

SAHAVIRIYA STEEL INDUSTRIES PUBLIC COMPANY LIMITED

AND SUBSIDIARIES

AUDITOR'S REPORT AND INTERIM FINANCIAL INFORMATION

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2020

(UNAUDITED/REVIEWED ONLY)

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To The Board of SAHAVIRIYA STEEL INDUSTRIES PUBLIC COMPANY LIMITED

I have reviewed the accompanying consolidated and separate statements of financial position of SAHAVIRIYA STEEL INDUSTRIES PUBLIC COMPANY LIMITED, AND ITS SUBSIDIARIES (the Group), and of SAHAVIRIYA STEEL INDUSTRIES PUBLIC COMPANY LIMITED (the "Company") as at 30 June 2020, the consolidated and separate statements of income and comprehensive income, statements of changes in shareholders' equity and statements of cash flows for the six-month periods then ended, and the condensed notes to financial statements (collectively, the "Interim financial information"). The Company's management is responsible for the preparation and presentation of this interim financial information, in all material respects, in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my reviews.

Scope of Review

Except for the matter stated in the Basis of Qualified Conclusion paragraph, I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion on this reviewed interim financial information.

Basis of Qualified Conclusion on Interim Financial Information

Insufficient audit evidence

As per I have previously reported in the independent financial statements in the Basis of Qualified Opinion paragraph for the year ended 31 December 2019 pertaining to the liabilities under the business rehabilitation plan that I did not receive the confirmations reply from 4 creditors, which comprise of principal amount of Baht 1,506.4 million and accrued interest payable amount of Baht 284.5 million. But there are 5 creditors of the confirmations, the principal is overstated than the book value by the amount of Baht 4,515.2 million and USD 117.2 million, and accrued interest payable amount of Baht 1,697.5 million and USD 13.2 million and the another 2 creditors, the book value is understated than accrued interest payable by amount of USD 93.7 million. I am unable to obtain any other appropriate audit evidences for satisfaction as to the liabilities under business rehabilitation plan. For the six-month periods ended 30 June 2020, the Company is still pending the reconciliation to find the cause of such different.

Because of the effects, as might have been arose from the reconciliation of different from the conformations, I am unable to conclude whether the adjustment of the aforementioned transactions should be necessary done or not, which might have the impacts on the financial statements.

Qualified Conclusion on Interim Financial Information

Except for the effects, as might have been arose on the interim financial information from the matter stated in the Basis of Qualified Opinion paragraph, based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting.

Material uncertainty on going concern

As stated in notes 2 to financial statements, the Company incurred the operating losses and negative shareholders' equity and the Company is liable on settle liabilities under business rehabilitation plan (the Plan) that the Company needs to generate sufficient cash flows to meet both its working capital requirement and for settlement the liabilities from operation, and liabilities under business rehabilitation plan. The Company may use the seeking new source of fund methods by issuing new share capital, conversion of outstanding liabilities to equity for the Company's ability to continue its operation as a going concern and to comply with the business rehabilitation plan. The Company has explained the progress of these activities in notes 24 to financial statements. Besides, the Company has defaulted on payment under the Plan and attended the meeting with the creditors in order to revise the Plan of which the most of creditors had agreed. At present, the Company is awaiting for the trial of the Central Bankruptcy Court for approval. From such situation indicated the significant uncertainties to the Company's ability to continue its operation as a going concern. If the Company could not provide the sufficiency working capital which may significantly affected to the valuation of assets and liabilities in the consolidated and separate financial information for the six-month periods ended 30 June 2020.

Emphasis of Matter

1. The adoption of new financial reporting standard

I draw your attention to notes 4 to financial statements, the Group has adopted the financial reporting standards relating to the set of Financial Instruments and TFRS 16 Leases which are effective for the financial statements for the fiscal period beginning on or after 1 January 2020 that the Group selected to make adjustment to the recent beginning retained earnings by using the recognition of cumulative effects from adoption such TFRS.

2. Revision and successful of business rehabilitation plan

I draw your attention to notes 24 to financial statements, the Company has defaulted on settle liabilities under the Plan and has revised the Plan by revising the liabilities settlement conditions and alleviate any factors to be met the successful of the Plan. At present, the Company is awaiting for the approval by the Central Bankruptcy Court.

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

As stated in notes 3 (e) 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. As a result, the major lender of SSI UK demanded immediate payment of the outstanding balances of borrowings which was secured by SSI UK's property, plant and equipment and a guarantee by the Company. 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 24 to financial statements, the creditors class 4 will receive the liabilities settlement from the liquidation procedures of SSI UK, the right to receive liabilities settlement of the creditors group 4 will reduce under the Plan by the same amount. At present, the Company is in the process of liquidation.

4. Collection from related companies receivable under business rehabilitation plan

As stated in notes 9 to financial statements, the Company has two related companies receivable, the outstanding balance of such receivables is Baht 3,544.6 million and Baht 3,579.9 million as at 30 June 2020 and 31 December 2019, respectively. The Company has recorded credit losses in full. Such amount is higher than the amount required to complied in rehabilitation plan, which required the Company to collect from two related companies not less than the amount of Baht 300 million per annum and all outstanding liabilities balance as at the end of 2019 must not exceeding Baht 2,640.0 million, not complying may cause the default. However, the incident is not the cause of default because the Board of creditors have not made the notice for such defaulting yet. Currently, the Company is still following up for collection.

Subsequent in 2020, as stated in note 24 to financial statements, the Company has revised the business rehabilitation plan which required the Company to determine the way to settle the outstanding liabilities of two receivables and alleviated the trouble to submit for the approval by the Board of creditors.

5. The effects from Coronavirus disease 2019 (COVID-19)

I draw your attention to notes 1.2 to financial statements, since the impacts of Coronavirus disease 2019 (COVID-19) pandemic situation had affected to the Group's business activities in respect to sales which had material impacts on the current and future financial statements of the Group and as stated in notes 4.2 to financial statements, the Company has prepared the financial information for the six-month periods ended 30 June 2020 by selecting to apply the Accounting Treatment Guidance on "Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation" which announced by the Federation of Accounting Professions.

6. Delisting the Company's ordinary shares as listed securities

I draw your attention to notes 1.1 to financial statements, the Company was delisted securities from the listed securities in the Stock Exchange of Thailand which is effective on 11 July 2020.

7. Errors correction

I draw your attention to notes 6 to financial statements which pertaining to the errors correction as to the recording of liabilities under new business rehabilitation plan, the Company has made adjustment the financial statements for the six-month periods 30 June 2019 which already presented as comparative figure.

Accordingly, I did not express a qualified conclusion on the aforementioned case.

D I A International Audit Company Limited

(Mrs. Suvimol Chrityakierne)

C.P.A. (Thailand)

Registration No. 2982

13 August 2020

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of financial position

As at 30 June 2020

Unit : Thousand Baht

Assets	Note	Consolidated financial statements		Separate financial statements	
		30 June 2020 (Unaudited/ reviewed only)	31 December 2019 (Audited)	30 June 2020 (Unaudited/ reviewed only)	31 December 2019 (Audited)
Current assets					
Cash and cash equivalents		271,054	359,995	213,766	242,830
Trade accounts receivable	9	86,640	67,559	32,960	3,229
Other current receivables from related parties	8	159,843	172,792	188,704	203,175
Current contract assets		22,308	-	-	-
Inventories	10	4,700,562	7,463,701	4,630,484	7,440,369
Other current assets	11	269,504	230,002	216,310	174,673
Assets held for disposal from liquidation of subsidiary	3(e)	-	-	-	-
Total current assets		5,509,911	8,294,049	5,282,224	8,064,276
Non-current assets					
Other non-current financial assets	12	28,933	7,596	24,872	3,634
Investments in subsidiaries	13	-	-	279,000	279,000
Investments in joint venture	14	2,586,107	2,628,782	2,628,782	2,628,782
Other long-term investment	15	-	-	-	-
Long-term loans	16	426,759	-	426,759	-
Property, plant and equipment	17	10,957,935	10,926,465	9,786,864	9,711,399
Right-of-use assets	18	89,614	-	64,552	-
Other intangible assets other than goodwill		12,922	12,867	9,384	8,546
Deferred tax assets	19	4,794	3,635	-	-
Other non-current assets		16,744	14,360	13,733	13,142
Total non-current assets		14,123,808	13,593,705	13,233,946	12,644,503
Total assets		19,633,719	21,887,754	18,516,170	20,708,779

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 30 June 2020

Unit : Thousand Baht

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2020 (Unaudited/ reviewed only)	31 December 2019 (Audited)	30 June 2020 (Unaudited/ reviewed only)	31 December 2019 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term borrowings from financial institutions	20	43,500	60,683	-	-
Trade accounts payable	21	3,736,576	5,148,662	3,714,649	5,188,949
Other current payables to related parties	8	27,970	213,679	37,404	230,546
Current contract liabilities		35,990	-	-	-
Current portion of liabilities under rehabilitation plan	24	131,412	1,766,345	131,412	1,774,336
Current portion of lease liabilities	22	33,291	2,332	25,812	649
Short-term borrowings from related parties	8	-	-	74,500	-
Corporate income tax payable		4,068	3,503	-	-
Current portion of provisions under guarantee		31,412	-	31,412	-
Other current liabilities		510,505	318,312	478,976	260,325
Total current liabilities		4,554,724	7,513,516	4,494,165	7,454,805
Non-current liabilities					
Liabilities under rehabilitation plan	24	29,414,448	55,226,829	29,422,439	55,226,829
Lease liabilities	22	55,751	1,803	38,102	680
Deferred tax liabilities	19	31,651	42,065	4,138	14,269
Non-current provisions for employee benefits	23	377,278	360,919	320,079	306,174
Other non-current liabilities		824	824	824	824
Total non-current liabilities		29,879,952	55,632,440	29,785,582	55,548,776
Total liabilities		34,434,676	63,145,956	34,279,747	63,003,581

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 30 June 2020

Unit : Thousand Baht

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2020 (Unaudited/ reviewed only)	31 December 2019 (Audited)	30 June 2020 (Unaudited/ reviewed only)	31 December 2019 (Audited)
Liabilities and shareholders' equity					
<i>Shareholders' equity</i>					
Share capital	25				
Authorized share capital					
11,113,018,280 common shares of Baht 1 each		11,113,018	11,113,018	11,113,018	11,113,018
Issued and paid-up share capital					
11,113,018,280 common shares of Baht 1 each		11,113,018	11,113,018	11,113,018	11,113,018
Share discount on ordinary shares		(9,500,000)	(9,500,000)	(9,500,000)	(9,500,000)
Deficit		(16,938,640)	(43,415,571)	(17,376,595)	(43,907,820)
Equity attributable to owners of the Company		(15,325,622)	(41,802,553)	(15,763,577)	(42,294,802)
Non-controlling interests		524,665	544,351	-	-
Capital deficiency/total shareholders' equity		(14,800,957)	(41,258,202)	(15,763,577)	(42,294,802)
Total liabilities and shareholders' equity		19,633,719	21,887,754	18,516,170	20,708,779

