

SAHAVIRIYA STEEL INDUSTRIES PUBLIC COMPANY LIMITED

AND SUBSIDIARIES

AUDITOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

INDEPENDENT AUDITOR'S REPORT

To The Shareholders of SAHAVIRIYA STEEL INDUSTRIES PUBLIC COMPANY LIMITED

Opinion

I have audited the accompanying consolidated and separate financial statements of SAHAVIRIYA STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARIES (“the Group”) and of SAHAVIRIYA STEEL INDUSTRIES PUBLIC COMPANY LIMITED (“the Company”) which comprise the consolidated and separate statements of financial position as at 31 December 2020, the consolidated and sperate statements of comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of SAHAVIRIYA STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of SAHAVIRIYA STEEL INDUSTRIES PUBLIC COMPANY LIMITED as at 31 December 2020 and the consolidated and separate financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards (“TFRSs”).

Basis for Audit Opinion

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

Material uncertainty on going concern

As at 31 December 2020, parts of financial position of the Group and the Company are as follows;

As stated in notes 2 to financial statements, year 2020 the Group and the Company have operating net profit in the amount of Baht 377.4 million and Baht 432.6 million respectively, and the consolidated and separate statements of financial position also represented operating deficit as at 31 December 2020 amount of Baht 16,654.9 million and Baht 17,090.9 million respectively, and negative shareholders' equity of Baht 14,521.0 million and Baht 15,477.9 million respectively.

As discussed in notes 27 of the financial statements, the Rehabilitation Plan No. 2 (Revised Version), which was approved by the Central Bankruptcy Court on 18 September 2020, with the following significant, the Company needs to generate sufficient cash flows to meet both its working capital requirement and for settlement the debts from operation by issuing new share capital, conversion of debt to equity, as well as seeking new source of funding. However, to consider that the successful of the Plan should have the following events; 1) the Company has made repayments for the outstanding principal to all creditors including the creditors received debt settlement from the conversion of debt to equity No.1 and No. 2 in the amount not less than 25% of the outstanding principal to be paid under the Plan and either 2) the Company has obtained new funding from an investor to settle debt which resulting to the shareholders' equity of the Company becomes positive, or 3) conversion of debt to equity as stipulated in the Plan resulting to the shareholders' equity of the Company becomes positive. The realizable value of assets may materially less than carrying value, if the Group and the Company are unable to continue their operations as a going concern.

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

Others

I have previously expressed a qualified opinion on the 2019 financial statements of Sahaviriya Steel Industries Public Company Limited in the report dated 28 February 2020 regarding liabilities under the rehabilitation plan, which I did not receive a confirmation letter of 4 principal in the amount of Baht 1,506.4 million and interest payable of Baht 284.5 million. The part where the letter of response was received, but there were 5 differences, the principal amount was higher than the account amounted to Baht 4,515.2 million and USD 117.2 million and accrued interest of Baht 1,697.5 million and USD 13.2 million and 2 cases, the amount are lower than the accounting as accrued interest of USD 93.7 million. Subsequent in 2020, the Company was able to reconcile missed and differentiated item with the account balance. Most of the difference are suspension. The calculation method varies between creditors and the Company. I have applied the other auditing procedures for satisfying with the liabilities under the rehabilitation plan. Accordingly, my opinion for 2019, which expressed a qualified as to the inability to obtain sufficient an appropriate evidences, has changed and for 2020, I have applied the other auditing procedures as similar to the year 2019.

Emphasis of Matter

1. The adoption of new financial reporting standards

I draw your attention to notes 6 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. Liabilities from guarantee borrowings settlement (Creditors class 4 under rehabilitation plan)

As stated in notes 3 (g) 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 27 to financial statements, the creditors class 4 will receive the liabilities settlement from the liquidation procedures of SSI UK, the right of the creditors class 4 to be received liabilities settlement by the Company under the rehabilitation plan .In 2020 the liquidator has sold the amount of GBP 15 million of collateral assets (before deducting expenses) and this fund was sent to creditors class 4 in full. According to the rehabilitation plan, the fund will be used to reduce the installment amount of principal in the final period backwards respectively.

Therefore, the Plan Administrator has sent a letter to the class 4 of creditors for informing the reduced principal debt balance and showing the receipt of the payment. As at 31 December 2020, the Company has not yet replied, the reduction in accounts has not been made since the process of liquidity is not finalized. Contingent liabilities from guarantee as stated in notes 34 (b) to financial statements from contractual damages from environmental insurance amounting to USD 31 million, therefore, has not changed.

3. Collection from related companies receivable

As stated in notes 27 to financial statement, the Company has two related company receivables, the outstanding balance of such receivables as at 31 December 2020 and 2019 total amount of Baht 3,497.9 million and 3,579.9 million respectively. The Company has fully set up allowance for credit loss in 2019. 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 debt 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 Board of creditor not yet notice for such defaulting.

Subsequent in 2020, as stated in notes 27 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 those two receivables and alleviated the trouble to submit for the approval by the Board of creditors.

4. 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 year ended 31 December 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.

5. 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.

Key Audit Matters

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

Assets

Impairment of property, plant and equipment

As described in notes 18 to the financial statements, the Group and the Company's property, plant and equipment which are stated at cost less accumulated depreciation and impairment losses are significant amount. The management exercise judgment in determining the impairment loss due to the recoverable amount of the property, plant and equipment is determined on value in use by estimate future cash flows that the entity expects to derive from the assets which related to the projection of future operating performance, future plan and determination of an appropriate discount rate and key assumptions. Therefore, I have identified that considering the impairment loss of property, plant and equipment is the significant matter that requires special attention in the audit.

My audit procedure on such matter

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

Other Information

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

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

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

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

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

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

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

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

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

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

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

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

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

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

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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

D I A International Audit Company Limited

(Mrs. Suvimol Chrityakierne)

C.P.A. (Thailand)

Registration No. 2982

1 March 2021

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of financial position

As at 31 December 2020

Unit : Baht

Assets	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Current assets					
Cash and cash equivalents	8	665,739,959	359,994,931	635,691,476	242,829,870
Trade accounts receivable	9	134,803,702	67,559,000	36,401,026	3,229,048
Other current receivables from related parties	7	163,943,165	172,792,089	172,069,608	203,174,781
Current contract assets	10	16,593,096	12,588,259	-	-
Short-term loans from related parties	7	11,055,963	-	11,055,963	-
Current portion of long-term loans	17	14,875,294	-	14,875,294	-
Inventories	11	4,316,393,324	7,463,700,630	4,260,405,551	7,440,368,806
Other current assets	12	242,585,812	217,414,058	192,424,811	174,673,268
Assets held for disposal from liquidation of subsidiary	3(g)	-	-	-	-
Total current assets		5,565,990,315	8,294,048,967	5,322,923,729	8,064,275,773
Non-current assets					
Other non-current financial assets	13	44,135,840	7,595,649	43,322,326	3,633,986
Investments in subsidiaries	14,15	-	-	278,999,930	278,999,930
Investments in joint venture	16	2,564,156,667	2,628,781,546	2,628,781,546	2,628,781,546
Long-term loans	17	471,446,343	-	471,446,343	-
Property, plant and equipment	18	10,922,902,304	10,926,465,042	9,769,170,144	9,711,399,205
Right-of-use assets	19	71,521,507	-	49,535,354	-
Other intangible assets	20	12,970,146	12,867,820	8,293,802	8,546,550
Deferred tax assets	21	9,770,968	3,635,401	-	-
Other non-current assets		16,932,530	14,360,040	15,326,254	13,142,299
Total non-current assets		14,113,836,305	13,593,705,498	13,264,875,699	12,644,503,516
Total assets		19,679,826,620	21,887,754,465	18,587,799,428	20,708,779,289

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

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of financial position (Cont'd)

As at 31 December 2020

Unit : Baht

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Liabilities and shareholders' equity					
Current liabilities					
Short-term borrowings from financial institutions	22	40,000,000	60,682,672	-	-
Trade accounts payable	23	2,837,508,891	5,148,662,542	2,801,884,831	5,188,948,531
Other current payables to related parties	7	11,084,669	6,468,953	22,070,285	23,336,160
Other current payables	24	219,693,792	280,685,806	180,494,197	235,175,691
Current contract liabilities	10	823,914,277	244,835,765	812,234,197	232,359,478
Current portion of liabilities under rehabilitation plan	27	225,082,399	1,766,345,097	233,073,258	1,774,335,955
Current portion of lease liabilities	19	31,444,814	2,332,033	25,159,706	649,383
Short-term borrowings from related parties	7	-	-	74,500,000	-
Corporate income tax payable		-	3,502,669	-	-
Provisions under guarantee		12,290,774	-	12,290,775	-
Other non-current financial liabilities	25	731,876	-	731,876	-
Total current liabilities		4,201,751,492	7,513,515,537	4,162,439,125	7,454,805,198
Non-current liabilities					
Liabilities under rehabilitation plan	27	29,527,288,478	55,226,829,497	29,527,288,478	55,226,829,498
Lease liabilities	19	41,439,486	1,803,188	25,353,004	679,684
Deferred tax liabilities	21	38,379,800	42,065,298	15,121,842	14,268,845
Non-current provisions for employee benefits	26	391,164,406	360,918,519	334,679,381	306,174,378
Other non-current liabilities		823,876	823,876	823,876	823,876
Total non-current liabilities		29,999,096,046	55,632,440,378	29,903,266,581	55,548,776,281
Total liabilities		34,200,847,538	63,145,955,915	34,065,705,706	63,003,581,479

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

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of financial position (Cont'd)

