference exchange rate must be used after the day of the Court ordered to approve the applications for revising the plan No.2. The Class 4 creditors will continue to receive the existing amount and determination according to attachment No. 7 of the plan."

## 9. Definition

### **Applications for revising the Plan No.2**

Additional definition in Article 1.1: "Applications for revising the Plan No.2" appended to the definition of "Final Order to Receive Debt Payment" in Page 1 of the Plan Includes the following substance:

" Applications for revising the Plan No.2: proposal for revising of the plan administrator according to the applications dated 3 September 2021, which is the application that the plan administrator requested to extend the implementation period from 5 years to 6 years, as well as amendments to other issues and requests for revising such application (if any)."

### ***The Progressive in operation under the business rehabilitation for the year ended 31 December 2022 and 2021***

For the year ended 31 December 2022, the Company repaid the debt to creditors under the rehabilitation plan, principal of Baht 1,355.2 million, excess cash flows of Baht 568.4 million and interest amounting to Baht 65.7 million totally Baht 1,989.3 million.

For the year ended 31 December 2021, the Company repaid the debt to creditors under the rehabilitation plan, principal of Baht 157.6 million, excess cash flows of Baht 300 million and interest amounting to Baht 68.2 million totally Baht 525.8 million.

Class 4 creditors will be entitled to receive amount from the sale of collateral assets from liquidation process of Sahaviriya Steel Industries UK Co., Ltd., liquidator of Sahaviriya Steel Industries UK Co., Ltd., has sold the collateral assets and has paid the amount to class 4 creditors in total. The rehabilitation plan required such amount to reduce the principal installment in the last installment in respective upward. In 2021, the Company received evidence of debt reduction from class 4 creditors, reducing the Company's legal debt obligations due to the amount paid to creditors of USD 18.8 million equivalents to Baht 586.3 million The Company recognizes the reduction in obligation guarantee from the liquidation process of the debtor in full in the income statement.

The liquidation process is currently not completed. Hence the debt obligation from environmental guarantee of USD 31 million is remained for which the Company does not record such debt obligations as debts under the rehabilitation plan. The disclosure is stated in note 34.



### *Collection from related company receivables*

According to the rehabilitation plan, the Company must track the debts of B.S. Metal Co., Ltd. and Sahaviriya Commercial Corporation Co., Ltd., required to collect from the debtors at least Baht 300 million per annum, and both debtors must repay all outstanding debts (both existing and new debts) to the Company to be completed within 7 years from the year 2017 onwards. By the end of 2020, the remaining amount (both existing and new debts) will not exceed Baht 2,640 million, and by the end of 2021, the remaining amount (both existing and new debts) will be not exceeding Baht 1,760 million and the Company has proposed guidelines, repayment of debts and solutions to such debtors to the Creditors Committee for approval.

As at 31 December 2022 and 2021, the debts of two debtors amounted to Baht 3,215.8 million and Baht 3,365.6 million, respectively. The Company has received the settlement for year 2021 total amount of Baht 149.8 million. The Company has reversed allowance for expected credit losses in full. The receiving of debts repayment and outstanding debts do not meet the requirements of the rehabilitation plan. The incident is not considered a default because the Creditors Committee has not issued a notice of default. Currently, the Company is monitoring the debt, and the Company proposes the repayment guidelines for the outstanding debts of both debtors and the resolutions to both receivables to the Creditors Committee for approval which is currently under consideration by the Creditors Committee.

### **28. Other non-current provisions**

An indirect subsidiary in England has demolition estimates for the port that may be incurred. If the lease is not renewed, the port lease will expire in 2033.

## 29. Share capital

Movements of share capital for the year ended 31 December 2022 and 2021 are as follows:

	Par value per share (in Baht)	2022		2021	
		Number	Amount	Number	Amount
		<i>Thousand</i>	<i>Thousand</i>	<i>Thousand</i>	<i>Thousand</i>
		<i>shares</i>	<i>Baht</i>	<i>shares</i>	<i>Baht</i>
<b><i>Authorized</i></b>					
<b>ordinary shares</b>					
As at 1 January	1	11,113,018	11,113,018	11,113,018	11,113,018
- unchanged		-	-	-	-
<b>As at 31 December</b>	<b>1</b>	<b>11,113,018</b>	<b>11,113,018</b>	<b>11,113,018</b>	<b>11,113,018</b>
 <b><i>Issued and paid-up</i></b>					
<b>ordinary shares</b>					
As at 1 January		11,113,018	11,113,018	11,113,018	11,113,018
- unchanged		-	-	-	-
<b>As at 31 December</b>	<b>1</b>	<b>11,113,018</b>	<b>11,113,018</b>	<b>11,113,018</b>	<b>11,113,018</b>