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 six-month periods ended 30 June 2020

(Unaudited/reviewed only)

Unit : Thousand Baht

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019 (Restated)	2020	2019 (Restated)
Income					
Revenue from sale of goods		8,453,635	14,605,315	8,452,885	14,605,161
Revenue from rendering of services		215,951	289,512	18,143	234
Net gain on exchange rate		-	200,518	-	200,354
Dividend income		-	-	25,500	20,400
Other income		28,418	42,714	15,582	40,335
Total income		8,698,004	15,138,059	8,512,110	14,866,484
Expenses					
Cost of sales		8,394,789	13,990,305	8,427,409	14,043,375
Idle cost		36,219	-	36,219	-
Cost of rendering of services		171,994	213,200	-	-
Distribution costs		222,422	301,481	215,593	295,181
Administrative expenses		322,402	307,545	282,171	253,261
Management benefit expenses		45,737	49,474	40,921	43,935
Net loss on exchange rate		98,289	-	98,426	-
Reversed allowance for doubtful debt		(35,373)	-	(35,373)	-
Loss on onerous contracts (reversal)		31,412	(1,073)	31,412	(1,073)
Total expenses		9,287,891	14,860,932	9,096,778	14,634,679
Profit (loss) from operation activities		(589,887)	277,127	(584,668)	231,805
Finance income		4,804	2,183	4,688	1,807
Finance costs		(915,358)	(3,144)	(914,708)	(1,858)
Profit (loss) from measurement of fair value on finance liabilities		1,631,529	-	1,631,529	-
Share of profit (loss) by equity-accounted investees Joint venture		(42,675)	23,129	-	-
Profit (loss) before income tax		88,413	299,295	136,841	231,754
Tax (expense) income	19	9,078	(16,688)	10,131	(3,818)
Profit (loss) for the period		97,491	282,607	146,972	227,936
Profit (loss) attributable to					
Owners of the Company		92,678	274,296	146,972	227,936
Non-controlling interests		4,813	8,311	-	-
Profit (loss) for the period		97,491	282,607	146,972	227,936
Basic earnings (loss) per share (Baht)	28	0.01	0.02	0.01	0.02

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

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of comprehensive income (Cont'd)

For the six-month periods ended 30 June 2020

(Unaudited/reviewed only)

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019 (Restated)
Profit (loss) for the period	<u>97,491</u>	<u>282,607</u>	<u>146,972</u>	<u>227,936</u>
Other comprehensive income				
<i>Item that will not be reclassified to profit or loss :</i>				
Components of other comprehensive income				
Actuarial losses	-	(45,589)	-	(45,207)
Less : Taxable effects	-	2,821	-	2,744
Other comprehensive income for the period - net of tax	<u>-</u>	<u>(42,768)</u>	<u>-</u>	<u>(42,463)</u>
Total comprehensive income for the period	<u>97,491</u>	<u>239,839</u>	<u>146,972</u>	<u>185,473</u>
Total comprehensive income attributable to:				
Owners of the Company	92,678	231,147	146,972	185,473
Non-controlling interests	4,813	8,692	-	-
Total comprehensive income for the period	<u>97,491</u>	<u>239,839</u>	<u>146,972</u>	<u>185,473</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 six-month periods ended 30 June 2020

(Unaudited/reviewed only)

Unit : Thousand Baht

		Consolidated financial statements						
		Retained earnings (deficit)			Equity			
Note	Issued and paid-up share capital	Share discount on ordinary shares issuance	Legal reserve	Unappropriated (deficit)	attributable to owners of the Company	Non- controlling interests	Total shareholders' equity	
	Balance as at 31 December 2018 (Before restatement)	11,113,018	(9,500,000)	-	(40,474,693)	(38,861,675)	562,918	(38,298,757)
6	Cumulative effect of errors correction	-	-	-	(1,058,891)	(1,058,891)	-	(1,058,891)
	Balance as at 31 December 2018 (Restated)	11,113,018	(9,500,000)	-	(41,533,584)	(39,920,566)	562,918	(39,357,648)
	Comprehensive income for the period							
6	Profit (loss) - restated	-	-	-	274,296	274,296	8,311	282,607
	Other comprehensive income (expense)	-	-	-	(43,149)	(43,149)	381	(42,768)
	Total comprehensive income for the period	-	-	-	231,147	231,147	8,692	239,839
	Dividend paid to non-controlling interests	-	-	-	-	-	(19,600)	(19,600)
	Balance as at 30 June 2019 (After restatement)	11,113,018	(9,500,000)	-	(41,302,437)	(39,689,419)	552,010	(39,137,409)
	Balance as at 31 December 2019 (Before restatement)	11,113,018	(9,500,000)	-	(43,415,571)	(41,802,553)	544,352	(41,258,201)
7	Cumulative effect of change in accounting policy	-	-	-	26,384,253	26,384,253	-	26,384,253
	Balance as at 31 December 2019 (Restated)	11,113,018	(9,500,000)	-	(17,031,318)	(15,418,300)	544,352	(14,873,948)
	Comprehensive income for the period							
	Profit (loss)	-	-	-	92,678	92,678	4,813	97,491
	Other comprehensive income	-	-	-	-	-	-	-
	Total comprehensive income for the period	-	-	-	92,678	92,678	4,813	97,491
	Dividend paid to non-controlling interests	-	-	-	-	-	(24,500)	(24,500)
	Balance as at 30 June 2020	11,113,018	(9,500,000)	-	(16,938,640)	(15,325,622)	524,665	(14,800,957)

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 six-month periods ended 30 June 2020

(Unaudited/reviewed only)

Unit : Thousand Baht

		Separate financial statements				
		Retained earnings (deficit)				
	Note	Issued and paid-up share capital	Share discount on ordinary shares issuance	Legal reserve	Unappropriated (deficit)	Total shareholders' equity
Balance as at 31 December 2018 (Before restatement)		11,113,018	(9,500,000)	-	(40,377,182)	(38,764,164)
Cumulative effect of errors correction	6	-	-	-	(1,058,891)	(1,058,891)
Balance as at 31 December 2018 (Restated)		11,113,018	(9,500,000)	-	(41,436,073)	(39,823,055)
Comprehensive income for the period						
Profit (loss) - restated	6	-	-	-	227,936	227,936
Other comprehensive income (expense)		-	-	-	(42,463)	(42,463)
Total comprehensive income for the period		-	-	-	185,473	185,473
Balance as at 30 June 2019 (After restatement)		11,113,018	(9,500,000)	-	(41,250,600)	(39,637,582)
Balance as at 31 December 2019 (Before restatement)		11,113,018	(9,500,000)	-	(43,907,820)	(42,294,802)
Cumulative effect of change in accounting policy	7	-	-	-	26,384,253	26,384,253
Balance as at 31 December 2019 (Restated)		11,113,018	(9,500,000)	-	(17,523,567)	(15,910,549)
Comprehensive income for the period						
Profit (loss)		-	-	-	146,972	146,972
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the period		-	-	-	146,972	146,972
Balance as at 30 June 2020		11,113,018	(9,500,000)	-	(17,376,595)	(15,763,577)

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 six-month periods ended 30 June 2020

(Unaudited/reviewed only)

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019 (Restated)
<i>Cash flows from operating activities</i>				
Profit (loss) before income tax	88,413	299,295	136,841	231,754
<i>Adjustments for</i>				
Depreciation and amortization	304,912	356,124	251,562	303,426
Bad debts and doubtful accounts (reversal)	(35,372)	-	(35,372)	-
Loss on devaluation of inventories (reversal)	(225,601)	(310,596)	(225,601)	(310,596)
Unrealized loss (gain) on exchange rate	29,770	(31,395)	29,439	(31,738)
Write off equipment	1,711	130	1,711	130
Employee benefit provisions	17,155	66,246	14,590	54,820
Loss on onerous contracts (reversal)	31,412	(1,073)	31,412	(1,073)
Loss (gain) on disposal of property, plant and equipment	-	(352)	-	(281)
Share of loss of joint venture (net of tax)	42,676	(23,129)	-	-
Profit (loss) from measurement of fair value	(1,631,529)	-	(1,631,529)	-
Finance costs	915,358	3,144	914,708	1,858
Finance income	(4,804)	(2,183)	(4,688)	(1,807)
Dividend income	-	-	(25,500)	(20,400)
Accrued income tax expense (reversal)	-	(1,584)	-	-
<i>Profit (loss) from operating activities before changes in operating assets and liabilities :</i>	(465,899)	354,627	(542,427)	226,093
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	15,963	57,527	5,641	25,482
Other receivables from related parties	(22,388)	75,839	(20,866)	80,941
Inventories	2,988,740	1,313,086	3,035,486	1,316,665
Other current assets	(49,399)	14,662	(36,249)	(15,018)
Other non-current assets	(2,384)	(530)	(591)	(608)
Trade accounts payable	(1,407,211)	(694,424)	(1,469,422)	(667,269)
Other payables to related parties	(185,709)	(71,447)	(193,142)	2,445
Other current liabilities	225,885	48,481	216,883	56,437
<i>Cash provided from operating activities</i>	1,097,598	1,097,821	995,313	1,025,168
Employee benefit obligations paid	(796)	(1,161)	(685)	(806)
Income tax paid	(10,111)	(16,401)	(1,158)	(936)
Income tax received	-	23,152	-	-
Net cash provided by operating activities	1,086,691	1,103,411	993,470	1,023,426

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 six-month periods ended 30 June 2020

(Unaudited/reviewed only)

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019 (Restated)
<i>Cash flows from investing activities</i>				
Finance income received	574	2,178	458	1,827
Increase (Decrease) in other non-current financial assets	(21,337)	(106,266)	(21,238)	(108,330)
Long-term loans	(426,759)	-	(426,759)	-
Acquire of property, plant and equipment	(319,915)	(266,394)	(313,335)	(259,906)
Sales of property, plant and equipment	-	374	-	281
Acquire of intangible assets	(2,478)	(2,979)	(2,374)	(2,596)
Dividend received	-	-	-	20,400
Net cash used in investing activities	(769,915)	(373,087)	(763,248)	(348,324)
<i>Cash flows from financing activities</i>				
Finance cost paid	(17,859)	(37,039)	(17,209)	(35,753)
Increase (Decrease) in short-term borrowings from financial institutions	(17,183)	(1,356)	-	-
Increase (Decrease) in short-term borrowings from related parties	-	-	100,000	-
Payments for liabilities under rehabilitation plan	(329,031)	(816,261)	(329,031)	(816,261)
Payments for lease liabilities	(17,144)	(8,809)	(13,046)	(324)
Dividend paid	(24,500)	(19,600)	-	-
Net cash used in financing activities	(405,717)	(883,065)	(259,286)	(852,338)
Net increase (decrease) in cash and cash equivalents	(88,941)	(152,741)	(29,064)	(177,236)
Cash and cash equivalents as at 1 January	359,995	755,831	242,830	691,251
Cash and cash equivalents as at 31 December	271,054	603,090	213,766	514,015
Significant non-cash transactions				
Other payables for property, plant and equipment acquisition	3,318	15,138	2,788	14,453
Dividend income offset repayment for borrowings	-	-	25,500	-

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

Sahaviriya Steel Industries Public Company Limited and subsidiaries

Condensed notes to financial statements

For the six-month periods ended 30 June 2020

(Unaudited/reviewed only)

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Sahaviriya Steel Industries Public Company Limited and subsidiaries

Condensed notes to financial statements

For the six-month periods ended 30 June 2020

(Unaudited/reviewed only)

1. General information

1.1 Company's 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”.

On 22 June 2020, the Stock Exchange of Thailand has delisted the Company's ordinary shares since the Company may be delisted as listed securities in the event of the shareholders' equity is lower than zero in accordance with the regulations of the Stock Exchange of Thailand “Delisting of Securities B.E.2542 (1999), (Regulations reference to Delisting) No.9(6)(d) which the Company is unable to eliminate the grounds for delisting within the determined period of regulations reference to delisting No.9(15).