As at 31 December 2020

Unit : Baht

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Liabilities and shareholders' equity					
Shareholders' equity					
Share capital					
Authorized share capital					
11,113,018,280 common shares of Baht 1 each		11,113,018,280	11,113,018,280	11,113,018,280	11,113,018,280
Issued and paid-up share capital					
11,113,018,280 common shares of Baht 1 each	28	11,113,018,280	11,113,018,280	11,113,018,280	11,113,018,280
Share discount on ordinary shares	28	(9,500,000,000)	(9,500,000,000)	(9,500,000,000)	(9,500,000,000)
Deficit		(16,654,971,212)	(43,415,571,375)	(17,090,924,558)	(43,907,820,470)
Equity attributable to owners of the Company		(15,041,952,932)	(41,802,553,095)	(15,477,906,278)	(42,294,802,190)
Non-controlling interests		520,932,014	544,351,645	-	-
Total shareholders' equity		(14,521,020,918)	(41,258,201,450)	(15,477,906,278)	(42,294,802,190)
Total liabilities and shareholders' equity		19,679,826,620	21,887,754,465	18,587,799,428	20,708,779,289

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

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of profit and loss

For the year ended 31 December 2020

Unit : Baht

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Income					
Revenue from sales		17,456,188,002	24,554,308,764	17,454,139,179	24,554,137,764
Revenue from rendering of services		668,722,288	645,090,223	227,367,290	108,807,618
Net gain on exchange rate		-	212,484,840	-	212,290,072
Dividend income	14	-	-	25,500,000	45,900,000
Other income					
Reversed allowance for doubtful accounts		81,999,370	-	81,999,370	-
Others		54,016,596	75,361,318	66,171,073	79,320,634
Total income		18,260,926,256	25,487,245,145	17,855,176,912	25,000,456,088
Expenses					
Cost of sales		16,818,610,938	25,087,705,928	16,882,190,490	25,195,705,128
Cost of inoperative		60,185,292	-	60,185,292	-
Cost of rendering of services		596,263,071	482,436,680	216,333,004	99,831,351
Distribution costs		63,299,286	85,536,672	51,562,061	69,763,165
Administrative expenses		629,629,627	623,426,447	560,239,029	525,627,571
Management benefit expenses	7	95,289,282	99,778,329	85,643,282	89,428,819
Doubtful accounts		-	889,782,638	-	889,782,638
Loss on impairment of investments in joint venture		-	-	-	530,886,800
Net loss on exchange rate		33,435,996	-	33,435,996	-
Loss on onerous contracts (reversal)		12,290,775	(1,072,952)	12,290,775	(1,072,952)
Total expenses		18,309,004,267	27,267,593,742	17,901,879,929	27,399,952,520
Profit (loss) from operation activities		(48,078,011)	(1,780,348,597)	(46,703,017)	(2,399,496,432)
Finance income		10,396,773	3,574,048	10,251,127	3,154,258
Finance costs		(1,721,160,543)	(5,511,242)	(1,721,125,327)	(2,332,529)
Gains (losses) on measurements of financial liabilities					
at fair value		2,191,073,036	-	2,191,073,036	-
Share of profit (loss) on equity securities					
of joint venture by equity method	16	(64,624,878)	34,653,763	-	-
Profit (loss) before income tax expense		367,606,377	(1,747,632,028)	433,495,819	(2,398,674,703)
Tax (expense) income	31	9,821,065	(29,343,852)	(852,997)	(3,116,313)
Profit (loss) for the year		377,427,442	(1,776,975,880)	432,642,822	(2,401,791,016)
Profit (loss) attributable to					
Owners of the Company		376,347,073	(1,802,877,833)	432,642,822	(2,401,791,016)
Non-controlling interests	15	1,080,369	25,901,953	-	-
Profit (loss) for the year		377,427,442	(1,776,975,880)	432,642,822	(2,401,791,016)
Basic earnings (loss) per share (Baht)	32	0.03	(0.16)	0.04	(0.22)

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

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of comprehensive income

For the year ended 31 December 2020

Unit : Baht

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Profit (loss) for the year		<u>377,427,442</u>	<u>(1,776,975,880)</u>	<u>432,642,822</u>	<u>(2,401,791,016)</u>
Other comprehensive income (expense)					
<i>Components of other comprehensive income that will not be reclassified to profit or loss :</i>					
Actuarial losses					
- The Group		-	(79,622,016)	-	(72,700,499)
- Joint venture		-	(5,312,917)	-	-
Less : Taxable effects	31	-	5,456,482	-	2,743,949
Other comprehensive income for the year - net of tax		<u>-</u>	<u>(79,478,451)</u>	<u>-</u>	<u>(69,956,550)</u>
Total comprehensive income for the year		<u>377,427,442</u>	<u>(1,856,454,331)</u>	<u>432,642,822</u>	<u>(2,471,747,566)</u>
Total comprehensive income attributable to:					
Owners of the Company		376,347,073	(1,881,987,776)	432,642,822	(2,471,747,566)
Non-controlling interests		1,080,369	25,533,445	-	-
Total comprehensive income for the year		<u>377,427,442</u>	<u>(1,856,454,331)</u>	<u>432,642,822</u>	<u>(2,471,747,566)</u>

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

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of changes in shareholders' equity

For the year ended 31 December 2020

Unit : Baht

		Consolidated financial statements						
		Retained earnings (deficit)			Equity		Total shareholders' equity	
		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
Note								
	Balance as at 31 December 2018	11,113,018,280	(9,500,000,000)	-	(41,533,583,599)	(39,920,565,319)	562,918,200	(39,357,647,119)
	Comprehensive income (expense) for the year							
	Profit (loss)	-	-	-	(1,802,877,833)	(1,802,877,833)	25,901,953	(1,776,975,880)
	Other comprehensive income (expense)	-	-	-	(79,109,943)	(79,109,943)	(368,508)	(79,478,451)
	Total comprehensive income (expense) for the year	-	-	-	(1,881,987,776)	(1,881,987,776)	25,533,445	(1,856,454,331)
	Dividend paid to non-controlling interests	-	-	-	-	-	(44,100,000)	(44,100,000)
	Balance as at 31 December 2019	11,113,018,280	(9,500,000,000)	-	(43,415,571,375)	(41,802,553,095)	544,351,645	(41,258,201,450)
	Balance as at 31 December 2019 (Before restatement)	11,113,018,280	(9,500,000,000)	-	(43,415,571,375)	(41,802,553,095)	544,351,645	(41,258,201,450)
	Cumulative effect of change in accounting policy	-	-	-	26,384,253,090	26,384,253,090	-	26,384,253,090
	Balance as at 1 January 2020	11,113,018,280	(9,500,000,000)	-	(17,031,318,285)	(15,418,300,005)	544,351,645	(14,873,948,360)
	Comprehensive income (expense) for the year							
	Profit (loss)	-	-	-	376,347,073	376,347,073	1,080,369	377,427,442
	Total comprehensive income (expense) for the year	-	-	-	376,347,073	376,347,073	1,080,369	377,427,442
	Dividend paid to non-controlling interests	-	-	-	-	-	(24,500,000)	(24,500,000)
	Balance as at 31 December 2020	11,113,018,280	(9,500,000,000)	-	(16,654,971,212)	(15,041,952,932)	520,932,014	(14,521,020,918)

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

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of changes in shareholders' equity

For the year ended 31 December 2020

Unit : Baht

	Note	Separate financial statements				Total shareholders' equity
		Issued and paid-up share capital	Share discount	Retained earnings (deficit)		
				Legal reserve	Unappropriated (deficit)	
Balance as at 31 December 2018		11,113,018,280	(9,500,000,000)	-	(41,436,072,904)	(39,823,054,624)
Comprehensive income (expense) for the year						
Profit (loss)		-	-	-	(2,401,791,016)	(2,401,791,016)
Other comprehensive income (expense)		-	-	-	(69,956,550)	(69,956,550)
Total comprehensive income (expense) for the year		-	-	-	(2,471,747,566)	(2,471,747,566)
Balance as at 31 December 2019		11,113,018,280	(9,500,000,000)	-	(43,907,820,470)	(42,294,802,190)
Balance as at 31 December 2019 (Before restatement)		11,113,018,280	(9,500,000,000)	-	(43,907,820,470)	(42,294,802,190)
Cumulative effect of change in accounting policy	6	-	-	-	26,384,253,090	26,384,253,090
Balance as at 1 January 2020		11,113,018,280	(9,500,000,000)	-	(17,523,567,380)	(15,910,549,100)
Comprehensive income (expense) for the year						
Profit (loss)		-	-	-	432,642,822	432,642,822
Total comprehensive income (expense) for the year		-	-	-	432,642,822	432,642,822
Balance as at 31 December 2020		11,113,018,280	(9,500,000,000)	-	(17,090,924,558)	(15,477,906,278)