## 30. Segment information

The Group has three reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

### Segment

Segment 1	Manufacture of hot rolled coils
Segment 2	Maintenance services
Segment 3	Deep-sea port services
Segment 4	Investment Business

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

**Information about reportable segments**

Information about segment income and profit (loss) for the year ended 31 December 2022 and 2021 are as follows:

Unit : Thousand Baht

	<b>Manufacture</b>		<b>Maintenance services</b>		<b>Deep-sea port services</b>		<b>Investment</b>		<b>Elimination</b>		<b>Total segment</b>	
	<b>of hot rolled coils</b>											
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
External revenue	33,201,644	34,737,089	341,848	371,804	389,794	204,572	-	-	-	-	33,933,286	35,313,465
Inter-segment revenue	275	3,866	388,579	265,434	56,342	64,151	-	-	(445,196)	(333,451)	-	-
Segment profit (loss) before income tax	(2,717,235)	(630,603)	10,901	(28,108)	64,037	102,875	(16,085)	-	(235,778)	75,697	(2,894,160)	(480,139)
Reportable segment assets as at 31 December	21,480,153	22,042,973	434,943	359,299	2,576,743	1,195,715	1,019,190	-	(2,566,249)	(319,352)	22,944,780	23,278,635
Reportable segment liabilities as at 31 December	40,319,625	38,152,545	282,338	196,134	548,338	79,968	518,125	-	(625,656)	(78,530)	41,042,770	38,350,117

### ***Geographical segments***

- Segment 1 - is managed and operates manufacturing facilities and sales offices in Thailand  
Segment 2 and 3 - operate principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

### ***Geographical information***

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
<b>Income</b>				
Domestic	33,149,245	34,681,021	32,641,354	34,116,156
Overseas	784,041	632,444	560,565	624,799
<b>Total</b>	<b>33,933,286</b>	<b>35,313,465</b>	<b>33,201,919</b>	<b>34,740,955</b>

### ***Major customer***

For the year ended 31 December 2022, Revenues from 1 customers of the Group's segment 1 represent approximately Baht 6,001 million (2021: 2 customers Baht 11,885 million).

### 31. Expenses by nature

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
Changes in inventories of finished goods and work in progress	239,269	(2,005,779)	231,792	(2,031,188)
Raw materials and consumables used	30,875,983	30,901,259	30,575,755	30,656,854
Employee benefit expenses	1,262,926	1,234,941	915,957	941,906
Fuel oil and electrical expenses	650,564	651,048	641,729	643,043
Depreciation and amortization	854,390	750,582	751,122	642,988
Maintenance expenses	361,247	229,304	267,790	219,662
Transportation expenses	484,833	476,152	484,833	476,152
Professional fee	105,213	182,422	105,213	161,591
Minimum lease payments recognised as an operating lease expenses	16,230	13,826	16,230	13,826
(Reversed) Credit loss	(143,820)	17,879	(143,820)	17,817
Advertising and public relation expenses	9,523	7,008	9,523	7,008
Loss on devaluation of inventories (reversal)	44,045	460,190	44,045	460,190
(Reversed) Loss on onerous contracts	(70,395)	92,700	(70,395)	92,700

### 32. Income tax

#### *Income tax recognised in profit or loss*

Unit : Thousand Baht

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
<b>Current income tax</b>				
Current year	11,918	(21,743)	-	-
<b>Deferred tax expense</b>				
Movements in temporary differences	(4,994)	5,322	10	(1,062)
<b>Total tax (expense) income</b>	<b>6,924</b>	<b>(16,421)</b>	<b>10</b>	<b>(1,062)</b>

#### *Reconciliation of effective tax rate*

Unit : Thousand Baht

	<b>Consolidated financial statements</b>			
	2022		2021	
	Tax rate	Amount	Tax rate	Amount
	(%)		(%)	
Gain (loss) before income tax		<b>(2,894,160)</b>		<b>(480,139)</b>
Income tax using the Thai corporation tax rate	20	(578,832)	20	(96,028)
Expenses that accounting base differ tax base		585,756		79,607
<b>Total</b>		<b>6,924</b>		<b>(16,421)</b>

Unit : Thousand Baht

<b>Separate financial statements</b>			
2022		2021	
Tax rate	Amount	Tax rate	Amount
(%)		(%)	
	<b><u>(2,717,235)</u></b>		<b><u>(630,603)</u></b>
Income tax using the Thai corporation tax rate	20 (543,447)	20	(126,121)
Expenses that accounting base differ tax base	<u>543,457</u>		<u>125,059</u>
<b>Total</b>	<b><u><u>10</u></u></b>		<b><u><u>(1,062)</u></u></b>

Income tax recognition depends on the best estimates of the management in respect of the weighted average of tax rate for the year which expected for the year, using revenues before interim income tax, effective rate of the Group. The Company has the effects from these factors as following:

- Taxable losses and temporary differences incurred during the year which deferred tax assets were not recorded since the management deems that there is no direction to utilize the future taxable profit.
- Certain net profit of the Group incurred from the promoted business activities that net profit of such activities were exempted from income tax.
- Losses of some subsidiaries of the Group cannot be offset with profit of other subsidiaries in income tax calculation.