The exchange ordered for trading ordinary shares of the Company for 7 days before the effective date of delisting of securities, during 1-10 July 2020 and where the maturity of such trading is met the Exchange shall proceed for delisting the Company's ordinary shares as listed securities and is effective on 11 July 2020 onwards.

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 14.

1.2 Coronavirus disease 2019 (COVID-19) pandemic

The Coronavirus 2019 disease pandemic situation causes a slowdown in economy and affected the most businesses and industries, such as supply chain, consumer spending, limitation or interruption of production, the delay operations, etc.

Those situations affected the Company's business activities in respect to supply chain relating to the order of raw materials from abroad, quantity limitation of the customers' demands which affected to the current financial position, the results of operation and cash flows. That impacts reflected on the ability of the Company in settlement liabilities under business rehabilitation plan. As a result, the Company requested to revise the business rehabilitation plan as stated in notes 24 to financial statements and in the future, the management of the Company continuously monitored ongoing situation and assessed the financial impacts in respect of valuation of assets, provisions, contingent liabilities and used estimates and judgment in respect of the various issues as the situation has evolved.

2. Basis of operation as a going concern

For the six-month periods ended 30 June 2020, the Group recognized net profits amount of Baht 97.4 million (net loss of Baht 1,534.0 million after deducted gain on changes in fair value of financial liabilities amount of Baht 1,631.5 million) (2019: net profit (restated) amount of Baht 282.6 million), accumulated loss of Baht 16,938.6 million (31 December 2019: accumulated loss amount of Baht 43,415.6 million) and negative shareholder equity amount of Baht 14,800.9 million (31 December 2019: negative shareholder equity of Baht 41,258.2 million).

For the six-month periods ended 30 June 2020, the Company recognized net profit amount of Baht 146.9 million (2019: net profit (restated) of Baht 227.9 million), accumulated loss of Baht 17,376.6 million (31 December 2019: accumulated loss of Baht 43,907.8 million) and negative shareholder equity of Baht 15,763.6 million (31 December 2019: negative shareholder equity of Baht 42,294.8 million).

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

Subsequent, the Company ceased to make settlement for the principal under the Plan since March 2020 by making interest payment which deems that the Company defaulted on settlement under the Plan and has attended the meeting with the creditors to revise the Plan which was agreed by the most creditors and filed the petition to revise the Plan to the Official Receiver. At present, the Plan is awaiting for the approval of the Central Bankruptcy Court. The significant contents of the Plan No.1 and No.2 have been disclosed in note 24.

The consolidated and separate financial statements have been prepared by the Company's management under the assumptions that the Company will be successfully rehabilitated and retains sufficient sources of funds and credits to operate in business of the Group/the Company. However, the appropriation of these assumptions highly depends on the Company's successful rehabilitation, including ability to generate profit, cash flows, capital restructuring, ability to repay debts and seek other source of funds to have sufficiency capital.

The consolidated and separate financial statements do not include reclassifications and adjustments of the Company's assets and liabilities, which might be should the Group and the Company are unable to continue their operations as a going concern. However, recoverable amount of assets might be significantly less than accounting book value and might cause additional contingent liabilities if the Group and the Company are unable to continue the operations as a going concern.

3. Basis of interim financial statements preparation

(a) Statement of compliance

The interim financial statements are prepared on a condensed basis and in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, guidelines promulgated by the Federation of Accounting Professions; and applicable rules and regulations of the Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended December 31, 2019. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and subsidiaries for the year ended December 31, 2019.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2019 except that the Group has adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2020. The adoption of these new and revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Company are given in Notes 7.

(b) Basis of consolidation

The interim financial information have 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 June	31 December
		2020	2020
		(%)	(%)
<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
<u>Indirect subsidiaries</u>			
Helium Miracle 303 Limited	Not operate	100	-
Helium Miracle 301 Limited	Not operate	100	-
Helium Miracle 302 Limited	Not operate	100	-
<u>Direct associates</u>			
Thai Cold Rolled Steel Sheet Public Company Limited	Production and distribution of cold rolled coils	35.19	35.19

(c) **Basic of measurement**

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

(d) **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) **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 realizable value during the 2015.

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 30 June 2020 and 31 December 2019. Details are as follows:

Unit : Thousand Baht

	Ownership interest	Cost method	Impairment	At cost - net
	(%)			
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 period

During the period, the Group and the Company has adopted a number of revised financial reporting standards and interpretations (revised 2019) which are effective for the financial statements for the period beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Group and the Company's financial statements. However the new standard involves changes to key principles, which are summarized below:

Financial reporting standards related to financial instruments.

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Thai Financial Reporting Standards

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Thai Accounting Standard

TAS 32 Financial Instruments: Presentation

Thai Financial Reporting Interpretations Committee

TFRIC 16 Hedges of a Net Investments in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

The above set of Thai Financial Reporting Standards (TFRSs) sets out the requirements for the classification and measurement of financial instrument at the fair value or amortized cost by considering from the type of instruments, contractual cash flow characteristics and the entity's business model, including the impairment methodology by using the expected credit loss, and the general hedge accounting, as well as the presentation and disclosures of financial instrument.

The Group adopted these financial reporting standards using the modified retrospective method of initial adoption of which the cumulative effect is recognized as an adjustment to the retained earnings as at January 1, 2020, and the comparative information was not restated.

The adoption of these standards will have the impact on the financial statements from the transactions followings:

- Classification and elimination and recognition of financial liabilities in equity instruments with the substantially changes in the original financial liabilities.
- Classification and measurement of fair value of investments in equity instruments of non-listed company- the Group measured investments in equity instruments of non-listed company and classified such investment as financial assets at fair value, through profit or loss. The management of the Group assessed and considered that costs of investments in equity instruments are reflected fair value of such investment. Therefore, measurement of such investment in equity instruments have no impacts on adjustment to retained earnings as at 1 January 2020.
- Recognition of credit losses-the Group has to recognize expected credit losses on financial assets, it is no longer necessary for a credit-impaired event to have occurred. A simplified approach is required for measuring the expected losses of allowance for doubtful accounts in the lifetime of trade accounts receivable and regularly approach for measuring provision for impairment loss of long-term borrowings.

Cumulative effects of adoption new financial reporting standards are presented the details in notes 7 to financial statements.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

Cumulative effects of adoption new financial reporting standards are presented the details in notes 7 to financial statements.

4.2 Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation”

The Federation of Accounting Professions announced Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation”. Its objectives are to alleviate the impact of applying financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

The Company has elected to apply the following temporary relief measures on accounting alternatives:

- To measure investment in non-marketable equity securities at fair value as at 1 January 2020.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.
- Not to take into account forward-looking information when determining expected credit losses, in cases where the Company uses a simplified approach to determine expected credit losses.
- Not to use information relating to the COVID-19 situation in determining the sufficient taxable profits will be available in future against deferred tax assets can be utilized.

5. Summary of significant accounting policies

These interim financial statements have been prepared by using the accounting policy and estimates of the financial statements for the year ended 31 December 2019 except for the adoption new financial reporting standards as stated in notes 4 to financial statements of which the accounting policies had been significantly changes as follows:

5.1 Financial instrument

Classification and measurement

Financial assets that are debt instruments are measured at fair value through profit or loss, fair value through other comprehensive income, or amortized cost. Classification is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial liabilities are classified and measured at amortized cost by using effective interest rate.

Derivatives are classified and measured at fair value through profit or loss.

Derecognition of financial liabilities

The Group and the Company derecognize financial liabilities when, and only when, the obligations are discharged, cancelled or have expired. The difference between the carrying amounts of the financial liabilities and the consideration paid including non-cash assets transfer are recognized in profit or loss.

When the Group and the Company exchange with the existing lender on debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liabilities and the recognition of new financial liabilities. Similarly, the Group and the Company accounts for substantial modification of terms of an existing liabilities or part of it as an extinguishment of the original financial liabilities and the recognition of a new liabilities.

The Group and the Company 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 rate is at least 10% different from the discounted present value of the remaining cash flows of the original financial liabilities.

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

Impairment of financial assets

The Group recognizes an allowance for expected credit losses on its financial assets measured at amortized cost, without requiring a credit-impaired event to have occurred prior to the recognition. The Group accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables or contract assets that do not contain a significant financing component, the Group applies a simplified approach to determine the lifetime expected credit losses.

Hedge accounting

The Group and the Company considered the designation of hedge accounting as follows:

Fair value hedge-the fair value change on qualifying hedging instruments is recognized in profit or loss, they are recognized in the same line as the hedge item.

Cash flows hedge-the effective portion of changes in the fair value of qualifying hedging instruments is recognized in other comprehensive income, the ineffective portion is recognized immediately in profit or loss.

5.2 Leases

Right-of-use assets

The Group and the Company recognized right-of-use assets at the commencement date. Right-of-use assets are stated at cost less any accumulated depreciation, provision for accumulated impairment, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred and the lease payments made at or before the commencement date, less any lease incentives received.

If it is reasonably certain to be exercised that the ownership of reference assets will be transferred the Group when the lease term is terminated. Depreciation of right-of-use is calculated by a straight-line basis from the commencement date until the termination date of the useful live of right-of-use assets or lease term termination date whichever is earlier.