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

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of cash flows

For the year ended 31 December 2020

Unit : Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit (loss) for the year	377,427,442	(1,776,975,880)	432,642,822	(2,401,791,016)
<i>Adjustments for</i>				
Depreciation and amortization	649,485,055	723,033,436	540,840,612	617,841,591
Bad debts and doubtful accounts	1,242,912	843,240,786	1,242,912	843,310,801
Loss on devaluation of inventories (reversal)	(538,517,729)	35,404,123	(538,517,729)	35,404,123
Unrealized loss (gain) on exchange rate	(23,369,224)	36,887,578	(23,708,796)	37,088,150
Loss (gain) on forward contracts	731,876	-	731,876	-
Withholding tax deducted at source (reversal)	(3,818,886)	-	-	-
Damaged building and equipment from flood	368,138	-	-	-
Write-off equipment	1,711,300	154,467	1,711,300	154,467
Employee benefit provisions	34,319,841	83,672,525	29,190,578	68,926,694
Loss on onerous contracts (reversal)	12,290,774	(1,072,952)	12,290,775	(1,072,952)
Loss (gain) on disposal of property, plant and equipment	(272,888)	(1,056,789)	-	(985,987)
Share of loss of joint venture (net of tax)	64,624,879	(34,653,762)	-	-
Loss on impairment of investments in associates	-	-	-	530,886,800
Profit (loss) from measurement of fair value	(2,191,073,036)	-	(2,191,073,036)	-
Finance costs	1,721,160,543	5,511,242	1,721,125,327	2,332,529
Finance income	(10,396,773)	(3,574,048)	(10,251,127)	(3,154,258)
Dividend income	-	-	(25,500,000)	(45,900,000)
Tax expense (income)	(9,821,065)	29,343,852	852,997	3,116,313
Accrued income tax expense (reversal)	-	(1,584,000)	-	-
<i>Profit (loss) from operating activities before changes in operating assets and liabilities :</i>				
	86,093,159	(61,669,422)	(48,421,489)	(313,842,745)
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	(68,754,544)	242,290,398	(34,414,890)	220,538,282
Other current receivables from related parties	8,848,924	134,570,290	31,105,173	147,464,691
Current contract assets	(4,004,837)	-	-	-
Inventories	3,685,825,035	2,173,821,599	3,718,480,984	2,184,186,243
Other current assets	14,203,771	5,002,426	(2,756,103)	(30,279,149)
Other non-current assets	(2,572,490)	(3,996,217)	(2,183,955)	(4,161,835)
Trade accounts payable	(2,282,252,397)	(629,509,265)	(2,358,164,847)	(528,144,579)
Other current payables to related parties	4,615,716	70,339,134	(1,265,875)	82,463,964
Other current payables	(69,864,065)	(20,013,168)	(65,224,996)	(25,320)
Current contract liabilities	579,078,512	-	579,874,719	-
<i>Cash provided by (used in) operating activities</i>	1,951,216,784	1,910,835,775	1,817,028,721	1,758,199,552

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

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of cash flows (Cont'd)

For the year ended 31 December 2020

Unit : Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Employee benefit obligations paid	(4,073,954)	(2,733,813)	(685,575)	(806,136)
Income tax paid	(25,738,695)	(36,554,179)	(5,293,296)	(1,907,499)
Income tax received	17,470,638	23,152,469	-	-
Net cash provided by operating activities	1,938,874,773	1,894,700,252	1,811,049,850	1,755,485,917
<i>Cash flows from investing activities</i>				
Finance income received	965,927	3,594,619	820,281	3,174,829
Increase (Decrease) in other non-current financial assets	(36,540,191)	90,734,919	(39,688,340)	88,405,444
Payments for short-term loans from related parties	(41,008,435)	-	(41,008,435)	-
Proceeds from short-term loans to related parties	29,733,985	-	29,733,985	-
Payments for long-term loans	(492,490,118)	-	(492,490,118)	-
Acquire of property, plant and equipment	(623,622,879)	(588,496,075)	(559,199,072)	(578,702,474)
Sales of property, plant and equipment	273,022	1,078,715	-	985,990
Acquire of intangible assets	(4,694,127)	(4,445,195)	(3,306,684)	(4,062,395)
Dividend received	-	-	-	45,900,000
Net cash used in investing activities	(1,167,382,816)	(497,533,017)	(1,105,138,383)	(444,298,606)
<i>Cash flows from financing activities</i>				
Finance cost paid	(11,897,197)	(5,532,982)	(11,861,981)	(2,332,529)
Increase (Decrease) in short-term borrowings from financial institutions	(20,682,672)	30,682,672	-	-
Proceeds from short-term borrowings from related parties	-	-	100,000,000	-
Payments for liabilities under rehabilitation plan	(374,740,937)	(1,756,655,277)	(374,740,937)	(1,756,655,277)
Payments for lease liabilities	(33,926,123)	(17,397,332)	(26,446,943)	(620,433)
Dividend paid	(24,500,000)	(44,100,000)	-	-
Net cash used in financing activities	(465,746,929)	(1,793,002,919)	(313,049,861)	(1,759,608,239)
Net increase (decrease) in cash and cash equivalents	305,745,028	(395,835,684)	392,861,606	(448,420,928)
Cash and cash equivalents as at 1 January	359,994,931	755,830,615	242,829,870	691,250,798
Cash and cash equivalents as at 31 December	665,739,959	359,994,931	635,691,476	242,829,870
Significant non-cash transactions				
Other payables for property, plant and equipment acquisition	9,722,621	7,896,166	11,469,115	7,118,029
Offset dividend received and payment borrowings from related parties	-	-	25,500,000	-
Employee benefit provisions	-	79,622,016	-	72,700,499

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

Sahaviriya Steel Industries Public Company Limited and subsidiaries

Notes to financial statements

For the year ended 31 December 2020

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Sahaviriya Steel Industries Public Company Limited and subsidiaries

Notes to financial statements

For the year ended 31 December 2020

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 14 and 16.

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 27 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 year ended 31 December 2020, the Group recognised net profits amount of Baht 377.4 million (net loss of Baht 1,813.7 million after deducted gain on changes in fair value of financial liabilities amount of Baht 2,191.0 million) (2019: net profit (restated) amount of Baht 1,776.9 million), accumulated loss of Baht 16,654.9 million (31 December 2019: accumulated loss amount of Baht 43,415.6 million) and negative shareholder equity amount of Baht 14,521.0 million (31 December 2019: negative shareholder equity of Baht 41,258.2 million).

For the year ended 31 December 2020, the Company recognised net profit amount of Baht 432.6 million (2019: net loss of Baht 2,401.8 million), accumulated loss of Baht 17,090.9 million (31 December 2019: accumulated loss of Baht 43,907.8 million) and negative shareholder equity of Baht 15,477.9 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 on 1 October 2015, and as of 15 December 2016, the Central Bankruptcy Court approved the rehabilitation plan and nominated the Company a plan administrator.

Past performance operation

After the Central Bankruptcy Court approved the Company's rehabilitation plan on 15 December 2016, the Company acted as a plan administrator operates under the condition as stipulated in the plan including the meeting attendance with the creditors committee to monitor the results and compliance with the conditions in the plan together with evaluate the successful of the plan on a monthly basis, as well as reporting the progress on the implementation of the plan to the Official Receiver on a quarterly basis.

In 2020, 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. The Company has requested revision the Plan and the Court has ordered to agree with the Plan on 18 September 2020. The significant contents of the Plan No.1 and No.2 have been disclosed in note 27.

Debt repayment under rehabilitation plan

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

Long-term operating plan

During 2018, the Company and its bank debtors concluded that the Company should invite other two business partnerships, who are a global producer and a global steel wholesaler to initiate long-term business plan together. During November 2018, all affiliated parties entered into the Memorandum of Understanding (MOU) to support the Company on multiple perspectives i.e. material sourcing, working capital for future business expansion and production and management technology.

However, at the end of 2020, the Company has reviewed its future strategic plan for 2021. The Company plans to create more new businesses and planned to resolve the group's debts.

The Company believes that the Company will has sufficient working capital for its operation in next year. However, it still has high uncertainties since it must comply with the rehabilitation plan No. 2 (revised version).

3. Basis of preparation of the financial statements

(a) Statement of compliance

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

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

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

(b) Basis of consolidation

The financial information 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 December 2020 (%)	31 December 2019 (%)
<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	Non-operation	-	-
Helium Miracle 301 Limited	Non-operation	-	-
Helium Miracle 302 Limited	Non-operation	-	-
<u>Direct associates</u>			
Thai Cold Rolled Steel Sheet Public Company Limited	Production and distribution of cold rolled coils	35.19	35.19

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

Business combinations

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

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

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

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

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

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

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

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

Subsidiaries

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

Non-controlling interests

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

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

Loss of control

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

Interests in equity-accounted investees

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

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

Transactions eliminated on consolidation

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

(c) *Basis of measurement*

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

(d) *Functional and presentation currency*

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

(e) *Recognition and derecognition of assets and liabilities*

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

(f) *Leases*

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

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

Lease classification - The Group as a lessor

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

Allowance for expected credit losses of trade receivables and contract assets

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

(g) *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 December 2020 and 2019. Details are as follows:

Unit : Thousand Baht

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

4. New financial reporting standards

4.1 Issued and revised financial reporting standards adoption during the period

During the year, 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 principals, 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 recognised as an adjustment to the retained earnings (deficit) as at 1 January 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 recognise 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.
- Recognition of derivatives and hedge accounting - The Group is to initially recognise derivative at their fair value on the contract date and subsequently measure them at their fair value at the end of each reporting period. Changes in the fair value of derivatives are recognised in profit or loss.

Cumulative effects of adoption new financial reporting standards are presented the details in notes 6 to financial statements.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principals for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise 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 6 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.

4.3 Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2021

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for the financial statements for the fiscal year beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting.

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

5. Summary of significant accounting policies

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

(a) Revenues and expenses

Revenues exclude value added taxes and stated at net of trade discounts.

Sale of goods

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

Revenue from rendered of services

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

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

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

Revenues from construction contract

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

Dividend income

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

Finance income

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

Commissions

When the Group acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of commission earned by the Group.

Other income and expenses

Other income and expenses are recognised on accrual basis.

(b) Cash and cash equivalents

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

(c) Trade and other accounts receivable

Trade and other accounts receivable are stated at their invoice value less allowance for expected credit losses (2019: Allowance for doubtful accounts).

(d) Inventories

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

Cost of slab raw materials are calculated using the weighted average cost principal. Cost of ore materials are calculated using the first-in, first-out principals. Finished goods and rolls that are part of consumable goods are calculated using the specific method and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity.