### 33. Earnings (loss) per share

#### *Basic earnings (loss) per share*

The calculations of basic earnings (loss) per share for the year were based on the profit for the year attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the year.





As at 31 December 2022, the Group had the minimum amount to be paid in the future under the lease as follows:

	Unit: Million Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
<i><b>Non-cancellable operating lease</b></i>				
<i><b>commitments</b></i>				
Within one year	0.46	0.56	-	0.21
After one year but within five years	0.07	0.14	-	-
<b>Total</b>	<b>0.53</b>	<b>0.70</b>	<b>-</b>	<b>0.21</b>
<i><b>Other commitments</b></i>				
Raw materials purchases	2,793	4,721	2,793	4,721
Letter of credit	12	32	-	-
Other agreements	594	636	643	664
<b>Total</b>	<b>3,399</b>	<b>5,389</b>	<b>3,436</b>	<b>5,385</b>

As at 31 December 2022, the Group had other commitments in relation to purchase spare parts and equipment supplies, and to obtain maintenance services amounting to Baht 287.7 million, USD 4.1 million, EUR 3.0 million, GBP 0.4 million and JPY 13.5 million (31 December 2021: Baht 341.4 million, USD 3.3 million, EUR 3.9 million, GBP 0.6 million and JPY 11.1 million).

As at 31 December 2022, the Company had other commitments in relation to purchase spare parts and equipment supplies, and to obtain maintenance services amounting to Baht 366.1 million, USD 4.1 million, EUR 3.0 million, GBP 0.4 million and JPY 13.5 million (31 December 2021: Baht 370.1 million, USD 3.3 million, EUR 3.9 million, GBP 0.6 million and JPY 11.1 million).

### *Contingent liabilities*

- a) As at 31 December 2022 and 2021, the Group was liable to banks in respect to the following guarantees:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Electricity supply	107	107	105	104
Performance guarantees	62	80	40	49
Others	11	11	-	-
<b>Total</b>	<b>180</b>	<b>198</b>	<b>145</b>	<b>153</b>

As at 31 December 2022 and 2021, the Group had outstanding bank guarantees issued by banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of the business. These included letters of guarantee for:

- To the Customs Department in respect of the establishment of a wharf and go-downs amounting to Baht 11 million (*31 December 2021: amount of Baht 11 million*),
- The contractual performance amounting to Baht 62 million (*31 December 2021: amount of Baht 80 million*),
- Electricity usage amount of Baht 107 million (*31 December 2021: amount of Baht 107 million*).

- b) As at 31 December 2022, the Company has contingent liabilities from guarantee contracts and damages under agreement in the amount of USD 31 million with the condition that the environment damages incurred and conformed to the environment responsibility condition under the trading of integrated still mill and steel trading agreement dated 24 February 2011.

## *Dispute*

### **Land in Prachuabkirikhan**

- a) On 9 July 2010, the Prachuabkirikhan Provincial Land Office, Bangsaphan Branch (“the Land Office”) ordered the Company and a subsidiary to submit the Certificates of Utilization (Nor. Sor. 3 Kor) (“the Certificates”) for various plots of land, with an aggregate value of Baht 123.1 million for the Company and Baht 187.6 million for the subsidiary, for cancellation. Later, the Land Office announced that it was issuing replacement certificates for the Certificates (Nor. Sor. 3 Kor). The Company and the subsidiary filed a lawsuit against the officers of the Land Office with the Central Administrative Court “CAC”, petitioning the CAC to order the cancellation of the announcement of the Company and the subsidiary. The Company and the subsidiary also petitioned the CAC to identify measures to provide them with temporary relief. The Court accepted the lawsuit for consideration.

On 1 September 2010, the Company and the subsidiary filed a lawsuit against the Director-General of the Department of Lands and the Deputy Permanent Secretary of the Ministry of Interior with the CAC, petitioning the court to order the revocation of the order of the Director-General of the Department of Lands issued on 5 January 2010, which ordered the revocation and re-drawing up the area under the Certificates, and the withdrawal of the appeal decision of the Deputy Permanent Secretary of the Ministry of Interior. Also, the Company and the subsidiary requested the court to suspend the execution of a sentence of the CAC. On 6 August 2013, the Central Administrative Court ordered to stay the execution ordering the Company and its subsidiary to vacate from the National Forest and to undertake no activities on that land. Subsequent on 23 December 2014, the CAC reversed the ordering to relieve the execution which ordered the Company and its subsidiary to vacate from the National Forest.