Lease liabilities

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

Short-term leases and leases of low-value assets

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

6. Errors correction and reclassification adjustment

The Company has corrected the errors in the 2019 financial statements as follows:

The Company has not previously recorded liabilities under business rehabilitation plan (the Plan) caused by the Company considered that there were material uncertainties arose from the Company has collateral liabilities which guaranteed by the assets of Sahaviriya Industry UK Company Limited in England, is still pending the appraisal of the recoverable amount which may be received in the future, resulting to the uncertainties of liabilities under the Plan. In 2019, the management of the Company has considered that the collaterals had insignificant recoverable value compared with collateral liabilities then decided not to take the collateral value into consideration. Beside, a credit under the Plan filed to appeal the approval of the Plan to the Court of Appeal for Specialized Cases. Later on 26 February 2019, the Supreme Court ordered not to allow such creditor file the dika appeal. Therefore, when the liabilities under the rehabilitation plan are cleared, the Company then has made adjustment liabilities under the Plan by making retroactively adjustment liabilities and interest expenses. The Company therefore reclassified interest expenses under the Plan and borrowings from financial institution and related parties to be liabilities under business rehabilitation plan.

Amounts of errors corrections had the impacts on the items in statements of financial position and statements of profit or loss and other comprehensive income are as follows:

Unit : Thousand Baht

	Consolidated financial statements			Separate financial statements		
	30 June 2019			30 June 2019		
	As previously reported	Errors correction	Restatement	As previously reported	Errors correction	Restatement
Statements of financial position						
Shareholders' equity						
Deficit as at the beginning of the period	(40,474,693)	(1,058,891)	(41,533,584)	(40,377,182)	(1,058,891)	(41,436,073)
Deficit as at the end of the period	(39,222,007)	(2,080,430)	(41,302,437)	(39,170,170)	(2,080,430)	(41,250,600)
Statements of profit or loss and other comprehensive income						
Gain on exchange rate	1,619,280	(1,418,762)	200,518	1,619,116	(1,418,762)	200,354
Finance costs	(400,367)	397,223	(3,144)	(399,081)	397,223	(1,858)
Total statements of comprehensive income	1,261,378	(1,021,539)	239,839	1,207,012	(1,021,539)	185,473

7. Cumulative effect of change in accounting policy due to the adoption of new financial reporting standard

As described in notes 4, during the current period, the Group has adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognized as an adjustment to financial statements as at 1 January 2020 and the comparative information was not made retroactively adjustment affected to the 2020 beginning retained earnings. From changes in accounting policies caused by the adoption financial reporting standards are presented as follows:

Unit : Thousand Baht

Statements of financial position	Consolidated financial statements			
	31 December 2019	The impacts of TFRS relating to Financial Instruments	The impacts of TFRS 16	1 January 2020
Non-current assets				
Property, plant and equipment	10,926,465	-	(4,925)	10,921,540
Right-of-use assets	-	-	4,925	4,925
Current liabilities				
Current portion of liabilities under rehabilitation plan	1,766,345	(1,403,026)	-	363,319
Current portion of finance lease liabilities	2,332	-	(2,332)	-
Current portion of lease liabilities	-	-	2,332	2,332
Non-current liabilities				
Liabilities under rehabilitation plan	55,226,829	(24,981,227)	-	30,245,602
Finance lease liabilities	1,803	-	(1,803)	-
Lease liabilities	-	-	1,803	1,803
Shareholders' equity				
Deficit	(43,415,571)	26,384,253	-	(17,031,318)

Separate financial statements				
Statements of financial position	31 December 2019	The impacts of TFRS relating to		1 January 2020
		Financial Instruments	The impacts of TFRS 16	
Non-current assets				
Property, plant and equipment	9,711,399	-	(3,104)	9,708,295
Right-of-use assets	-	-	3,104	3,104
Current liabilities				
Current portion of liabilities under rehabilitation plan	1,774,336	(1,411,017)	-	363,319
Current portion of finance lease liabilities	649	-	(649)	-
Current portion of lease liabilities	-	-	649	649
Non-current liabilities				
Liabilities under rehabilitation plan	55,226,829	(24,973,236)	-	30,253,593
Finance lease liabilities	680	-	(680)	-
Lease liabilities	-	-	680	680
Shareholders' equity				
Deficit	(43,907,820)	26,384,253	-	(17,523,567)

7.1 Financial reporting standards related to financial instruments

Details of the effects to retained earnings as at 1 January 2020 from initial adoption TFRS relating to Financial Instruments are presented as follows:

	Unit : Thousand Baht
	Consolidated and Separate financial statements
Elimination and recognition of financial liabilities	
which measured at amortized cost	26,384,253
Related tax expense	-
Effects to deficit from adoption TFRS relating to Financial Instruments	<u>26,384,253</u>

As at 1 January 2020, the reclassification and measurement of financial assets as determined in TFRS 9 and valuation based on the existing accounting principle are presented as follows:

	Unit : Thousand Baht			
	Consolidated financial statements			
	Reclassification and measurement based on TFRS 9			
	Valuation based on the existing accounting principle	Fair value through profit or loss	Amortized cost	Total
Financial assets				
As at 1 January 2020				
Cash and cash equivalents	359,995	-	359,995	359,995
Trade accounts receivable	67,559	-	67,559	67,559
Current contract assets	-	-	-	-
Other non-current financial assets				
- Deposits at banks pledged as collaterals	7,596	-	7,596	7,596
Other long-term investment ⁽¹⁾	-	-	-	-
Total financial assets	<u>435,150</u>	<u>-</u>	<u>435,150</u>	<u>435,150</u>

Unit : Thousand Baht

Consolidated financial statements

	Reclassification and measurement based on TFRS 9			
	Valuation based			
	on the existing accounting principle	Fair value through profit or loss	Amortized cost	Total
Financial liabilities				
Current liabilities				
As at 1 January 2020				
Short-term borrowings from financial institutions	60,683	-	60,683	60,683
Trade accounts payable	5,148,662	-	5,148,662	5,148,662
Current portion of liabilities under rehabilitation plan	363,319	363,319	-	363,319
Current portion of lease liabilities	2,332	-	2,332	2,332
Non-current liabilities				
As at 1 January 2020				
Liabilities under rehabilitation plan	30,245,602	30,245,602	-	30,245,602
Lease liabilities	1,803	-	1,803	1,803
Total financial liabilities	35,822,401	30,608,921	5,213,480	35,822,401

Unit : Thousand Baht

Separate financial statements

	Reclassification and measurement based on TFRS 9			
	Valuation based			
	on the existing accounting principle	Fair value through profit or loss	Amortized cost	Total
Financial assets				
As at 1 January 2020				
Cash and cash equivalents	242,830	-	242,830	242,830
Trade accounts receivable	3,229	-	3,229	3,229
Current contract assets	-	-	-	-
Other non-current financial assets				
- Deposits at banks pledged as collaterals	3,634	-	3,634	3,634
Other long-term investment ⁽¹⁾	-	-	-	-
Total financial assets	249,693	-	249,693	249,693

Unit : Thousand Baht

	Separate financial statements			
	Reclassification and measurement based on TFRS 9			
	Valuation based on the existing accounting principle	Fair value through profit or loss	Amortized cost	Total
Financial liabilities				
Current liabilities				
As at 1 January 2020				
Short-term borrowings from financial institutions	-	-	-	-
Trade accounts payable	5,188,949	-	5,188,949	5,188,949
Current portion of liabilities under rehabilitation plan	363,319	363,319	-	363,319
Current portion of lease liabilities	649	-	649	649
Non-current liabilities				
As at 1 January 2020				
Liabilities under rehabilitation plan	30,253,593	30,253,593	-	30,253,593
Lease liabilities	680	-	680	680
Total financial liabilities	35,807,190	30,616,912	5,190,278	35,807,190

⁽¹⁾ Fair value is measured through profit or loss but had the value equal to zero.

7.2 TFRS 16 Leases

The initial adoption of TFRS 16, the Group recognized lease liabilities for the lease which previously classified as operating lease at present value of lease payment that are not paid, discounted by the incremental borrowing rate of the Group as at 1 January 2020. For the lease which previously classified as capital lease, the Group recognized carrying value of financial assets and liabilities by the original value prior to the date of initial adoption TFRS 16.

Unit : Thousand Baht

	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 December 2019	5,909	9
Less: Short-term leases and leases of low-value assets	(478)	(9)
Less: Contracts considered as services contract	(133)	-
Add: Right value for lease extension period	101,289	81,940
Less: Deferred interest expenses	(10,232)	(6,309)
Increase in lease liabilities due to initial adoption TFRS 16	96,355	75,631
Finance lease liabilities as at 31 December 2019	4,135	1,329
Lease liabilities as at 1 January 2020	<u>100,490</u>	<u>76,960</u>

The aforementioned lease liabilities consist of

Current lease liabilities	32,767	25,798
Non-current lease liabilities	67,723	51,162
	<u>100,490</u>	<u>76,960</u>

The adjustments of right-of-use assets due to initial adoption TFRS 16 as at 1 January 2020 are summarized below:

	Consolidated financial statements	Separate financial statements
Land and land improvement	2,602	2,602
Building and building improvement	82,235	66,252
Vehicles	11,518	6,777
Total right-of-use assets	<u>96,355</u>	<u>75,631</u>

The aforementioned adjustments are detailed as follows:

Leases are previously classified as operating lease- the Group recognized right-of-use and lease liabilities for lease previously classified as operating lease exemption to short-term lease (defined as leases with a lease term of 12 months or less from the commencement date and containing to purchase options). It also applies the lease of low-value assets. The lease liabilities are measured at the present value of the lease payments that are not paid at the commencement date, discounted by using incremental borrowing rate at the initial adoption financial reporting standards. Right-of-use is recognized at the same value amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments which previously recognized in the financial statements. The right-of-use assets also include an estimated costs of dismantlement which were reclassified from property, plant and equipment to right-of-use assets.