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

(e) Non-current assets held for sale

Non-current assets (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. The assets (or disposal group) are measured at the lower of their carrying value and fair value less cost to sell. Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories and financial assets. Impairment losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

(f) Investments in subsidiaries and joint venture

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

(g) Other long-term investments

Accounting policies adopted prior to 1 January 2020.

Other long-term investments in non-marketable equity instruments, are represented at the cost less provision for impairment.

(h) Property, plant and equipment

Recognition and measurement

Owned assets

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

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

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

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

Leased assets

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Subsequent costs

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

Depreciation

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

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

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

No depreciation is provided on freehold land or assets under construction and installation.

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

(i) Leases

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

The Company as a lessee

Accounting policies adopted since 1 January 2020

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

a) Right-of-use assets

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

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

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

Land and land improvement	2 years
Building and building improvement	3-6 years
Vehicles	3-5 years

b) Lease liabilities

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

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

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

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

Accounting policies adopted prior to 1 January 2020

Finance lease

The Group has entered into resell agreement and lease of machinery and equipment, which is classified as a finance lease. The exceeds of consideration from sales over than book value of the asset were not recognised as revenue immediately, but the Group recognised as deferred expenses and gradually amortized on over the lease term.

The Group recognised finance leases as assets and liabilities in the statement of financial position at amounts equal at the inception of the lease to the fair value of the leased assets. Lease payments are apportioned between the finance charge and the reduction of the outstanding liabilities. The finance charged is allocated to the periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Operating lease

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent lease payments are accounted for by including the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

The Company as a lessor

Financial lease

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

Operating lease

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

(j) *Intangible assets*

Intangible assets that are acquired by the Group and have finite useful lives 3 - 5 years are measured at cost less accumulated amortization and accumulated impairment losses.

(k) *Impairment of non-financial assets*

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

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

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

Reversals of impairment

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

(l) *Trade and other accounts payable*

Trade and other accounts payable are stated at cost.

(m) *Employee benefits*

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any application minimum funding requirements.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

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

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(n) Provisions

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

Onerous contracts

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

(o) Finance costs

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

(p) Income tax

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

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

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

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

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

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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

(q) *Discontinued operations*

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of comprehensive income is restated as if the operation had been discontinued from the start of the comparative period.

(r) *Earnings per share*

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

(s) *Segment reporting*

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

(t) *Financial instrument*

Accounting policies adopted since 1 January 2020

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

Classification and measurement of financial assets

The Group are classified financial assets, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), or fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition is driven by the Company business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in the income statement when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

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

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

Dividends on listed equity investments are recognised as other income in the income statement.

Classification and measurement of financial liabilities

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

Derecognition of financial instruments

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

The Group derecognised a financial liability when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

The Group and the Company account for substantial modification of terms of an existing liabilities, 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 difference between: (1) the carrying amount of the liabilities before the modification: and (2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss within other gains and losses.

The difference in the respective carrying amounts is recognised in the statement of profit or loss

Impairment of financial assets

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

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

Offsetting of financial instruments

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

Accounting policies adopted prior to 1 January 2020

Allowance for doubtful accounts

Assessed by analyzing the historical debt repayment and predictions regarding the future repayment of the customers. Receivables are write-off from the account whenever it incurred bad debt.

Impairment of Assets

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of held-to-maturity securities carried at amortized cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate.

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For financial assets carried at amortized cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

(u) Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortized cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

(v) Debt restructuring

Troubled debt restructuring is changing condition of debt repayment. The Company must record the effect from debt restructuring from the restructuring date until maturity of new condition. However, book value of such debt as at the restructuring date will not be changed.

The amount of future repayment under the new condition is the aggregate amount all types of money that the Company will have to pay under the contract such as principal, interest, accrued interest expenses under the new condition. Such amount is the amount has no discount. The Company recognises gain from debt restructuring in statement of income for the amount of future debt repayment under rehabilitation plan lower than book value of debt. Remission is defined in rehabilitation plan as at the date approved by the Court or the date that the Company has completely complied with the rehabilitation plan.

From the restructuring plan date until maturity of the new debt condition, the Company must record interest expense at effective rate (constant rate) multiplied by book value of debt as at the beginning of the period. The effective interest rate calculated is discount rate making the present value of future payment under the new condition equal to book value of debt. The amount to be paid in the future is not included any contingent liabilities which the Company must pay as certain condition incurred as indicated in the contract.

(w) Derivatives and hedge accounting

The Group uses interest rate swaps as a derivative to hedge its interest rate risks.

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

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

Hedge accounting

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedging relationship, the Group formally designates and documents the hedging relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation, at the inception of the hedge and on an ongoing basis, includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements, including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined.

A hedging relationship qualifies for hedge accounting if it meets all of the following hedge effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

Fair value hedges

The change in the fair value of a hedging instrument is recognised in profit or loss. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in profit or loss.

Any adjustment to the carrying value of fair value hedges relating to items carried at amortised cost, is amortised through profit or loss over the remaining term of the hedge using the effective interest method. The amortisation may begin as soon as an adjustment exists or no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

(x) *Measurement of fair values*

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

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

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

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

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

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

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

(y) *Transactions in foreign currencies*

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

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

(z) *Related party transactions*

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

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

(aa) Use of management's judgement and estimates

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

Allowance for expected credit losses of trade receivables and contract assets

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

Allowance for obsolete of inventories

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

Leases

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

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

Estimating the incremental borrowing rate - The Group as a lessee

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

Lease classification - The Group as a lessor

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

Property, plant and equipment/Depreciation

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

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

Deferred tax assets

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

Non-current provisions for employees benefit

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

Recognition and derecognition of assets and liabilities

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

6. 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 recognised 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:

Consolidated financial statements				
Statements of financial position	31 December 2019	The impacts of TFRS 9 relating to Financial Instruments	The impacts of TFRS 16	1 January 2020
Non-current assets				
Restricted deposit at financial institution	7,595,649	(7,595,649)	-	-
Other non-current financial assets	-	7,549,649	-	7,595,649
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)

Unit : Thousand Baht

Statements of financial position	Separate financial statements			
	31 December 2019	The impacts of TFRS relating to Financial Instruments	The impacts of TFRS 16	1 January 2020
Non-current assets				
Restricted deposit at financial institution	3,633,986	(3,633,986)	-	-
Other non-current financial assets	-	3,633,986	-	3,633,986
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)

6.1 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 (Financial liabilities decreased)	26,384,253
Related tax expense	-
Effects to deficit from adoption TFRS relating to Financial Instruments (Deficit decreased)	<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 principal are presented as follows:

Unit : Thousand Baht

Consolidated financial statements				
Reclassification and measurement based on TFRS 9				
	Valuation based on the existing accounting principal	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
Equity of non-listed companies	-	-	-	-
Total financial assets	435,150	-	435,150	435,150
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	-	35,822,401	35,822,401

Unit : Thousand Baht

Separate financial statements

	Reclassification and measurement based on TFRS 9			
	Valuation based on the existing accounting principal	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
Equity of non-listed companies	-	-	-	-
Total financial assets	249,693	-	249,693	249,693
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

6.2 TFRS 16 Leases

The initial adoption of TFRS 16, the Group recognised 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 recognised 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:

	Unit : Thousand Baht	
	Consolidated	Separate
	financial statements	financial statements
	<hr/>	<hr/>
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	<hr/> 96,355 <hr/>	<hr/> 75,631 <hr/>

The aforementioned adjustments are detailed as follows:

Leases are previously classified as operating lease- the Group recognised 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 recognised at the same value amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments which previously recognised 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.

7. Related parties

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

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

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

Name of entities	Country of incorporation/ nationality	Nature of relationships
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	Direct and indirect shareholding by the Company 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)
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(s)
Prachuap Pattana Development 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
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)
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)

Name of entities	Country of incorporation/ nationality	Nature of relationships
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
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. Revenue from providing management staff to subsidiaries and joint venture are based on agreements.	Sales of scrap material are priced based on scrap weight and the prices set by the Company. Revenue from providing management staff to related parties are based on agreements.
Purchase of goods	Purchases of goods for production are based on third party prices under terms and conditions normally applicable to similar transactions. Certain purchases of steel slab between the company and subsidiaries are based on the agreed price formula. Purchases of rolls are charged on agreed prices.	Purchases of raw material for production are based on market price.
Receiving of other services	Maintenance-related services are charged based on long-term maintenance service agreements. The term of the agreement can be modified according to business circumstances.	Transportation charges are based on agreements, dependent on cargo weight and distance. Warehouse rental is charged based on rental agreements. Cut sheet services are charged based on agreements.
Receiving of port services	Port services rendered are charged based on Ministry of Transportation-determined rates, dependent on service volume and relevant market considerations.	
Distribution costs and administrative expense	Port services rendered are charged based on Ministry of Transportation-determined rates, dependent on service volume and relevant market considerations.	Domestic transportation services are charged based on agreements, dependent on cargo weight and distance. Warehouse rental is charged based on rental agreements. Cut sheet services are charged based on agreements.
Loans		The contractual interest rate
Borrowing	The contractual interest rate	

Significant transactions for the year ended 31 December 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	-	-	318,177	423,046
Dividend income	-	-	25,500	45,900
Other income	-	-	20,403	21,419
Distribution costs and administrative expenses	-	-	1,411	14
Finance costs	-	-	4,425	-
Joint venture				
Sales of goods	725,331	589,741	725,331	589,741
Revenue from rendering of services	73,868	106,092	-	-
Other income	13,449	17,750	13,449	17,750
Distribution costs and administrative expenses	535	77	534	77
Other related parties				
Sales of goods	1,638,783	2,253,124	1,638,783	2,253,124
Revenue from rendering of services	11,555	19,752	-	-
Purchases of goods and receiving of services (including other related expenses)	119,080	7,138,560	91,843	7,123,096
Finance income	9,823	-	9,823	-
Other income	178,209	32,602	175,727	30,338
Distribution costs and administrative expenses	443,622	543,193	435,667	535,909
Finance costs	1,029	-	-	-