In addition, the Court ordered to try this case together with the case in which the Company and subsidiary filed a lawsuit against the abovementioned officer of Land Department. Prachuap Kiri Khan Province, Bang Saphan Branch.

On 29 August 2017, the Central Administrative Court has dismissed the case, subsequent on 27 September 2017, the Company and subsidiary filed the appeal to protest the judgment to the Administrative Supreme Court.

At the present, the plaint is still pending the Court’s trial.

- b) On 20 December 2010, the Bangsaphan Sheriff, as the official responsible for the oversight and care of the National Forest, Klong Mae-Rumphueng forest, Prachuabkirikhan province (“the Forest”), issued a written order for the Company and the subsidiary to vacate the land for which the Director-General of the Department of Lands ordered revocation of the Certificates and for which the Land Office issued replacement certificates for the Certificates within 30 January 2011.

On 30 March 2011, the Company and the subsidiary filed a lawsuit petitioning the CAC to order the cancellation of written order of the Bangsaphan Sheriff on 20 December 2010, for the Company and the subsidiary to vacate from the Forest and to undertake no activities on that land.

On 20 February 2018, the Central Administrative Court has judged to dismiss the aforementioned lawsuit, subsequent on 19 March 2018, the Company and subsidiary filed the appeal to dispute the judgment to the Central Administrative Court.

At the present, the plaint is still pending the Court’s trial.

However, the Management of the Company and subsidiaries believes that the results of trial will not be affected to the future operation of the Company and subsidiaries. In the preparation of financial statement, the Company and subsidiaries have fully recorded provision for impairment of land and asset structured on such land in the year 2007 and 2008 respectively.

### **35. Financial instruments**

#### ***Financial risk management policies***

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group’s risk management process to ensure that an appropriate balance between risk and control is achieved.

### ***Capital management***

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result for operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

### ***Interest rate risk***

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings (Note 21 and 27). The Group mitigates this risk by ensuring that the majority of its borrowings are at fixed interest rates.

For liabilities under Rehabilitation Plan, interest as stipulated in the Plan. Portion of interest would be waived if the Company can comply with certain condition.

The effective interest rates of interest-bearing financial liabilities as at 31 December 2022 and the periods in which those liabilities mature or re-price were as follows:

Unit : Thousand Baht

<b>Consolidated financial statements as at 31 December 2022</b>						
Particular	Notes	Floating interest based on market rate	Fixed interest rate	Non-interest bearing	Total	Interest rate
<b><u>Financial assets</u></b>						
Cash and cash equivalents	7	551,620	95	690	552,405	0.05% - 0.60%
Trade accounts receivable	8	-	-	228,522	228,522	-
Other current receivables from related parties		-	-	30,900	30,900	-
- Other receivables						
Current contract assets	9.1	-	-	56,869	56,869	-
Other non-current financial assets	12	60,323	2,078	-	62,401	0.30% - 0.35%
<b><u>Financial liabilities</u></b>						
Short-term borrowings from financial institutions	21	62,069	-	-	62,069	MLR-0.75
Trade accounts payable	22	-	-	4,929,563	4,929,563	-
Other current payables to related parties	6	-	-	29,516	29,516	-
Other current payables	23	-	-	392,024	392,024	-
Current portion of long-term borrowing	25	-	402	-	402	2.50%
Current portion of liabilities under rehabilitation plan	27	652,534	706,525	-	1,359,059	MLR and 1.75%
Current portion of lease liabilities	18.2	-	35,413	-	35,413	4.50% - 6.87%
Short-term borrowings from related parties	6	1,519,921	-	-	1,519,921	MLR+1
Other current financial liabilities	24	-	-	18,323	18,323	-
Long-term borrowings from financial institutions	25	-	12,600	-	12,600	2.50%
Liabilities under rehabilitation plan	27	4,171,218	26,933,275	-	31,104,493	MLR and 1.75%
Lease liabilities	18.2	-	105,518	-	105,518	4.50% - 6.87%