8. 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/na tionality	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	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

Name of entities	Country of incorporation/nationality	Nature of relationships
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	Common shareholder and directors and direct and indirect shareholding by the Company's director(s)
Vanomet Holding AG	Switzerland	Shareholder and Common shareholder and directors with a subsidiary
Sahaviriya Inter Steel Holdings Co., Ltd.	Thailand	Common shareholder and directors and direct and indirect shareholding by the Company's director(s)
Thai Coated Steel Sheet Co., Ltd.	Thailand	Shareholding by the Company and common directors
Bangsaphan Barmill Public Company Limited	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
B.S. Metal Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Sahaviriya Plate Mill Public Company Limited	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
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	The direct and indirect shareholding by the Company's director(s)
Sahaviriya Panich Corporation Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Line Transport Co., Ltd.	Thailand	Common directors with the subsidiary and direct and indirect shareholding by the Company's director(s)

Name of entities	Country of incorporation/ nationality	Nature of relationships
Saha Special Steel Co., Ltd.	Thailand	Direct and indirect shareholding by the Company director(s)
Bangpakong Lighter Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Bangpakong Port Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
ABC Trading Co., Ltd.	Thailand	Indirect shareholding by the Company director(s)
Sahaviriya Steel Corporation Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Thai Steel Sales Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director
Prachuap Pattana Development Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
SVL Corporation Co., Ltd.	Thailand	Common shareholder and directors and direct and indirect shareholding by the Company's director(s)
Sahaviriya Shipping Limited	Hong Kong	Common shareholder and directors and direct and 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
Atlantic Steel AG	Switzerland	Common shareholder and common director with a subsidiary
Bangpakong Shape Steel Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Steel Process Holdings Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Sahaviriya Capital Holdings Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Bangna 26 Property Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Praram 3 Thasai Co., Ltd.	Thailand	Common directors and direct shareholding by the Company's director(s)
KP Capital Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)

Name of entities	Country of incorporation/nationality	Nature of relationships
Pichai Agriculture & Land Co., Ltd.	Thailand	Common directors and direct shareholding by the Company's director(s)
Long Steel Holding Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Sahaviriya Credit Foncier Co., Ltd.	Thailand	Common directors and direct shareholding by the Company's director(s)
Sahaviriya Orchid Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Surasak Muang-Chol Property Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Bangsaphan Steel Trading Co., Ltd.	Thailand	Common directors and direct shareholding by the Company's director(s)
C B S Consultant Co., Ltd.	Thailand	Common directors and direct shareholding by the Company's director(s)
Bangpakong Steel Holdings Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Tong Real Estate Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Krisna Residence Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Growth Water Woods Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Chonglom Property Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Chumphontanee Property Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Soi Hiland Property Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Rama III Yard Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Prachuap Steel Co., Ltd.	Thailand	Common directors and indirect shareholding by the Company's director(s)
Pomprachul Steel Co., Ltd.	Thailand	Common directors and indirect shareholding by the Company's director(s)

Name of entities	Country of incorporation/nationality	Nature of relationships
Bangplakod Steel Co., Ltd.	Thailand	Common directors and indirect shareholding by the Company's director(s)
Panich Holdings Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
SSP Asset Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
SV Nittan Co., Ltd.	Thailand	Common directors and indirect shareholding by the Company's director(s)
Phrapradaeng Shape Steel Co., Ltd.	Thailand	Common directors and indirect shareholding by the Company's director(s)
Amarin Steel Co, Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Kim Heng Seng Steel Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Saha Land Property Holding Co., Ltd.	Thailand	Common directors and indirect shareholding by the Company's director(s)
SCJ & Associates Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
T C H Asset Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Thanarom Property Sale Co., Ltd.	Thailand	Common directors and direct and indirect 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 Shareholder
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:

Transactions	Pricing policies with subsidiary companies and joint venture	Pricing policies with related companies
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.	Other income
Purchase of goods	Purchases of goods for production are based on third party prices under terms and conditions normally applicable to similar transactions.	Purchase of goods
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.
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.

Significant transactions for the six-month periods ended 30 June 2020 and 2019 with related parties are summarized as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Subsidiaries				
Purchases of goods and receiving of services	-	-	162,460	208,130
Dividend income	-	-	25,500	20,400
Other income	-	-	10,241	10,696
Distribution costs and administrative expenses	-	-	5	8
Finance costs	-	-	2,168	-
Joint venture				
Sales of goods	423,001	589,741	423,001	589,741
Revenue from rendering of services	-	63,680	-	-
Purchases of goods and receiving of services	-	56	-	-
Other income	7,362	7,480	7,362	7,480
Distribution costs and administrative expenses	48	13,485	48	13,485
Other related parties				
Sales of goods	861,320	1,400,975	861,320	1,400,975
Rendering of services	45,496	8,966	-	-
Purchases of goods and receiving of services (including other related expenses)	70,758	30,715	49,189	29,583
Other income	50,439	21,833	49,240	20,507
Distribution costs and administrative expenses	227,937	164,131	222,364	159,264

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Key management personnel remuneration				
Short-term benefits	43,399	47,176	38,583	41,637
Statutory severance pay	2,320	2,226	2,320	2,226
Other long-term benefits	18	72	18	72
Total key management personnel	45,737	49,474	40,921	43,935

Balances as at 30 June 2020 and 31 December 2019 with related parties were as follows:

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
<i>Cash and cash equivalents</i>				
<i>– related parties</i>				
Krung Thai Bank Public Company Limited	235,510	270,465	208,022	237,030
Siam Commercial Bank Public Company Limited	6,495	6,105	1,939	3,207
Net	242,005	276,570	209,961	240,237
<i>Other non-current financial assets</i>				
<i>– related parties</i>				
Krung Thai Bank Public Company Limited	107	107	-	-
Siam Commercial Bank Public Company Limited	24,872	3,634	24,872	3,634
Net	24,979	3,741	24,872	3,634
<i>Trade accounts receivable from related parties</i>				
Joint venture				
Thai Cold Rolled Steel Sheet	7,157	7,006	-	-

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
Other related parties				
B.S. Metal Co., Ltd.	1,788,221	1,808,009	1,788,221	1,807,999
Sahaviriya Panich Corporation Co., Ltd.	1,756,385	1,771,979	1,756,385	1,771,979
Others	4,308	7,128	-	-
Total	3,556,071	3,594,122	3,544,606	3,579,978
<i>Less</i> Expected credit loss	(3,544,606)	(3,579,978)	(3,544,606)	(3,579,978)
Net	11,465	14,144	-	-
 <i>Other receivables from related parties</i>				
Subsidiaries				
West Coast Engineering Co., Ltd.	-	-	29,998	31,352
Prachuap Port Co., Ltd.	-	-	-	53
 Joint venture				
Thai Cold Rolled Steel Sheet Public Company Limited	182	177	182	177
 Other related parties				
Vanomet AG (as prepaid for goods)	195,920	208,743	195,920	208,743
Allowance for prepaid for goods	(45,757)	(45,757)	(45,757)	(45,757)
Sahaviriya Plate Mill Public Company Limited (Net from expected credit loss amount of Baht 48 million)	459	632	459	632
Line Transport Co., Ltd.	1,056	718	-	-
B.S. Metal Co., Ltd (Net from expected credit loss amount of Baht 18 million)	813	503	813	503
Others	7,170	7,776	7,089	7,472
Total	159,843	172,792	188,704	203,175

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
Current contract liabilities- related parties				
Joint venture				
Thai Cold Rolled Steel Sheet Public Company Limited	2,142	2,667	-	-
Total	2,142	2,667	-	-

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
Trade accounts payable to related parties				
Subsidiaries				
West Coast Engineering Co., Ltd.	-	-	15,153	80,824
Prachuap Port Co., Ltd.	-	-	3,377	4,890
Other related parties				
B.S. Metal Co., Ltd.	395	880	322	880
Western Security Guard Co., Ltd.	225	223	-	-
SVL Corporation Co., Ltd.	41,011	62,470	41,011	62,428
Vanomet International AG	-	338,586	-	338,586
Others	356	281	91	39
Total	41,987	402,440	59,954	487,647

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
<i>Trade accounts payable to related parties</i>				
Subsidiaries				
Prachuap Port Co., Ltd.	-	-	708	-
West Coast Engineering Co., Ltd.	-	-	9,912	16,433
Joint venture				
Thai Cold Rolled Steel Sheet Public Company Limited	-	175,750	-	175,750
Other related parties				
Prapawit Building Property Co., Ltd.	2,465	231	2,465	231
Thai Steel Sales Co., Ltd.	2,084	11,230	1,604	10,751
SVL Corporation Co., Ltd.	454	239	8	-
B.S. Metal Co., Ltd.	5,831	20,622	5,831	20,622
Sahaviriya Platemill Co., Ltd.	9,771	-	9,771	-
Others	7,365	5,607	7,105	6,759
Total	27,970	213,679	37,404	230,546

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
<i>Short-term loans - related parties</i>				
Subsidiaries				
Prachuap Port Co., Ltd.	-	-	74,500	-
Total	-	-	74,500	-

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

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
Subsidiaries				
As at 1 January 2020	-	-	-	-
Increase	-	-	100,000	-
Decrease	-	-	(25,500)	-
As at 30 June 2020	-	-	74,500	-

On 5 February 2020, the Company entered into borrowings agreement with Prachuap Port Co., Ltd. for credit line not exceed Baht 200 million at the interest rate of MLR per annum for using in its working capital which already received the borrowings amount of Baht 100 million, that the repayment is matured on 5 May 2020. Subsequent, Prachuap Port Co., Ltd. has a right to offset liabilities between dividend in the Company received and principal amount of Baht 25.5 million which is effective on 5 May 2020, as a result, the Company has remained borrowings amount of Baht 74.5 million. On 17 July 2020, the Company and Prachuap Port Co., Ltd. entered into memorandum attached borrowings agreement by changing the repayment conditions from determine the date of repayment to be repay on demand.

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
<i>Current portion liabilities under rehabilitation plan - related parties (Liabilities after discounted cash flows)</i>				
Other related parties				
Prachuap Port Co., Ltd.	-	-	7,991	7,991
Krung Thai Bank Public Company Limited	11,922,485	18,129,927	11,922,485	18,129,927
Siam Commercial Bank Public Company Limited	11,849,244	18,017,539	11,849,244	18,017,539
TISCO Bank Public Company Limited	2,209,165	3,327,229	2,209,165	3,327,229
Total	25,980,894	39,474,695	25,988,885	39,482,686

Movements during the period on borrowings from related parties were as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
Other related parties				
Prachuap Port Co., Ltd.				
Balance as at 31 December (before restatement))	-	-	7,991	7,991
Adjustment to fair value from adoption				
TFRS 9	-	-	-	-
Balance at fair value as at				
1 January 2020 (after restatement)	-	-	7,991	7,991
Recognized interest expenses by effective rate	-	-	-	-
Repayment	-	-	-	-
Changes in fair value	-	-	-	-
Balance at fair value as at				
30 June 2020	-	-	7,991	7,991
Krung Thai Bank Public Company Limited				
Balance as at 31 December (before restatement))	18,129,927	19,529,392	18,129,927	19,529,392
Adjustment to fair value from adoption				
TFRS 9	(5,781,200)	-	(5,781,200)	-
Balance at fair value as at				
1 January 2020 (after restatement)	12,348,727	-	12,348,727	-
Recognized interest expenses by effective rate	366,536	-	366,536	-
Repayment	(134,918)	(1,399,465)	(134,918)	(1,399,465)
Changes in fair value	(657,860)	-	(657,860)	-
Balance at fair value as at				
30 June 2020	11,922,485	18,129,927	11,922,485	18,129,927

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
Siam Commercial Bank Public Company Limited				
Balance as at 31 December (before restatement)	18,017,539	19,414,380	18,017,539	19,414,380
Adjustment to fair value from adoption				
TFRS 9	(5,744,281)	-	(5,744,281)	-
Balance at fair value as at				
1 January 2020 (after restatement)	12,273,258	-	12,273,258	-
Recognized interest expenses by effective rate	364,290	-	364,290	-
Repayment	(134,476)	(1,396,841)	(134,476)	(1,396,841)
Changes in fair value	(653,828)	-	(653,828)	-
Balance at fair value as at				
30 June 2020	<u>11,849,244</u>	<u>18,017,539</u>	<u>11,849,244</u>	<u>18,017,539</u>
TISCO Bank Public Company Limited				
Balance as at 31 December (before restatement)	3,327,229	3,666,691	3,327,229	3,666,691
Adjustment to fair value from adoption				
TFRS 9	(1,038,701)	-	(1,038,701)	-
Balance at fair value as at				
1 January 2020 (after restatement)	2,288,528	-	2,288,528	-
Recognized interest expenses by effective rate	67,937	-	67,937	-
Repayment	(25,366)	(339,462)	(25,366)	(339,462)
Changes in fair value	(121,934)	-	(121,934)	-
Balance at fair value as at				
30 June 2020	<u>2,209,165</u>	<u>3,327,229</u>	<u>2,209,165</u>	<u>3,327,229</u>

Significant agreements with related parties

Consortium agreement

On 20 January 2015 a subsidiary entered into a consortium agreement with a local company in order to jointly-operate for projects from the State Railway of Thailand. As at 31 December 2019 the consortium has not operated the commercial operations.