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
The committee and key management				
personnel remuneration				
The committee remuneration	8,955	9,215	5,805	6,065
Key management personnel remuneration				
Short-term benefits	90,447	94,893	80,967	84,659
Statutory severance pay	4,802	4,850	4,641	4,737
Other long-term benefits	40	35	35	33
Total key management personnel				
remuneration	95,289	99,778	85,643	89,429
Total the committee and key management				
personnel remuneration	104,244	108,993	91,448	95,494

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

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<i>Cash and cash equivalents - related parties</i>				
Krung Thai Bank Public Company Limited	634,955	270,465	631,213	237,030
Siam Commercial Bank Public Company Limited	3,242	6,105	3,236	3,207
Net	638,197	276,570	634,449	240,237
<i>Other non-current financial assets - related parties</i>				
Krung Thai Bank Public Company Limited	107	3,962	-	-
Siam Commercial Bank Public Company Limited	43,322	3,634	43,322	3,634
Net	43,429	7,596	43,322	3,634
<i>Trade accounts receivable from related parties</i>				
Joint venture				
Thai Cold Rolled Steel Sheet Public Company Limited	12,110	7,006	-	-

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Trade accounts receivable from related parties				
Other related parties				
B.S. Metal Co., Ltd.	1,767,322	1,808,009	1,767,320	1,807,999
Sahaviriya Panich Corporation Co., Ltd.	1,730,659	1,771,979	1,730,659	1,771,979
Others	4,987	7,128	-	-
Total	3,515,078	3,594,122	3,497,979	3,579,978
Less Expected credit loss (2019: Allowance for doubtful accounts)	(3,497,979)	(3,579,978)	(3,497,979)	(3,579,978)
Net	17,099	14,144	-	-
Other receivables from related parties				
Subsidiaries				
West Coast Engineering Co., Ltd.	-	-	9,302	31,352
Prachuap Port Co., Ltd.	-	-	32	53
Joint venture				
Thai Cold Rolled Steel Sheet Public Company Limited	186	177	186	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)
Vanomet International AG (as prepaid for goods)	-	-	-	-
Sahaviriya Plate Mill Public Company Limited (Net from expected credit loss amount of Baht 48 million)	2,251	632	2,251	632
Line Transport Co., Ltd.	1,085	718	-	-
B.S. Metal Co., Ltd (Net from expected credit loss amount of Baht 18 million)	2,857	503	2,857	503
Others	7,401	7,776	7,279	7,472
Total	163,943	172,792	172,070	203,175

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<i>Current contract assets - related parties</i>				
Joint venture				
Thai Cold Rolled Steel Sheet Public Company Limited	2,479	2,667	-	-
Total	2,479	2,667	-	-
<i>Trade accounts payable to related parties</i>				
Subsidiaries				
West Coast Engineering Co., Ltd.	-	-	904	80,824
Prachuap Port Co., Ltd.	-	-	4,011	4,890
Other related parties				
B.S. Metal Co., Ltd.	179	880	50	880
Western Security Guard Co., Ltd.	-	223	-	-
SVL Corporation Co., Ltd.	45,479	62,470	45,479	62,428
Vanomet International AG	-	338,586	-	338,586
Sahaviriya Plate Mill Public Company Limited	37,260	-	37,260	-
Others	41	281	41	39
Total	82,959	402,440	87,745	487,647
<i>Other current payables to related parties</i>				
Subsidiaries				
West Coast Engineering Co., Ltd.	-	-	10,050	16,433
Prachuap Port Co., Ltd.	-	-	4,187	-
Other related parties				
Prapawit Building Property Co., Ltd.	289	231	265	231
Thai Steel Sales Co., Ltd.	543	530	63	50
SVL Corporation Co., Ltd.	415	239	-	-
B.S. Metal Co., Ltd.	1,036	62	1,036	62
Sahaviriya Panich Corporation Co., Ltd.	-	-	-	-
Others	8,802	5,407	6,469	6,560
Total	11,085	6,469	22,070	23,336

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<i>Current contract liabilities - Other related parties</i>				
Joint venture				
Thai Cold Rolled Steel Sheet Public Company Limited				
	95,005	175,750	91,575	175,750
Other related parties				
Thai Steel Sales Co., Ltd.	4,388	10,700	4,388	10,700
B.S. Metal Co., Ltd.	21,831	20,560	21,831	20,560
Sahaviriya Panich Corporation Co., Ltd.	92,053	199	92,053	199
Sahaviriya Plate Mill Public Company Limited	197	-	197	-
Total	213,474	207,209	210,044	207,209
<i>Short-term loans - related parties</i>				
Redcar Bulk Terminal Limited	11,056	-	11,056	-

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

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
As at 1 January	-	-	-	-
Increase	41,008	-	41,008	-
Decrease	(29,734)	-	(29,734)	-
Adjusted	(218)	-	(218)	-
As at 31 December	11,056	-	11,056	-

On 16 October 2020, the Company entered into a secured loan agreement with Redcar Bulk Terminal Limited of GBP 0.5 million, an interest rate of MLR+ 1 % per annum (of two major bank creditor under the rehabilitation plan) which is paid every month. The principal is repayable on 31 March 2021.

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<i>Long-term loans - related parties</i>				
Redcar Bulk Terminal Limited	29,750	-	29,750	-
Less Current portion of long-term loans	(14,875)	-	(14,875)	-
Long-term loans - net	14,875	-	14,875	-

On 24 November 2020, the Company entered into a secured loan agreement with Redcar Bulk Terminal Limited amounting to GBP 0.74 million. The initial repayment of principal will be made on 24 June 2021 and the last will be matured on 24 July 2022 at an interest rate of MLR+ 1% per annum (of two major bank creditors under the rehabilitation plan) which is payable every end of month.

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<i>Short-term borrowings - related parties</i>				
Subsidiaries				
Prachuap Port Co., Ltd.	-	-	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	
	2020	2019	2020	2019
Subsidiaries				
As at 1 January				
Increase	-	-	100,000	-
Decrease	-	-	(25,500)	-
As at 31 December	-	-	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 90 days (5 May 2020) to pay on demand and cancelled the bearing defaulted interest at the rate of 7.5% per annum, by bearing new interest rate at MLR per annum (6.025% as drawdown rate), commencing on 5 May 2020.

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<i>Current portion liabilities under rehabilitation plan - related parties (Liabilities after discounted cash flows)</i>				
Subsidiaries				
Prachuap Port Co., Ltd.	-	-	7,991	7,991
Other related parties				
Financial institutions Group	26,139,429	39,474,695	26,139,429	39,474,695
Total	26,139,429	39,474,695	26,147,420	39,482,686

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

Disclosure of accounting policies adopted since 1 January 2020

	Unit : Thousand Baht	
	Consolidated	Separate
	financial statements	financial statements
	2020	2020
Other related parties		
Subsidiaries		
Prachuap Port Co., Ltd.		
Balance as at 31 December 2019 (before restatement)	-	7,991
Adjustments from write-off existing liabilities and recognise new liabilities from adoption TFRS 9	-	-
Balance at fair value as at 1 January 2020 (after restatement)	-	7,991
Recognised interest expenses by effective rate	-	-
Repayment	-	-
Changes in fair value	-	-
Balance at fair value as at 31 December 2020	-	7,991

Unit : Thousand Baht

	Consolidated	Separate
	financial statements	financial statements
	2020	2020
Class No.1 : Secured creditors		
Balance as at 31 December 2019 (before restatement)	8,548,737	8,548,737
Adjustments from write-off existing liabilities and recognise new liabilities from adoption TFRS 9	(2,768,593)	(2,768,593)
Balance at fair value as at 1 January 2020 (after restatement)	5,780,144	5,780,144
Recognised interest expenses by effective rate	319,295	319,295
Repayment	(421,161)	(421,161)
Changes in fair value	(444,846)	(444,846)
Balance at fair value as at 31 December 2020	5,233,432	5,233,432
Class No 2 : Financial institution creditors for the portions of debt claims that exceed the appraised value of the collateral		
Balance as at 31 December 2019 (before restatement)	15,041,547	15,041,547
Adjustments from write-off existing liabilities and recognise new liabilities from adoption TFRS 9	(7,726,474)	(7,726,474)
Balance at fair value as at 1 January 2020 (after restatement)	7,315,073	7,315,073
Recognised interest expenses by effective rate	409,466	409,466
Repayment	(432,459)	(432,459)
Changes in fair value	-	-
Balance at fair value as at 31 December 2020	7,292,080	7,292,080
Class No 4 : Creditor of guarantee obligations for loan repayment		
Balance as at 31 December 2019 (before restatement)	25,688,490	25,688,490
Adjustments from write-off existing liabilities and recognise new liabilities from adoption TFRS 9	(11,536,329)	(11,536,329)
Balance at fair value as at 1 January 2020 (after restatement)	14,152,161	14,152,161
Recognised interest expenses by effective rate	791,533	791,533
Repayment	(849,361)	(849,361)
Changes in fair value	(480,416)	(480,416)
Balance at fair value as at 31 December 2020	13,613,917	13,613,917

Disclosure of accounting policies adopted prior to 1 January 2020

	Unit : Thousand Baht	
	Consolidated	Separate
	financial statements	financial statements
	2019	2019
Subsidiaries		
Prachuap Port Co., Ltd.		
As at 1 January	-	7,991
Unchanged	-	-
As at 31 December	-	7,991

	Unit : Thousand Baht	
	Consolidated	Separate
	financial statements	financial statements
	2019	2019
Related parties		
Financial institutions Group		
As at 1 January	42,610,463	42,610,463
Increase	-	-
Decrease	(3,135,768)	(3,135,768)
As at 31 December	39,474,695	39,474,695

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 2020 the consortium has not operated the commercial operations.