## Separate financial statements as at 31 December 2022

Particular	Notes	Floating interest based on market rate	Fixed interest rate	Non-interest bearing	Total	Interest rate
<b>Financial assets</b>						
Cash and cash equivalents	7	431,852	-	600	432,452	0.15% - 0.325%
Trade accounts receivable	8	-	-	105,582	105,582	-
Other current receivables from related parties						
– Other receivable	6	-	-	41,389	41,389	-
Short-term loans from related parties	6	24,736	-	-	24,736	MLR+1
Current portion of long-term loans	16	13,075	-	-	13,075	MLR+1
Other non-current financial assets	12	60,215	-	-	60,215	0.30% - 0.325%
Long-term loans	16	497,158	-	-	497,158	MLR+1
<b>Financial liabilities</b>						
Trade accounts payable	22	-	-	4,886,830	4,886,830	-
Other current payables to related parties	6	-	-	15,248	15,248	-
Other current payables	23	-	-	189,982	189,982	-
Current portion of liabilities						
Under rehabilitation plan	27	652,534	706,453	72	1,359,059	MLR and 1.75%
Current portion of lease liabilities	18.2	-	25,755	-	25,755	5.40% - 6.15%
Short-term borrowings from related parties	6	1,519,921	-	-	1,519,921	MLR+1
Other current financial liabilities	24	-	-	17,398	17,398	-
Liabilities under rehabilitation plan	27	4,171,218	26,918,904	22,362	31,112,484	MLR and 1.75%
Lease liabilities	18.2	-	92,654	-	92,654	5.40% - 6.15%

**Foreign currency risk**

The Group is exposed to foreign currency risk relating to purchases which are denominated in foreign currencies. The Group primarily utilised forward exchange contracts with maturities of less than one year to hedge such financial liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases, denominated in foreign currencies, for the subsequent year.

Aa at 31 December 2022 and 2021, the Group and Company were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2022	2021	2022	2021
Unit : Thousand Baht				
<b><i>US Dollars</i></b>				
Cash and cash equivalents	804	6,058	804	6,058
Trade accounts payable	(4,100,350)	(4,253,247)	(4,100,350)	(4,252,012)
Provisions under guarantee agreement and others	(24,025,134)	(23,663,341)	(24,025,134)	(23,663,341)
Other current liabilities	(6,481)	(1,402)	(6,481)	(1,402)
<b>Total</b>	<b>(28,131,161)</b>	<b>(27,911,932)</b>	<b>(28,131,161)</b>	<b>(27,910,697)</b>
<b><i>Pound Sterling</i></b>				
Trade accounts receivable	425	-	-	-
Short term loans	37,811	52,748	37,811	52,748
Other current liabilities	(10,148)	(15,158)	(10,148)	(15,158)
<b>Total</b>	<b>28,088</b>	<b>37,590</b>	<b>27,663</b>	<b>37,590</b>
<b><i>Euro</i></b>				
Cash and cash equivalents	255	262	255	262
Trade accounts receivable	702	97	-	-
Trade accounts payable	(11,468)	(176,141)	(11,468)	(176,141)
Other current payables	(9,222)	(1,565)	(9,222)	(1,565)
<b>Total</b>	<b>(19,733)</b>	<b>(177,347)</b>	<b>(20,435)</b>	<b>(177,444)</b>
<b><i>Yen</i></b>				
Trade accounts payable	(396)	(311)	(372)	(283)
<b>Total</b>	<b>(396)</b>	<b>(311)</b>	<b>(372)</b>	<b>(283)</b>



The Company has derivatives instruments by entering into forward foreign exchange contracts as at 31 December 2022 as follows:

Unit : Thousand Baht

<b>Consolidated financial statements</b>			
Currency	Purchased amount	Exchange rate under contract	Maturity date
		of the purchased amount (Baht/foreign currency)	
US Dollar	10,016	32.90 - 37.45	9 January 2023 - 28 April 2023
Euro	820	36.15 - 37.62	31 January 2023 - 31 July 2023

Unit : Thousand Baht

<b>Separate financial statements</b>			
Currency	Purchased amount	Exchange rate under contract	Maturity date
		of the purchased amount (Baht/foreign currency)	
US Dollar	8,896	34.40 – 37.45	9 January 2023 - 23 March 2023

*Analysis the impacts of changes in exchange rate*

The Group has not materially affected pre-tax profits due to changes in the fair value of currency assets and liabilities that may arise from changes in the exchange rate of assets and liabilities denominated in foreign currency.

***Credit risk***

The Group exposed to credit risks associated with trade and other receivables, bank deposits and other financial instruments. The maximum amount the Group may lose from lending is the book value shown in the statement of financial position, except derivatives.

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. However, due to the large number of parties comprising the Group's customer base, Management does not anticipate material losses from its debt collection.