9. Trade accounts receivable

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
Related parties (Note 8)	3,556,071	3,594,122	3,544,606	3,579,978
Other parties	359,923	338,163	316,769	287,038
Total	3,915,994	3,932,285	3,861,375	3,867,016
<i>Less</i> Expected credit loss	(3,829,354)	(3,864,726)	(3,828,415)	(3,863,787)
Net	86,640	67,559	32,960	3,229

Aging analyses for trade accounts receivable were as follows:

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
Related parties				
Within credit terms	8,055	8,418	-	-
Overdue:				
Less than 3 months	1,703	3,136	-	-
3-6 months	1,707	2,590	-	-
6-12 months	-	-	-	-
Over 12 months	3,544,606	3,579,978	3,544,606	3,579,978
	3,556,071	3,594,122	3,544,606	3,579,978
<i>Less</i> Expected credit loss	(3,544,606)	(3,579,978)	(3,544,606)	(3,579,978)
Total	11,465	14,144	-	-

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
Other parties				
Within credit terms	47,745	25,210	28,666	3,072
Overdue:				
Less than 3 months	13,842	21,435	4,294	157
3-6 months	6,276	5,126	-	-
6-12 months	7,312	1,644	-	-
Over 12 months	284,748	284,748	283,809	283,809
	359,923	338,163	316,769	287,038
<i>Less</i> Expected credit loss	(284,748)	(284,748)	(283,809)	(283,809)
Total	75,175	53,415	32,960	3,229
Net	86,640	67,559	32,960	3,229

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

As at 31 December 2019, the Company had 2 related party receivables overdue from 6-12 months, totaling in the amount of Baht 3,580 million. The Company recognized expected credit loss in full amount in the year 2019. Part of rehabilitation plan stipulated to collect the payment from related parties not less than Baht 300 million a year from 2017 to present. The debt collection from those receivables does not conform to the determination (but not assume as defaulting under rehabilitation plan). At present, the Company is in the process of outstanding debt collection. During the year 2020, the Company has received the payment in the amount of Baht 35 million, therefore, allowance for expected credit loss was reversed by the same amount.

As at 30 June 2020, the Company has revised business rehabilitation plan which is awaiting for the approval by the Central Bankruptcy Court. Nevertheless, from the date of approval the revised Plan, the Company has to present the payment guideline of the outstanding of those two receivables for the consideration and approval of the Board of creditors.

10. Inventories

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
Finished goods	1,205,280	1,923,709	1,209,817	1,940,355
Work in progress	105,956	32,449	39,701	618
Raw materials	353,657	1,200,862	349,153	1,195,732
Spare parts and factory supplies	802,214	810,306	798,358	807,289
Inventories under collateral management agreement <i>(Note 21)</i>	2,252,407	3,502,847	2,252,407	3,502,847
Goods in transit	637,175	875,256	637,175	875,256
	5,356,689	8,345,429	5,286,611	8,322,097
<i>Less Allowance for devaluation</i>	(656,127)	(881,728)	(656,127)	(881,728)
Total	4,700,562	7,463,701	4,630,484	7,440,369

11. Other current assets

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
Prepaid expenses	52,403	28,504	39,499	20,043
Prepaid for goods and supplies	150,731	135,212	150,731	135,212
Accrued income	-	12,588	-	-
Revenue Department receivable	9,403	11,724	9,403	11,724
Income tax deducted at source	44,372	36,191	6,241	5,083
Others	20,627	13,815	18,468	10,643
Total	277,536	238,034	224,342	182,705
Allowance for doubtful accounts	(8,032)	(8,032)	(8,032)	(8,032)
Net	269,504	230,002	216,310	174,673

12. Other non-current financial assets

The Company used deposits with financial institution as collateral against raw materials purchasing, issuance of letter of guarantee by the bank and forward contracts, the Company could not take such deposits for using based on the determined rate of the contract period.

A subsidiary used deposits to guarantee the issuance of letter of guarantee by the bank.

13. Investments in subsidiaries

Investments in subsidiaries as at 30 June 2020 and 31 December 2019 were as follows:

Unit : Thousand Baht

Name of entity	Type of business	Separate financial statements										Dividend income for the six-month periods ended	
		Ownership proportion		Paid-up capital		Cost method		Impairment		At cost - net		30 June 2020	30 June 2019
		30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	30 June 2019
		(%)	(%)										
Prachuap Port Co., Ltd.	Deep-sea port and marine shipping services	51.00	51.00	400,000	400,000	204,000	204,000	-	-	204,000	204,000	25,500	20,400
West Coast Engineering Co., Ltd.	Maintenance services	99.99	99.99	75,000	75,000	75,000	75,000	-	-	75,000	75,000	-	-
Total						<u>279,000</u>	<u>279,000</u>	<u>-</u>	<u>-</u>	<u>279,000</u>	<u>279,000</u>	<u>25,500</u>	<u>20,400</u>

14. Investments in joint venture

Investments in joint venture as at 30 June 2020 and 31 December 2019 were as follows:

Unit : Thousand Baht

		Consolidated financial statements											
Name of entity	Type of business	Ownership proportion		Paid-up capital		Cost method		Equity method		Share of profit (loss) for the six-month periods		Dividend income for the six-month periods ended	
		30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
		(%)	(%)										
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	2,586,107	2,628,782	(42,675)	23,129	-	-
Total						3,817,962	3,817,962	2,586,107	2,628,782	(42,675)	23,129	-	-

Unit : Thousand Baht

		Separate financial statements										Dividend income for the six-month periods ended	
Name of entity	Type of business	Ownership proportion		Paid-up capital		Cost method		Impairment		At cost - net			
		30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
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	-	22,601
Total						3,817,962	3,817,962	1,189,180	1,189,180	2,628,782	2,628,782	-	22,601

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 a trading facility to Sahaviriya Steel Industries UK Limited. In 2016, the Company recognized loss on guarantee amount of Baht 513 million as outstanding debts and presented as provisions under rehabilitation plan.

Contingent liabilities and commitments relating to the joint venture:

	30 June 2020	31 December 2019
<i>Capital commitments in relation to interest in joint venture</i>		
Group's share of the joint venture according to		
- from capital expenditure	Baht 28 million, USD 0.18 million, and JPY 40 million	Baht 38 million, USD 0.32 million, JPY 56 million and Euro 0.14 million
- from non-cancellable operating lease commitments	Baht 1 million	Baht 3 million
- from raw materials and chemical purchases	Baht 6.33 million, and USD 4.5 million	Baht 4.75 million, and USD 7.39 million
- from other contracts	Baht 37.7 million, and JYP 2.64 million	Baht 9 million and JPY 11 million
- Guarantee	Baht 9.29 million	Baht 9.29 million

15. Other long-term investment

Other long-term investment as at 30 June 2020 and 31 December 2019 were as follows:

Unit : Thousand Baht

Consolidated and Separate financial statements													
Name of entity	Type of business	Ownership proportion		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income for the six-month periods ended	
		30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	31 December 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Thai Coated Steel Sheet Co., Ltd.	Manufacturing and distribution of Electro Galvanized Steel Sheet	3.70	3.70	2,206,990	2,206,990	294,000	294,000	294,000	294,000	-	-	-	-
Total						294,000	294,000	294,000	294,000	-	-	-	-

16. Long-term loans

Movement transaction during the period for long-term loans from related party as follows:

Unit : Million Baht

	Separate financial statements			30 June 2020
	31 December 2019	Increase	Decrease	
Principal	-	426,759	-	426,759
Accrued interest	-	4,233	-	4,233

As at 30 June 2020, there is loans in the amount of GBP 11.36 million had the exchange rate amount of Baht 40.69 per GBP at the transaction date and Baht 37.58 per GBP at the end of the period.

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 proportion of shareholding in RBT from 50% to 100%. Such loans are charged interest at the rate of GBP at LIBOR averaged 3 months+2% per annum which will be matured on 5 February 2025.

17. Property, plant and equipment

	Unit : Thousand Baht	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2020 (before adjustment)	10,926,465	9,711,399
Reclassify to right-of-use assets due to new TFRS adoption (see Note 7)	(4,925)	(3,104)
Net book value as at 1 January 2020 (after adjustment)	10,921,540	9,708,295
Additions during the period - Cost method	323,233	316,123
Depreciation charge for the period	(285,127)	(235,843)
Disposals	(1,711)	(1,711)
Net book value as at 30 June 2020	10,957,935	9,786,864

As at 30 June 2020, the Group and the Company has mortgaged/ pledged assets amounting to approximately Baht 8,810 million and Baht 8,530 million respectively (*31 December 2019: Baht: 8,950 million and Baht 8,664 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 notes 20, 24 and 29 to financial statements.