8. Cash and cash equivalents

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Cash on hand	696	729	600	600
Cash at banks	665,044	359,266	635,091	242,230
Total	665,740	359,995	635,691	242,830

9. Trade accounts receivable

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Related parties (Note 7)	3,515,078	3,594,122	3,497,979	3,579,978
Other parties	403,757	338,163	321,453	287,038
Total	3,918,835	3,932,285	3,819,432	3,867,016
<i>Less Expected credit loss (2019: Allowance for doubtful accounts)</i>	<i>(3,784,031)</i>	<i>(3,864,726)</i>	<i>(3,783,031)</i>	<i>(3,863,787)</i>
Net	134,804	67,559	36,401	3,229

Aging analyses for trade accounts receivable were as follows:

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Related parties				
Within credit terms	12,656	8,418	-	-
Overdue:				
Less than 3 months	3,221	3,136	-	-
3-6 months	1,222	2,590	-	-
Over 12 months	3,497,979	3,579,978	3,497,979	3,579,978
	3,515,078	3,594,122	3,497,979	3,579,978

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2020	2019	2020	2019
<i>Less Expected credit loss (2019: Allowance for doubtful accounts)</i>	(3,497,979)	(3,579,978)	(3,497,979)	(3,579,978)
Total	17,099	14,144	-	-
Other parties				
Within credit terms	93,138	25,210	25,850	3,072
Overdue:				
Less than 3 months	21,867	21,435	10,551	157
3-6 months	2,700	5,126	-	-
6-12 months	842	1,644	842	-
Over 12 months	285,210	284,748	284,210	283,809
	403,757	338,163	321,453	287,038
<i>Less Expected credit loss (2019: Allowance for doubtful accounts)</i>	(286,052)	(284,748)	(285,052)	(283,809)
Total	117,705	53,415	36,401	3,229
Net	134,804	67,559	36,401	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 recognised 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. 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 82 million, therefore, allowance for expected credit loss was reversed by the same amount. The Plan No. 2 have been approved by the Court on 18 September 2020, is required within 30 days of the Court's order to approve the revised rehabilitation plan. The Company has to present guidelines for repaying outstanding debts of both receivables which subsequently submitted to the Board of creditors on 5 October 2020, the Plan Management presented solutions to the debts of the two debtors as required by the plan.

10 Current contract asset / Current contract liabilities

10.1 Contract balances

		Unit : Thousand Baht			
		Consolidated		Separate	
		financial statements		financial statements	
Note		2020	2019	2020	2019
Current contract asset					
Unbilled revenue					
	Related companies	7	2,479	-	-
	Other companies		14,114	12,588	-
	Total Current contract asset		16,593	12,588	-
Current contract liabilities					
Unearned revenue from services and					
	advance from customer - related companies	7			
	Advanced received from service income		3,430	-	-
	Amount received advance for goods		210,044	207,209	210,044
	Total		213,474	207,209	210,044
Unearned revenue from services and					
	advance from customer - other companies				
	Advanced received from service income		35,078	12,477	26,828
	Amount received advance for goods		575,362	25,149	575,362
	Total		610,440	37,626	602,190
	Total Current contract liabilities		823,914	244,835	812,234

10.2 Revenue recognised in relation to contract balances

		Unit : Thousand Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
Revenues previously recognised in unearned					
	services income brought forward	12,477	31,374	-	-
Revenues previously recognised in advance					
	received for goods brought forward	207,235	183,318	207,235	183,318

10.3 Revenue recognised in relation to contract balances

As at 31 December 2020, the Group expects to have service revenues for future recognition for unsatisfied performance obligation (or partially unsatisfied) of contracts with customers amounting to Baht 233 million (2019: Baht 120 million). The Group expects to satisfy the obligations of the contract within 3 years and have revenues from the sale of goods which are expected to meet the obligations of the contract of Baht 785 million (2019: Baht 232 million).

11. Inventories

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Finished goods	664,894	1,923,709	667,130	1,940,355
Work in progress	73,389	32,449	33,561	618
Raw materials	461,118	1,200,862	446,666	1,195,732
Spare parts and factory supplies	794,058	810,306	790,114	807,289
Inventories under collateral management agreement (<i>Note 23</i>)	389,622	3,502,847	389,622	3,502,847
Goods in transit	2,276,522	875,256	2,276,522	875,256
Total	4,659,603	8,345,429	4,603,615	8,322,097
<i>Less</i> Allowance for devaluation	(343,210)	(881,728)	(343,210)	(881,728)
Net	4,316,393	7,463,701	4,260,405	7,440,369

12. Other current assets

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Prepaid expenses	26,399	28,504	14,872	20,043
Prepaid for goods and supplies	152,267	135,212	152,267	135,212
Revenue Department receivable	1,120	11,724	4	11,724
Income tax deducted at source	44,775	36,191	10,376	5,083
Others	26,057	13,815	22,938	10,643
Total	250,618	225,446	200,457	182,705
<i>Less Expected credit loss (2019: Allowance for doubtful accounts)</i>	<i>(8,032)</i>	<i>(8,032)</i>	<i>(8,032)</i>	<i>(8,032)</i>
Net	242,586	217,414	192,425	174,673

13. Other non-current financial assets

Other non-current financial assets as at 31 December 2020 and 2019 are as follows:

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Other non-current financial assets at amortised cost				
Restricted deposit at financial institution	44,136	7,596	43,322	3,634
Other non-current financial assets at FVTPL				
Equity securities of non-listed company	294,000	294,000	294,000	294,000
<i>(Less) Loss on remeasuring investments (2019: Provision for impairment)</i>	<i>(294,000)</i>	<i>(294,000)</i>	<i>(294,000)</i>	<i>(294,000)</i>
Total Other non-current financial assets	44,136	7,596	43,322	3,634

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

14. Investments in subsidiaries

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

Unit : Thousand Baht

Name of entity	Type of business	Separate financial statements										Dividend income	
		Ownership proportion		Paid-up capital		Cost method		Impairment		At cost - net		for the year ended	
		2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	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	45,900
West Coast Engineering Co., Ltd.	Maintenance services	99.99	99.99	75,000	75,000	75,000	75,000	-	-	75,000	75,000	-	-
Total						279,000	279,000	-	-	279,000	279,000	25,500	45,900

15. Non-controlling interests

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

Unit : Thousand Baht

	31 December 2020			
	Prachuap Port Co., Ltd.	Other individually immaterial subsidiaries	Intra-group eliminations	Total
Non-controlling interest percentage	49			
Current assets	128,776			
Non-current assets	1,084,689			
Current liabilities	(13,596)			
Non-current liabilities	(56,005)			
Net assets	1,143,864			
Carrying amount of non-controlling interest	560,493	-	(39,561)	520,932
Revenue	157,035			
Profit (loss)	(5,218)			
Other comprehensive income	-			
Total comprehensive income	(5,218)			
Profit (loss) allocated to non-controlling interest	(2,557)	-	3,637	1,080
Cash flows from operating activities	91,463			
Cash flows from investing activities	(148,545)			
Net cash used in financing activities (dividends to non-controlling interest: Baht 24.5 million)	(29,460)			
Net decrease in cash and cash equivalents	(86,542)			

Unit : Thousand Baht

31 December 2020

	Prachuap Port Co., Ltd.	Other individually immaterial subsidiaries	Intra-group eliminations	Total
Non-controlling interest percentage	49			
Current assets	134,080			
Non-current assets	1,121,615			
Current liabilities	(14,031)			
Non-current liabilities	(47,552)			
Net assets	1,194,111			
Carrying amount of non-controlling interest	585,115	-	(30,763)	554,352
Revenue	265,454			
Profit (loss)	57,357			
Other comprehensive income	(752)			
Total comprehensive income	56,605			
Profit (loss) allocated to non-controlling interest	27,736	-	(1,834)	25,902
Cash flows from operating activities	145,851			
Cash flows used in investing activities	137			
Net cash used in financing activities (dividends to non-controlling interest: Baht 88.2 million)	(90,310)			
Net increase in cash and cash equivalents	55,678			

16. Investments in joint venture

Investments in joint venture as at 31 December 2020 and 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 year		Dividend income for the year ended	
		2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	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	2,564,157	2,628,782	(64,625)	34,654	-	-
Total						3,817,962	3,817,962	2,564,157	2,628,782	(64,625)	34,654	-	-

Separate financial statements

Name of entity	Type of business	Ownership proportion		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income for the year ended	
		2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	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	-	-
Total						3,817,962	3,817,962	1,189,180	1,189,180	2,628,782	2,628,782	-	-

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 recognised loss on guarantee amount of Baht 513 million as outstanding debts and presented as provisions under rehabilitation plan.