***Liquidity risk***

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

As at 31 December 2022, the Group has approximately 8.70% of its liabilities due within a year compared to the book value of liabilities presented in the financial statements (The Company :8.52%). The Group assessed the concentration of risks relating to borrowings for settle the existing debts and concluded that such risk is low The Group has sufficient access to various of funding sources.

Details of maturities of non-derivative financial liabilities of the Group as at 31 December 2022 based on undiscounted contractual cash flows to present value, can be shown as follows:

Unit : Thousand Baht

		<b>Consolidated financial statements</b>				
		Within			Over	
Note	On demand	1 year	1 - 5 years	5 years	<b>Total</b>	
<b>Non-derivatives</b>						
Short-term borrowings from financial institutions	21	-	62,069	-	-	62,069
Trade accounts payable	22	-	4,929,563	-	-	4,929,563
Other current payables to related parties	6	-	29,516	-	-	29,516
Other current payables	23	-	392,024	-	-	392,024
Short-term borrowings from related parties	6	-	1,519,921	-	-	1,519,921
Long-term borrowings from financial institutions	25	-	402	12,600	-	13,002
Liabilities under rehabilitation plan	27	-	1,359,059	5,147,282	25,957,211	32,463,552
Lease liabilities	18.2	-	35,413	105,518	-	140,931
<b>Total non-derivatives</b>		<b>-</b>	<b>8,327,967</b>	<b>5,265,400</b>	<b>25,957,211</b>	<b>39,550,578</b>

Unit : Thousand Baht

		<b>Separate financial statements</b>				
		Within			Over	
Note	On demand	1 year	1 - 5 years	5 years	<b>Total</b>	
<b>Non-derivatives</b>						
Short-term borrowings from related parties	6	-	1,519,921	-	-	1,519,921
Trade accounts payable	22	-	4,886,830	-	-	4,886,830
Other current payables to related parties	6	-	44,400	-	-	44,400
Other current payables	23	-	189,981	-	-	189,981
Liabilities under rehabilitation plan	27	-	1,359,059	5,251,410	25,861,074	32,471,543
Lease liabilities	18.2	-	25,755	92,654	-	118,409
<b>Total non-derivatives</b>		<b>-</b>	<b>8,025,946</b>	<b>5,344,064</b>	<b>25,861,074</b>	<b>39,231,084</b>

### *Determination of fair values*

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The fair value of trade and other short-term receivables is taken to approximate the carrying value.

The fair value of investments in equity and debt securities, which are held for trading, held to maturity and available for sales, is determined by reference to their quoted bid price at the reporting date. The fair value of held-to-maturity investments is determined for disclosure purposes only.

The fair value of interest rate swaps is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

The fair value of forward exchange contracts is based on their listed market price, if available. If a listed market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price at the reporting date for the residual maturity of the contract using a risk-free interest rate (based on government bonds).

The fair value of non-derivative financial liabilities, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. In respect of the liability component of convertible notes, the market rate of interest is determined by reference to similar liabilities that do not have a conversion option.

The fair value of financial assets and liabilities, together with the carrying values shown in the statement of financial position at 31 December 2022 and 2021 were as follows:

	Unit : Thousand Baht			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	Fair value level 2	Carrying value	Fair value level 2	Carrying value
<b>2022</b>				
<b>Current</b>				
Derivatives - contracts	(18,323)	(18,323)	(17,398)	(17,398)
<b>Total</b>	<b>(18,323)</b>	<b>(18,323)</b>	<b>(17,398)</b>	<b>(17,398)</b>
<b>2021</b>				
<b>Current</b>				
Derivatives - contracts	(2,416)	(2,416)	(540)	(540)
<b>Total</b>	<b>(2,416)</b>	<b>(2,416)</b>	<b>(540)</b>	<b>(540)</b>

## Fair value of financial instruments

The most of the Group's financial assets and liabilities are classified as short-term or bear interest rates close to market interest rates. Therefore, the Group estimates the fair value of most financial assets and liabilities close to the book value shown in the statement of financial position.

Book value and fair value of financial assets and financial liabilities as at 31 December 2022 and 1 January 2022 are as follows

Unit : Thousand Baht				
<b>Consolidated financial statements as at 31 December 2022</b>				
	Book value			Fair value
	Fair value through profit or loss	Amortized cost	Total	
<b>Financial instruments disclosed at fair value</b>				
<b>Financial assets</b>				
Cash and cash equivalents	-	552,405	552,405	552,405
Trade accounts receivable	-	228,522	228,522	228,522
Other current receivables from related parties – Other receivables	-	30,900	30,900	30,900
Current contract asset	-	56,869	56,869	56,869
Other non-current financial assets				
Restricted deposit at financial institution	-	62,401	62,401	62,401
Long-term loans		-	-	-
<b>Total financial assets</b>	<b>-</b>	<b>931,097</b>	<b>931,097</b>	<b>931,097</b>