18. Right of use assets

Movements of right-of-use assets/leasehold right during the six-month period ended 30 June 2020 are as follows:

	Unit : Thousand Baht	
	Consolidated	Separate
	financial	financial
	statements	statements
Net book value as at 1 January 2020	-	-
Reclassify to right-of-use assets due to new TFRS adoption (see Note 7)	4,925	3,104
Adjustment of right-of-use assets due to TFRS 16 initial adoption	96,355	75,631
Net book value as at 1 January 2020 (after adjustment)	101,280	78,735
Additions during the period – Cost method	5,696	-
Depreciation charge for the period	(17,362)	(14,183)
Net book value as at 30 June 2020	89,614	64,552

19. Deferred tax

Deferred tax assets and liabilities as at 30 June 2020 and 31 December 2019 were as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
Deferred tax assets	4,794	3,635	-	-
Deferred tax liabilities	(31,651)	(42,065)	(4,138)	(14,269)
Net	(26,857)	(38,430)	(4,138)	(14,269)

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

Unit : Thousand Baht

	Consolidated financial statements			As at 30 June 2020
	As at 1 January 2020	(Charged)/Credited to:		
		Profit or loss	Other comprehensive income	
<i>Deferred tax assets</i>				
Trade accounts receivable	188	-	-	188
Property, plant and equipment	4,725	(212)	-	4,513
Non-current provisions for employee benefit	10,949	491	-	11,440
Finance lease liabilities	-	54	-	54
Taxable loss carry forward	-	262	-	262
Total	15,862	595	-	16,457
<i>Deferred tax liabilities</i>				
Other current assets	(323)	(128)	-	(451)
Property, plant and equipment	(49,493)	10,349	-	(39,144)
Finance lease liabilities	(4,476)	757	-	(3,719)
Total	(54,292)	10,978	-	(43,314)
Net	(38,430)	11,573	-	(26,857)

Unit : Thousand Baht

	Separate financial statements			
	<u>(Charged)/Credited to:</u>			
	As at 1 January 2020	Profit or loss	Other comprehensive income	As at 30 June 2020
<i>Deferred tax liabilities</i>				
Property, plant and equipment	(14,269)	10,131	-	(4,138)
Total	(14,269)	10,131	-	(4,138)

Tax expense for the six-month periods ended 30 June 2020 and 2019 are summarized as follows:

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Income tax recognized in profit or loss				
Income tax for the period	2,495	8,870	-	-
Deferred tax				
Changes in temporary differences	(11,573)	7,818	(10,131)	3,818
Total tax (expense) income	(9,078)	16,688	(10,131)	3,818

Deferred tax assets arising from temporary differences and unused tax losses that have not been recognized in the financial statements as at 30 June 2020 and 31 December 2019 were as follows:

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
<i>Deferred tax assets</i>				
- Temporary differences	8,068,539	7,919,018	8,068,539	7,919,018
- Tax losses brought forward	598,067	303,712	598,067	303,712
Net	8,666,606	8,222,730	8,666,606	8,222,730

Tax losses of the companies in Thailand will expire in 2018 - 2023. Temporary differences do not expire under current tax legislation. The Group has not recognized deferred tax assets in respect of these items 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.

20. Short term borrowings from financial institution

As at 30 June 2020, the Group had unutilized credit facilities total amount of Baht 77 million and the Company had no credit facilities (as at 31 December 2019: Baht 93 million for the Group only 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, and fixed deposit of subsidiary.

21. Trade accounts payable

Unit: Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
Related parties (Note 8)	41,987	402,440	59,954	487,647
Other parties	3,694,589	4,746,222	3,654,695	4,701,302
Total	3,736,576	5,148,662	3,714,649	5,188,949

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.

22. Lease liabilities

Unit: Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
Amount of minimum payment	97,305	4,438	68,361	1,393
<u>Less: Deferred interest expense</u>	(8,263)	(303)	(4,447)	(64)
Present value of minimum payment	89,042	4,135	63,914	1,329
<u>Less: Current portion</u>	(33,291)	(2,332)	(25,812)	(649)
Lease liabilities portion over 1 year but less than 5 years	<u>55,751</u>	<u>1,803</u>	<u>38,102</u>	<u>680</u>

A subsidiary entered into resell and lease agreement for machineries and equipment total amount of Baht 58.9 million with the lease period of 5 years for entire machineries and equipment under resell and lease agreement as at 30 June 2020 there is no net carrying value (2019: Baht 1.5 million).

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.

23. Non-current Provisions for employee benefit

The movement in the present value of the defined benefit obligations for the six-month periods ended 30 June 2020 were shown in the table below

	Unit : Thousand Baht	
	Consolidated financial statements	Separate financial statements
Provisions for employee benefit as at 1 January 2020	360,919	306,174
Recognized in profit or loss:		
Current service costs and interest	17,155	14,590
Others		
Benefits paid by the plan	(796)	(685)
Provisions for employee benefit as at 30 June 2020	377,278	320,079

Expenses related to long-term employee benefits for the six-month periods ended 30 June 2020 recognized in statement of comprehensive income as follows:

	Unit : Thousand Baht	
	Consolidated financial statements	Separate financial statements
Cost of sales	12,329	10,371
Distribution costs	697	621
Administrative expenses	4,129	3,598
Total	17,155	14,590

24. Liabilities under rehabilitation plan and progressive

24.1 Liabilities under rehabilitation plan

The Company recorded liabilities under rehabilitation plan at the fair value as at 30 June 2020 are presented as follows:

	Unit: Thousand Baht	
	Consolidated financial statements	Separate financial statements
Current portion of liabilities under rehabilitation plan	131,412	131,412
Overdue portion of liabilities under rehabilitation plan	29,414,448	29,422,439
Total	<u>29,545,860</u>	<u>29,553,851</u>

Changes in liabilities under rehabilitation plan which stated at fair value for the six-month periods ended 30 June 2020 are as follows:

	Unit: Thousand Baht	
	Consolidated financial statements	Separate financial statements
Balance as at 31 December 2020	56,993,174	57,001,165
Adjustment to fair value from adoption TFRS 9 (note 7)	<u>(26,384,253)</u>	<u>(26,384,253)</u>
Balance at fair value as at 1 January 2020	30,608,921	30,616,912
Recognized interest expenses by effective rate	909,030	909,030
Repayment	(340,562)	(340,562)
Changes in fair value	<u>(1,631,529)</u>	<u>(1,631,529)</u>
Balance at fair value as at 30 June 2020	<u>29,545,860</u>	<u>29,553,851</u>

Movements of liabilities under rehabilitation plan (No. 1)

Unit: Thousand Baht

Liabilities under the plan for the year ended 31 December 2019								
Class	Principal				Interest			
	Principal as at 31 December 2018	Payments		Principal as at 31 December 2019	Accrued interest expenses as at 31 December 2018	Interest under the plan	Actual payment	Accrued interest expenses as at 31 December 2019
		Payment under the plan	Actual plan					
1	6,703,591	(812,991)	(812,991)	5,890,600	1,552,035	393,797	(31,834)	1,913,998
2	12,007,431	(209,127)	(209,127)	11,798,304	3,212,899	119,772	(11,977)	3,320,694
3	3,733,341	(65,157)	(65,157)	3,668,184	819,981	37,239	(3,724)	853,496
14	24,240,094	(469,745)	(469,745)	23,770,349	3,091,292	230,800	(23,081)	3,299,011
5	1,522,509	(26,517)	(26,517)	1,495,992	270,607	15,187	(1,519)	284,275
6	104,046	(34,682)	(34,682)	69,364	-	-	-	-
7	7,991	-	-	7,991	-	-	-	-
12	10,477	(80)	(80)	10,397	-	-	-	-
Balance as at 31 December 2019	48,329,480	(1,618,299)	(1,618,299)	46,711,181	8,946,814	796,795	(72,135)	9,671,474

Unit: Thousand Baht

Liabilities under the plan for the year ended 30 June 2020								
Class	Principal				Interest			
	Principal as at 31 December 2019	Payments		Principal as at 30 June 2020	Accrued interest expenses as at 31 December 2019	Interest under the plan	Actual payment	Accrued interest expenses as at 30 June 2020
		Payment under the plan	Actual plan					
1	5,890,600	(406,495)	(135,498)	5,755,102	1,913,998	179,362	(14,513)	2,078,847
2	11,798,304	(124,654)	(41,551)	11,756,753	3,320,694	58,997	(5,884)	3,373,807
3	3,668,184	(38,838)	(12,946)	3,655,238	853,496	18,343	(1,829)	870,010
4	22,085,131	(279,999)	(93,333)	21,991,798	3,299,011	116,455	(11,603)	3,403,863
5	1,495,992	(15,806)	(5,269)	1,490,723	284,275	7,481	(746)	291,010
6	69,364	(17,341)	(5,780)	63,584	-	-	-	-
7	7,991	-	-	7,991	-	-	-	-
12	10,397	(40)	(13)	10,384	-	-	-	-
Balance as at 31 December 2020	45,025,963	(883,173)	(294,390)	44,731,573	9,671,474	380,638	(34,575)	10,017,537

24.2 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 Board of creditors, 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 Board of creditors on 15 September 2016) (the Plan No. 1). The Plan is determined the Company to be the Plan Administrator.

Subsequent, the Company ceased to repay the principal under the Plan since March 2010 (interest under the Plan still normally pay) and the Company has filed the petition for revising the Plan on 27 April 2020 to the Official Receiver.

Subsequent on 18 June 2020, the Official Receiver has attended the creditors meeting and the most of 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”). At present, the Plan is awaiting for the approval by the Central Bankruptcy Court.

The substances of the revised plan No.1 and 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 (translated 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 = Baht 35.4546, GBP 1 = Baht 50.5173 and EUR 1 = Baht 39.0923, total debt claim equivalent to Baht 69,220.2 million). Detail is as follows:

Class 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
	Total	63,924,365	5,295,829	69,220,194

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 (“Court’s Plan Approval Date”), 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 1,113.0 million to Baht 11,113.0 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 principles 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 principle 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 3,246.0 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 1st 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:

1 st Month – 60 th Month	1.00% per annum
61 st Month – 84 th Month	1.75% per annum
85 th Month – 96 th Month	2.00% per annum
97 th Month – 108 th Month	2.25% per annum
109 th Month – 120 th Month	2.50% per annum
121 st Month – 144 th 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's 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:

1 st Month – 60 th Month	1.00% per annum
61 st Month – 84 th Month	1.75% per annum
85 th Month – 96 th Month	2.00% per annum
97 th Month – 108 th Month	2.25% per annum
109 th Month – 120 th Month	2.50% per annum
121 st Month – 144 th 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”.

3.4 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 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 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' 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 144th 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's 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.

In 2019, the Company has settle debt to the creditors under the Plan for the principal amount of Baht 1,640.8 million and interest amount of Baht 72.17 million, totally Baht 1,713.0 million.

In 2018, the Company has settle debt to the creditors under the Plan for the principal amount of Baht 1,625.9 million and from cash inflows surplus amount of Baht 1,401.6 million and from conversion of debt to equity amount of Baht 500 million, total principal under the Plan amount of Baht 3,527.5 million and interest amount of Baht 80.3 million, totally Baht 3,607.8 million.

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.

Subsequent, 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 extends the time request for disputation of which Central Bankruptcy Court. Then on 23 September 2019, the creditor file application to the Court to change the order of the Official Receiver. The Court will examine the witnesses of such creditor and objector on 4 and 5 March 2020, total debt claiming which comprise principle and interest under rehabilitation plan amounted to Baht 1,928.7 million.

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 2,640.0 million and at the end of 2021 the outstanding debt balance (the existing and new debt) will not exceed than Baht 1,760.0 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 Board of creditor informed the Company by notice for such defaulting and caused to be the default as determined in the rehabilitation plan.

Subsequent as at 31 December 2019, the debt balance of two debtors in the amount of Baht 3,580 million which is exceeded than the Plan required to have the outstanding balance lower than Baht 2,640 million but the Company called for the payment which did not cause a default on payment.