Joint venture

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

	Unit : Thousand Baht	
	2020	2019
Revenue	8,045,300	12,320,824
Profit (loss) from continuing operations	(181,726)	7,478
Other comprehensive income	-	(15,098)
Total comprehensive income	(181,726)	(7,620)
Attributable to non-controlling interest	(117,777)	(4,939)
Attributable to investee's shareholders	(63,949)	(2,681)
Current assets	2,419,425	2,858,658
Non-current assets	3,518,684	3,622,353
Current liabilities	(998,309)	(1,333,826)
Non-current liabilities	(109,369)	(135,028)
Net assets	4,830,431	5,012,157
Attributable to non-controlling interest	3,130,602	3,248,379
Attributable to investee's shareholders	1,699,829	1,763,778
Group's interest in net assets of investee at 1 January	2,628,782	2,598,112
Total comprehensive income attributable to the Group	(64,625)	30,670
Dividend received	-	-
Carrying amount of interest in investee at 31 December	2,564,157	2,628,782

Contingent liabilities and commitments relating to the joint venture:

	2020	2019
<i>Contingent liabilities directly incurred by the Group</i>		
<i>Capital commitments in relation to interest in joint venture</i>		
Group's share of the joint venture according to		
- from capital expenditure	Baht 27 million, USD 0.07 million, JPY 57.9 million and Euro 0.04 million	Baht 38 million, USD 0.32 million, JPY 56 million and Euro 0.14 million
- from non-cancellable operating lease commitments	-	Baht 3 million
- from raw materials and chemical purchases	Baht 16.9 million, and USD 12.5 million	Baht 7.3 million, and USD 7.39 million
- from other contracts	Baht 20.6 million, and JYP 10.6 million	Baht 9 million and JPY 11 million
- Guarantee	Baht 9.29 million	Baht 9.29 million

17. Long-term loans

Unit : Thousand Baht

Consolidated and Separate financial statements			
	Notes	31 December 2020	31 December 2019
Principal			
Cork Gully LLP		456,571	-
Redcar Bulk Terminal Limited	7	29,750	-
Total		486,321	-
Less Current portion	7	(14,875)	-
Net		471,446	-
Accrued interest			
Cork Gully LLP		9,323	-
Redcar Bulk Terminal Limited	7	110	-
Total		9,433	-

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

Unit : Thousand Baht

Consolidated and Separate financial statements						
	31 December			31 December		
	Notes	2019	Increase	Decrease	Adjusted	2020
Principal						
Cork Gully LLP		-	462,095	-	(5,525)	456,571
Redcar Bulk Terminal Limited	7	-	30,175	-	(425)	29,750
Total Principal		-	492,270	-	(5,950)	486,321
<i>Less Current portion</i>						(14,875)
Net						471,446
Accrued interest						
Cork Gully LLP		-	9,052	-	271	9,323
Redcar Bulk Terminal Limited	7	-	500	(390)	-	110
Total		-	9,552	(390)	271	9,433

Cork Gully LLP

On 5 February 2020, the Company entered into loans agreement with Cork Gully LLP which is a receiver representative appointed by bank creditors of Sahaviriya Steel Industries UK Limited (“SSI UK”) for exercise right to purchase ordinary shares of Redcar Bulk Terminal Limited (“RBT”) which engaged in port business in England from British Steel Limited (“BSL”) in the proportion of 50% of total issued share capital amount of GBP 11.36 million equivalents to Baht 463 million with the condition that Cork Gully LLP in being Receiver, held the acquired share capital and used them as guarantee to the Company against its borrowings. Subsequent on 24 February 2020, SSI UK received the transferred of share capital of RBT, resulted to the 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.

18. Property, plant and equipment

Unit : Thousand Baht

Consolidated financial statements

	Land and land improvement	Factory and office buildings	Machinery, tools and factory equipment	Office furniture, fixtures and equipment	Vehicles	Assets under construction and installation	Total
<i>Cost</i>							
As at 31 December 2018	1,629,354	2,101,163	19,128,219	230,853	103,743	567,210	23,760,542
Additions	550	160	132,545	15,549	2,968	444,621	596,393
Transfer received from intangible assets	-	-	-	-	-	(582)	(582)
Transfers	1,870	9,640	66,019	13,927	3,370	(94,826)	-
Transfers to cost of inventory	-	-	-	-	-	(210,643)	(210,643)
Disposal/write off	-	-	(16,095)	(8,130)	(10,837)	-	(35,062)
As at 31 December 2019	1,631,774	2,110,963	19,310,688	252,199	99,244	705,780	24,110,648
The impacts of TFRS 16 adoption	-	-	-	-	(6,413)	-	(6,413)
As at 1 January 2020	1,631,774	2,110,963	19,310,688	252,199	92,831	705,780	24,104,235
Additions	46,796	12,013	48,717	10,330	45	514,133	632,034
Transfer received from intangible assets	900	1008	4224	49	-	(6,181)	-
Transfers	-	-	-	-	-	(1,048)	(1,048)
Transfers to cost of inventory	-	-	-	-	-	(168,229)	(168,229)
Disposal/write off	-	-	(8,218)	(2,896)	-	-	(11,114)
As at 31 December 2020	1,679,470	2,123,984	19,355,411	259,682	92,876	1,044,455	24,555,878

Unit : Thousand Baht

Consolidated financial statements

	Land and land improvement	Factory and office buildings	Machinery, tools and factory equipment	Office furniture, fixtures and equipment	Vehicles	Assets under construction and installation	Total
<i>Depreciation and impairment losses</i>							
As at 31 December 2018	268,476	1,748,492	9,910,478	180,174	95,509	-	12,203,129
Depreciation for the year	451	50,078	434,975	18,445	2,987	-	506,936
Disposal/write off	-	-	(16,026)	(8,025)	(10,833)	-	(34,884)
As at 31 December 2019	268,927	1,798,570	10,329,427	190,594	87,663	-	12,675,181
The impacts of TFRS 16 adoption	-	-	-	-	(1,488)	-	(1,488)
As at 1 January 2020	268,927	1,798,570	10,329,427	190,594	86,175	-	12,673,693
Depreciation for the year	1,108	52,195	364,865	19,836	1,532	-	439,536
Disposal/write off	-	-	(6,506)	(2,896)	-	-	(9,402)
Adjustment	-	-	20,147	-	-	-	20,147
As at 31 December 2020	270,035	1,850,765	10,707,933	207,534	87,707	-	13,123,974
<i>Loss on impairment</i>							
As at 31 December 2018	387,348	16,088	86,566	-	-	19,000	509,002
Unchanged	-	-	-	-	-	-	-
As at 31 December 2019	387,348	16,088	86,566	-	-	19,000	509,002
Unchanged	-	-	-	-	-	-	-
As at 31 December 2020	387,348	16,088	86,566	-	-	19,000	509,002

Unit : Thousand Baht

Consolidated financial statements

	Land and land improvement	Factory and office buildings	Machinery, tools and factory equipment	Office furniture, fixtures and equipment	Vehicles	Assets under construction and installation	Total
<i>Net book value</i>							
As at 31 December 2019							
Owned assets	975,499	296,305	8,892,697	61,605	6,318	686,780	10,919,204
Assets under finance leases and hire-purchases	-	-	1,998	-	5,263	-	7,261
Total	975,499	296,305	8,894,695	61,605	11,581	686,780	10,926,465
As at 31 December 2020							
Total	1,022,087	257,131	8,560,912	52,148	5,169	1,025,455	10,922,902

Unit : Thousand Baht

Separate financial statements

	Land and land improvement	Factory and office buildings	Machinery, tools and factory equipment	Office furniture, fixtures and equipment	Vehicles	Assets under construction and installation	Total
Cost							
As at 31 December 2018	1,006,391	1,939,417	16,666,823	187,473	73,243	555,176	20,428,523
Additions	-	-	130,221	14,039	2,844	438,717	585,821
Transfer received from intangible assets	-	-	-	-	-	(581)	(581)
Transfers	-	8,965	64,781	13,497	3,370	(90,613)	-
Transfers to cost of inventory	-	-	-	-	-	(210,643)	(210,643)
Disposal/write off	-	-	(15,207)	(7,707)	(10,652)	-	(33,566)
As at 31 December 2019	1,006,391	1,948,382	16,846,618	207,302	68,805	692,056	20,769,554
The impacts of TFRS 16 adoption	-	-	-	-	(3,899)	-	(3,899)
As at 1 January 2020	1,006,391	1,948,382	16,846,618	207,302	64,906	692,056	20,765,655
Additions	-	12,013	48,334	5,578	45	504,698	570,668
Transfers to cost of inventory	-	-	-	-	-	(168,229)	(168,229)
Disposal/write off	-	-	(7,773)	-	-	-	(7,773)
As at 31 December 2020	1,006,391	1,960,395	16,887,179	212,880	64,951	1,028,525	21,160,321

Unit : Thousand Baht

Separate financial statements

	Land and land improvement	Factory and office buildings	Machinery, tools and factory equipment	Office furniture, fixtures and equipment	Vehicles	Assets under construction and installation	Total
<i>Depreciation and impairment losses</i>							
As at 31 December 2018	340,421	1,660,484	8,475,261	144,338	67,549	-	10,688,053
Depreciation for the year	299	45,959	339,398	15,815	2,041	-	403,512
Disposal	-	-	(15,156)	(7,606)	(10,648)	-	(33,410)
As at 31 December 2019	340,720	1,706,443	8,799,503	152,547	58,942	-	11,058,155
The impacts of TFRS 16 adoption	-	-	-	-	(795)	-	(795)
As at 1 January 2020	340,720	1,706,443	8,799,503	152,547	58,147	-	11,057,360
Depreciation for the year	299	46,430	274,513	17,130	1,480	-	339,852
Disposal/write off	-	-	(6,061)	-	-	-	(6,061)
As at 31 December 2020	341,019	1,752,873	9,067,955	169,677	59,627	-	11,391,151
<i>Loss on impairment</i>							
As at 31 December 2018	110,137	13,422	86,566	-	-	-	210,125
Unchanged	-	-	-	-	-	-	-
As at 31 December 2019	110,137	13,422	86,566	-	-	-	210,125
Unchanged	-	-	-	-	-	-	-
As at 31 December 2020	110,137	13,422	86,566	-	-	-	210,125

Unit : Thousand Baht

Separate financial statements

	Land and land improvement	Factory and office buildings	Machinery, tools and factory equipment	Office furniture, fixtures and equipment	Vehicles	Assets under construction and installation	Total
<i>Net book value</i>							
As at 31 December 2019							
Owned assets	665,671	241,939	8,047,115	54,755	6,759	692,056	9,708,295
Assets under finance leases and hire-purchases	-	-	-	-	3,104	-	3,104
Total	665,671	241,939	8,047,115	54,755	9,863	692,056	9,711,399
As at 31 December 2020							
Total	665,372	207,522	7,819,224	43,203	5,324	1,028,525	9,769,170

Assets value of the Group before accumulated depreciation of building and equipment which were fully depreciated but are still in use up to 31 December 2020 amounted to Baht 2,870 million (2019: Baht 2,822 million).