Unit : Thousand Baht

**Consolidated financial statements as at 31 December 2022**

	Book value		Fair value	
	Fair value through profit or loss	Amortized cost		Total
<b>Financial liabilities</b>				
Short-term borrowings from financial institutions	-	62,069	62,069	62,069
Trade accounts payable	-	4,929,563	4,929,563	4,929,563
Other current payables to related parties	-	29,516	29,516	29,516
Other current payables	-	392,024	392,024	392,024
Current portion of liabilities under rehabilitation plan	-	402	402	402
Current portion of lease liabilities	-	1,359,059	1,359,059	1,359,059
Current portion of lease liabilities	-	35,413	35,413	35,413
Short-term borrowings from related parties		1,519,921	1,519,921	1,519,921
Other non-current financial liabilities	18,323	-	18,323	18,323
Long-term borrowings from financial institutions	-	12,600	12,600	12,600
Liabilities under rehabilitation plan	-	31,104,493	31,104,493	31,104,493
Lease liabilities	-	105,518	105,518	105,518
<b>Total financial liabilities</b>	<b>18,323</b>	<b>39,550,578</b>	<b>39,568,901</b>	<b>39,568,901</b>

Unit : Thousand Baht

**Consolidated financial statements as at 1 January 2022**

	Book value		Fair value	
	Fair value through profit or loss	Amortized cost		Total
<b>Financial instruments disclosed at fair value</b>				
<b>Financial assets</b>				
Cash and cash equivalents	-	496,420	496,420	496,420
Trade accounts receivable	-	124,436	124,436	124,436
Other current receivables from related parties - other receivables	-	18,566	18,566	18,566
Current contract asset	-	21,147	21,147	21,147
Short-term loans from related parties	-	26,789	26,789	26,789
Current portion of long-term loans	-	25,959	25,959	25,959

Unit : Thousand Baht

<b>Consolidated financial statements as at 1 January 2022</b>			
	Book value		Fair value
	Fair value through profit or loss	Amortized cost	
<b>Financial instruments disclosed at fair value</b>			
Other non-current financial assets			
- Restricted deposit at financial institution	-	74,048	74,048
Other Long-term loans	-	507,040	507,040
<b>Total financial assets</b>	<b>-</b>	<b>1,294,405</b>	<b>1,294,405</b>
<b>Financial liabilities</b>			
Short-term borrowings from financial institutions	-	39,000	39,000
Trade accounts payable	-	4,844,666	4,844,666
Other current payables	-	221,266	221,266
Current portion of liabilities under rehabilitation plan	-	1,420,202	1,420,202
Current portion of lease liabilities	-	33,712	33,712
Other non-current financial liabilities	2,416	-	2,416
Liabilities under rehabilitation plan	-	30,628,526	30,628,526
Lease liabilities	-	17,244	17,244
<b>Total financial liabilities</b>	<b>2,416</b>	<b>37,204,616</b>	<b>37,207,032</b>



## Separate financial statements as at 31 December 2021

	Book value		Fair value	
	Fair value through profit or loss	Amortized cost		Total
<b>Financial assets</b>				
Cash and cash equivalents	-	432,452	432,452	432,452
Trade accounts receivable	-	105,582	105,582	105,582
Other current receivables from related parties – Other receivables	-	41,389	41,389	41,389
Short-term loans from related parties	-	24,736	24,736	24,736
Current portion of long-term loans	-	13,075	13,075	13,075
Other non-current financial assets				
-Restricted deposit at financial institution	-	60,215	60,215	60,215
Other Long-term loans	-	497,158	497,158	497,158
<b>Total financial assets</b>	<b>-</b>	<b>1,174,607</b>	<b>1,174,607</b>	<b>1,174,607</b>
<b>Financial liabilities</b>				
Trade accounts payable	-	-	-	-
Other current payables	-	4,886,830	4,886,830	4,886,830
Other current payables to related parties	-	15,248	15,248	15,248
Other current payables	-	189,981	189,981	189,981
Current portion of liabilities under rehabilitation plan	-	1,359,059	1,359,059	1,359,059
Current portion of lease liabilities	-	25,755	25,755	25,755
Short-term borrowings from related parties	-	1,519,921	1,519,921	1,519,921
Other current financial liabilities	17,398	-	17,398	17,398
Liabilities under rehabilitation plan	-	31,112,484	31,112,484	31,112,484
Lease liabilities	-	92,654	92,654	92,654
<b>Total financial liabilities</b>	<b>17,398</b>	<b>39,201,932</b>	<b>39,219,330</b>	<b>39,219,330</b>