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 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. The success of the Plan

- 5.1 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
- 5.2 The Company has secured new funding from an investor(s) to repay debt such that the shareholders’ equity of the Company becomes positive, or
- 5.3 Debt to equity conversion as stipulated in the 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

“5.1 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”

The Progressive in operation under the business rehabilitation for the year ended 30 June 2020

For the six-month periods ended 30 June 2020, the Company has made repayment to creditors under the Plan for the principals amount of Baht 294.4 million and interest total amount of Baht 34.6 million , totally Baht 329.0 million. Thus, the Company has not made the principals repayment since March 2020 until present and is still awaiting for the approval with the Plan by the Court.

For the year ended 31 December 2019, the Company has made repayment to the creditors under the Plan for the principal amount of Baht 1,618.3 million and interest amount of Baht 72.2 million, totally Baht 1,690.5 million.

25. Share capital

No movement of share capital for the six-month periods ended 30 June 2020.

26. 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

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 for the six-month periods ended 30 June 2020 and 2019 are as follows:

Unit : Thousand Baht

	Manufacture		Maintenance services		Deep-sea port services		Elimination		Total segment	
	of hot rolled coils									
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
External revenue	8,471,029	14,605,395	143,217	194,862	55,340	94,570	-	-	8,669,586	14,894,827
Inter-segment revenue	-	-	144,919	178,678	17,583	30,158	(162,502)	(208,836)	-	-
Segment profit (loss) before income tax	136,841	231,754	(3,821)	32,033	9,608	25,745	49,215	9,763	88,413	299,295
Reportable segment assets as at 30 June	18,516,170	23,995,294	377,609	373,146	1,234,457	1,274,424	(494,517)	(1,011,535)	19,633,719	24,631,329

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			
	Consolidated		Consolidated	
	financial statements		financial statements	
	2020	2019	2020	2019
Income				
Domestic	8,659,954	14,887,557	8,471,028	14,605,395
Overseas	9,632	7,270	-	-
Total	8,669,586	14,894,827	8,471,028	14,605,395

Major customer

Revenues from 2 customers of the Group's segment 1 represent approximately Baht 3,566 million (2019: 3 customers Baht 6,490 million)

Revenues from 2 customers of the Company's segment 1 represent approximately Baht 3,566 million (2019: 3 customers Baht 6,490 million)

27. Income tax

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 period, 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 different incurred during the period 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 netted with profit of other subsidiaries in income tax calculation.

28. Earnings per share

Basic earnings per share

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

For the six-month periods ended 30 June 2020 and 2019 as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	For six month period		For six month period	
	end 30 June		end 30 June	
	2020	2019	2020	2019
Profit (Loss) for the period attributable to ordinary shareholders of the Company				
<i>(Thousand Baht)</i>	92,678	274,296	146,972	227,936
Weighted average number of ordinary shares outstanding (basic)				
<i>(Thousand shares)</i>	11,113,018	11,113,018	11,113,018	11,113,018
Earnings (Loss) per share basic				
<i>(in Baht)</i>	0.01	0.02	0.01	0.02

29. Commitments and contingent liabilities

Unit: Million Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
Capital expenditures commitment				
<i>Contracted but not provided for</i>				
Machinery and equipment	30	82	21	104
Total	30	82	21	104

As at 30 June 2020, the Group had capital expenditures amount of Baht 21 million, USD 0.05 million and EUR 0.21 million (31 December 2019: Baht 35 million, USD 0.2 million and EUR 1.2 million) in relation to the acquisition and installation of machinery and equipment.

As at 30 June 2020, the Company had capital expenditures amount of Baht 12 million, USD 0.05 million and EUR 0.21 million (31 December 2019: Baht 57 million, USD 0.2 million and EUR 1.2 million) in relation to the acquisition and installation of machinery and equipment.

As at 30 June 2020, the Group had the minimum amount to be paid in the future under the lease as follows:

Unit: Million Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
Non-cancellable operating lease commitments				
Within one year	0.25	12	0.23	5
After one year but within five years	0.11	3	0.11	4
Total	0.37	15	0.34	9
Other commitments				
Raw materials purchases	1,698	6,511	1,698	2,194
Letter of credit	3	43	-	-
Other agreements	239	569	198	513
Total	1,940	7,123	1,896	2,707

As at 30 June 2020, the Group has no obligations related to lease land, building and vehicles agreement from adoption TFRS 16. As at 1 January 2020, the Group has recognized machineries which were reclassified as operating lease by present value of the outstanding amounts of lease payment discounted by the increment borrowings rate of the Group as stated in notes 7 to financial statements.

As at 30 June 2020, the Group had other commitments in relation to purchase spare parts and equipment supplies, and to obtain maintenance services amounting to Baht 227 million, USD 0.24 million, EUR 0.12 million and JPY 2.94 million (*31 December 2019: Baht 309 million, USD 2.9 million, EUR 4.0 million, GBP 0.04 million and JPY 34.6 million*).

As at 30 June 2020, the Company had other commitments in relation to purchase spare parts and equipment supplies, and to obtain maintenance services amounting to Baht 186 million, USD 0.24 million, EUR 0.12 million and JPY 2.94 million (*31 December 2019: Baht 277 million, USD 2.9 million, EUR 4.0 million, GBP 0.04 million and JPY 34.6 million*).

Contingent liabilities

- a) As at 30 June 2020 and 31 December 2019, the Group was liable to banks in respect to the following guarantees:

Unit: Million Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
Electricity supply				
Performance guarantees	107	104	104	104
Others	65	43	19	-
Total	11	4	-	4
Electricity supply	183	151	123	108

As at 30 June 2020, 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 2019: amount of Baht 11 million*),
- The contractual performance amounting to Baht 65 million (*31 December 2019: amount of Baht 43 million*),
- Electricity usage amount of Baht 107 million (*31 December 2019: amount of Baht 104 million*).

- b) As at 30 June 2020, 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.

30. Fair value of financial instruments

Since the most of Group’s financial assets and liabilities are classified in short-term and bear interest rates close to market interest rates. The Group estimated the fair value of the most financial assets and liabilities close to carrying value which presented in statements of financial position.

Carrying value and fair value of financial assets and liabilities as at 30 June 2020 and 1 January 2010 are as follows:

Unit: Thousand Baht

Consolidated financial statements as at June 30, 2020

	Book value			Fair value
	Fair value through profit or loss	Amortized cost	Total	
Financial assets				
Cash and cash equivalents	-	271,054	271,054	271,054
Trade accounts receivable	-	86,640	86,640	86,640
Current contract assets	-	22,308	22,308	22,308
Other non-current financial assets				
- Restricted deposit at financial institution	-	28,933	28,933	28,933
Long-term loans	-	426,759	426,759	426,759
Total financial assets	-	835,694	835,694	835,694
Financial liabilities				
Short-term borrowings from financial institutions	-	43,500	43,500	43,500
Trade accounts payable	-	3,736,576	3,736,576	3,736,576
Short-term borrowings from related parties	-	-	-	-
Liabilities under rehabilitation plan	29,545,860	-	29,545,860	29,545,860
Lease liabilities	-	89,042	89,042	89,042
Total financial liabilities	29,545,860	3,869,118	33,414,978	33,414,978

Unit: Thousand Baht

Consolidated financial statements as at 1 January 2020

	Book value			Fair value
	Fair value through profit or loss	Amortized cost	Total	
Financial assets				
Cash and cash equivalents	-	359,995	359,995	359,995
Trade accounts receivable	-	67,559	67,559	67,559
Current contract assets	-	-	-	-
Other non-current financial assets				
- Restricted deposit at financial institution	-	7,596	7,596	7,596
Long-term loans	-	-	-	-
Total financial assets	-	435,150	435,150	435,150

Unit: Thousand Baht

Consolidated financial statements as at 1 January 2020				
	Book value		Fair value	
	Fair value through profit or loss	Amortized cost		Total
Financial liabilities				
Short-term borrowings from financial institutions	-	60,683	60,683	60,683
Trade accounts payable	-	5,148,662	5,148,662	5,148,662
Short-term borrowings from related parties	-	-	-	-
Liabilities under rehabilitation plan (after adjustment) (Note 7)	30,608,921	-	30,608,921	30,608,921
Lease liabilities	-	4,135	4,135	4,135
Total financial liabilities	30,608,921	5,213,480	35,822,401	35,822,401

Unit: Thousand Baht

Separate financial statements as at June 30, 2020				
	Book value		Fair value	
	Fair value through profit or loss	Amortized cost		Total
Financial assets				
Cash and cash equivalents	-	213,766	213,766	213,766
Trade accounts receivable	-	32,960	32,960	32,960
Current contract assets	-	-	-	-
Other non-current financial assets				
- Restricted deposit at financial institution	-	24,872	24,872	24,872
Long-term loans	-	426,759	426,759	426,759
Total financial assets	-	698,357	698,357	698,357
Financial liabilities				
Short-term borrowings from financial institutions	-	-	-	-
Trade accounts payable	-	3,714,649	3,714,649	3,714,649
Short-term borrowings from related parties	-	74,500	74,500	74,500
Liabilities under rehabilitation plan	29,553,851	-	29,553,851	29,553,851
Lease liabilities	-	63,914	63,914	63,914
Total financial liabilities	29,553,851	3,853,063	33,406,914	33,406,914

Unit: Thousand Baht

Separate financial statements as at 1 January 2020				
	Book value			Fair value
	Fair value through profit or loss	Amortized cost	Total	
Financial assets				
Cash and cash equivalents	-	242,830	242,830	242,830
Trade accounts receivable	-	3,229	3,229	3,229
Current contract assets	-	-	-	-
Other non-current financial assets				
- Restricted deposit at financial institution	-	3,634	3,634	3,634
Long-term loan	-	-	-	-
Total financial assets	-	249,693	249,693	249,693
Financial liabilities				
Short-term borrowings from financial institutions	-	-	-	-
Trade accounts payable	-	5,188,949	5,188,949	5,188,949
Short-term borrowings from related parties	-	-	-	-
Liabilities under rehabilitation plan (after adjustment) (Note 7)	30,616,912	-	30,616,912	30,616,912
Lease liabilities	-	1,329	1,329	1,329
Total financial liabilities	30,616,912	5,190,278	35,807,190	35,807,190

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, 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 presented at fair value by using the discounted future cash flows technique and valuation theory model.¹
- 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 period, there is no transferring between the hierarchical of fair value.

31. Events after the reporting period

On 16 July 2020, according to the minutes of Board of directors' meeting in being a Plan Administrative No.9/2020 passed the resolution to approve the Company to submit to the Board of Creditors to agree regarding the supporting Bridge loan to Redcar Bulk Terminal Limited (RBT), a related company for the amount not exceeding GBP 200,000 at the interest rate of MLR+1% per annum. On 20 July 2020, the Company has already provided loans to that company in the amount of GBP 150,000. Later on 6 August 2010, the Company has received the return of such loans in full.

32. Financial statements approval

These financial statements were approved and authorized for issue by the Company's Board of directors on 13 August 2020.