Unit : Thousand Baht

<b>Separate financial statements as at 1 January 2022</b>				
	Book value			Fair value
	Fair value through profit or loss	Amortized cost	Total	
<b>Financial assets</b>				
Cash and cash equivalents	-	383,872	383,872	383,872
Trade accounts receivable	-	43,446	43,446	43,446
Other current receivables from related parties – Other receivables	-	38,472	38,472	38,472
Short-term loans from related parties	-	26,789	26,789	26,789
Current portion of long-term loans	-	25,959	25,959	25,959
Other non-current financial assets				
-Restricted deposit at financial institution	-	72,690	72,690	72,690
Other Long-term loans	-	507,040	507,040	507,040
<b>Total financial assets</b>	<b>-</b>	<b>1,098,268</b>	<b>1,098,268</b>	<b>1,098,268</b>
<b>Financial liabilities</b>				
Trade accounts payable	-	4,806,978	4,806,978	4,806,978
Other current payables	-	185,118	185,118	185,118
Current portion of liabilities under rehabilitation plan	-	1,420,202	1,420,202	1,420,202
Current portion of lease liabilities	-	27,412	27,412	27,412
Short-term borrowings from related parties	-	24,424	24,424	24,424
Other non-current financial liabilities				
- Derivatives	540	-	540	540
Liabilities under rehabilitation plan	-	30,636,517	30,636,517	30,636,517
Lease liabilities	-	3,464	3,464	3,464
<b>Total financial liabilities</b>	<b>540</b>	<b>37,104,115</b>	<b>37,104,655</b>	<b>37,104,655</b>

The Group accessed the fair value of financial instruments on the basis as follows:

- a) Financial assets and financial liabilities will be matured in short-term, such as cash on hand and deposits at financial institutions, receivables and payables, current contract asset are presented by the estimated fair value based on carrying value in statements of financial position.
- b) Loans and borrowings which had interest rate close to market interest rate, are presented by the estimated fair value based on carrying value in statements in financial position.

- c) The Company had liabilities under the rehabilitation plan amortized cost by using the discounted future cash flows technique and valuation theory model.
- d) Future exchange contract presented at fair value by using discounted future cash flows and valuation theory model. Information use in valuation is an observable information in relevant market, such as exchange rates immediately.

During the current year, there is no transferring between the hierarchical of fair value.

### 36. Business Combination

On 16 June 2022, the Board of directors of the Company's Rehabilitation Plan, passed the resolution to approve the acquisition of 13,251,358 shares of Redcar Bulk Terminal Limited, or 100% , for a total of GBP 12.06 million through Helium Miracle 303, a subsidiary of the Company. Subsequently, on 7 July 2022, a share acquisition agreement and other agreements have been signed, and the Company has made payment to acquire the abovementioned shares.

Details of the fair value of net assets acquired as at the date of acquisition are as follows:

	Note	(Unit : Baht)
		<u>Amount</u>
Fair value of net assets acquired		
Cash and cash equivalents		5,625,904
Trade accounts receivable		37,234,726
Inventories		6,098,849
Other current assets		6,789,111
Property, plant and equipment	17	1,495,474,681
Current contract liabilities		(10,353,754)
Long-term borrowings from related parties		(74,463,006)
Current portion of long-term borrowing from financial institution		(417,012)
Current portion of financial lease liabilities	18	(3,901,865)
Other current payables		(152,624,852)
Long-term borrowings from financial institutions		(12,274,089)
Other non-current provisions		(111,858,627)
Deferred tax liabilities	20	<u>(166,140,179)</u>
Total fair value of net identifiable assets		1,019,189,887
Gains on unallocated business acquisition		<u>516,767,508</u>
Consideration payment for business acquisition		<u><u>502,422,379</u></u>

This business acquisition is met the conditions in accordance with the Financial Reporting Standard No. 3 (Revised 2020) “Business Combination”, which requires that identifiable assets and liabilities acquired are recorded at fair value, including goodwill (if any). At present, the Company estimates the net asset acquired at carrying value at the date of acquisition, which is closed to fair value. However, the Company will review the measurements of these net assets and liabilities as required by the Financial Reporting Standard No. 3 (Revised 2020) during the 12-month measurement period. If there is new information obtained about the facts and circumstances available at the date of the business acquisition, as a result, the measurement must be adjusted. Such adjustments are recorded upon obtaining additional information, therefore gains on unallocated business acquisition are not recognised in the financial statements amounted to Baht 516.77 million by taking to reduce net asset acquired in order to equivalent to the amount paid for acquisition.

### **37. Financial Statements Approval**

These financial statements were approved and authorized for issue by the Company’s Board of directors on 28 February 2023.