Assets value of the Company before accumulated depreciation of building and equipment which were fully depreciated but are still in use up to 31 December 2020 amounted to Baht 2,184 million (2019: Baht 2,136 million).

As at 31 December 2020, the Group and the Company has mortgaged/ pledged assets amounting to approximately Baht 8,655 million and Baht 8,407 million respectively (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 Note 34 to financial statements.

19. Right-of-use assets / Lease liabilities

19.1 Right-of-use assets

The book value of right-of-use assets under lease land, building, leasehold and equipment agreement, and the movement for 2020 as follows:

Unit : Thousand Baht

	Consolidated financial statements			
	Land	Building and improvement	Vehicles	Total
Cost				
As at 1 January 2020	-	-	-	-
Reclassified from property, plant and equipment	-		6,413	6,413
Reclassify due to new TFRS adoption (see Note 6)	2,602	82,235	11,518	96,355
As at 1 January 2020 (after restatement)	2,602	82,235	17,931	102,768
Additions	-	1,009	5,312	6,321
Changing condition/write off	-	-	-	-
As at 31 December 2020	2,602	83,244	23,243	109,089

Unit : Thousand Baht

Consolidated financial statements

	Land	Building and improvement	Vehicles	Total
Accumulated depreciation				
As at 1 January 2020	-	-	-	-
Reclassified from property, plant and equipment	-	-	1,488	1,488
As at 1 January 2020 (after restatement)	-	-	1,488	1,488
Depreciation for the year	2,602	25,926	7,552	36,079
Depreciation - Changing condition/write off	-	-	-	-
As at 31 December 2020	2,602	25,926	9,040	37,567
Net book value				
As at 31 December 2020	-	57,318	14,203	71,522

Unit : Thousand Baht

Separate financial statements

	Land	Building and improvement	Vehicles	Total
Cost				
As at 1 January 2020	-	-	-	-
Reclassified from property, plant and equipment	-	-	3,899	3,899
Reclassify due to new TFRS adoption (see Note 6)	2,602	66,252	6,777	75,631
As at 1 January 2020 (after restatement)	2,602	66,252	10,676	79,530
Additions	-	-	-	-
Changing condition/write off	-	-	-	-
As at 31 December 2020	2,602	66,252	10,676	79,530
Accumulated depreciation				
As at 1 January 2020	-	-	-	-
Reclassified from property, plant and equipment	-	-	795	795
As at 1 January 2020 (after restatement)	-	-	795	795
Depreciation for the year	2,602	23,066	3,532	29,199
Depreciation - Changing condition/write off	-	-	-	-
As at 31 December 2020	2,602	23,066	4,327	29,994
Net book value				
As at 31 December 2020	-	43,186	6,349	49,536

19.2 Lease liabilities

The book value of Lease liabilities and the movement for 2020 as follows:

	Unit : Thousand Baht	
	Consolidated	Separate
	financial statements	financial statements
	2020	2020
As at 1 January	-	-
Adjustment due to new TFRS adoption (see Note 6)	100,490	76,960
As at 1 January	100,490	76,960
Additions	6,321	-
Repayment	(33,926)	(26,447)
Decrease from termination	-	-
As at 31 December	72,885	50,513
<i>Less: Current portion of long-term lease</i>	(31,445)	(25,160)
Lease liabilities – net	41,440	25,353

The Company is liable on minimum lease payment as at 31 December 2020 are as follows:

	Unit : Thousand Baht		
	Consolidated financial statements		
	Less than 1		
	year	1 - 5 years	Total
Sum of minimum lease payment	34,750	44,112	78,862
Deferred lease interest	(3,305)	(2,672)	(5,977)
Present value of minimum lease payment	31,445	41,440	72,885
	Separate financial statements		
	Less than 1		
	year	1 - 5 years	Total
Sum of minimum lease payment	27,251	26,119	53,370
Deferred lease interest	(2,091)	(766)	(2,857)
Present value of minimum lease payment	25,160	25,353	50,513

Lease expenses for the year ended 31 December 2020 are recognised in the following items in profit or loss.

	Unit: Thousand Baht	
	Consolidated	Separate
	financial statements	financial statements
	2020	2019
Depreciation of right-of-use assets	36,079	29,199
Interest paid from lease liabilities	7,885	6,309
Expenses relating to short-term lease	180	-
Total	44,144	35,508

The Group entered into lease land, building space and vehicles agreement for using in its operation for the averaged period approximate 1 years to 6 years.

20. Other intangible assets

	Unit : Thousand Baht			
	Consolidated financial statements			
	Right	Software	Assets under	Total
	of use licenses	copy right	installation	
<i>cost</i>				
As at 31 December 2018	5,580	246,291	32,039	283,910
Increase	-	4,444	-	4,444
As at 31 December 2019	5,580	250,735	32,039	288,354
Increase	1,286	3,409	-	4,695
Transfer to property, plant and equipment	1,048	-	-	1,048
As at 31 December 2020	7,914	254,144	32,039	294,097
<i>Amortization and Loss on impairment</i>				
As at 31 December 2018	2,667	235,910	32,039	270,616
Amortization for the year	1,295	3,575	-	4,870
As at 31 December 2019	3,962	239,485	32,039	275,486
Amortization for the year	1,598	4,043	-	5,641
As at 31 December 2020	5,560	243,528	32,039	281,127
<i>Net book value</i>				
As at 31 December 2019	1,618	11,250	-	12,868
As at 31 December 2020	2,354	10,616	-	12,970

Unit : Thousand Baht

	Separate financial statements		
	Software	Assets under	Total
	copy right	installation	
<i>cost</i>			
As at 31 December 2018	237,384	32,039	269,423
Increase	4,063	-	4,063
As at 31 December 2019	241,447	32,039	273,486
Increase	3,307	-	3,307
As at 31 December 2020	244,754	32,039	276,793
<i>Amortization</i>			
As at 31 December 2018	229,796	32,039	261,835
Amortization for the year	3,104	-	3,104
As at 31 December 2019	232,900	32,039	264,939
Amortization for the year	3,560	-	3,560
As at 31 December 2020	236,460	32,039	268,499
<i>Net book value</i>			
As at 31 December 2019	8,547	-	8,547
As at 31 December 2020	8,294	-	8,294

21. Deferred tax

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

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Deferred tax assets	9,771	3,635	-	-
Deferred tax liabilities	(38,380)	(42,065)	(15,122)	(14,269)
Net	(28,609)	(38,430)	(15,122)	(14,269)

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

Unit : Thousand Baht

	Consolidated financial statements			
	As at 1 January 2020	(Charged)/Credited to:		As at 31 December 2020
		Other		
		Profit or loss	comprehensive income	
<i>Deferred tax assets</i>				
Trade accounts receivable	188	12	-	200
Property, plant and equipment	4,725	4,723	-	9,448
Finance lease liabilities	-	98	-	98
Non-current provisions for employee benefit	10,949	348	-	11,297
Taxable loss carry forward	-	1,676	-	1,676
Total	15,862	6,857	-	22,719
<i>Deferred tax liabilities</i>				
Other current assets	(323)	54	-	(269)
Property, plant and equipment	(49,493)	(416)	-	(49,909)
Finance lease liabilities	(4,476)	3,326	-	(1,150)
Total	(54,292)	2,964	-	(51,328)
Net	(38,430)	9,821	-	(28,609)

Unit : Thousand Baht

	Separate financial statements			
	As at 1 January 2020	(Charged)/Credited to:		As at 31 December 2020
		Other		
		Profit or loss	comprehensive income	
Deferred tax liabilities				
Property, plant and equipment	(14,269)	(853)	-	(15,122)
Total	(14,269)	(853)	-	(15,122)

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

22. Short term borrowings from financial institution

	Unit: Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Short-term borrowings from financial institutions - collateral				
Trust Receipt	-	6,183	-	-
Promissory Note	40,000	54,500	-	-
Total	40,000	60,683	-	-

As at 31 December 2020, the above-mentioned borrowings are owned by West Coast Engineering Co., Ltd., a subsidiary has short-term credit lines from two local financial institutions totaling Baht 101.5 million, charged interest at the rate of MLR per annum and MOR per annum (2019: Baht 120 million, the interest is payable on monthly basis).

As at 31 December 2020, the Group had unutilized credit facilities total amount of Baht 74.8 million and the Company had no credit facilities (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, fixed deposit of subsidiary.

23. Trade accounts payable

Unit: Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Related parties (Note 7)	82,959	402,440	87,745	487,647
Other parties	2,754,550	4,746,223	2,714,140	4,701,302
Total	2,837,509	5,148,663	2,801,885	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.

24. Other Current Liabilities

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Accrued expense	105,054	134,926	96,455	125,607
Other payables	60,581	57,081	45,919	51,725
Amounts received in advance from sales				
of goods	3,226	570	-	-
Other	50,833	88,109	38,120	57,844
Total	219,694	280,686	180,494	235,176

25. Other Current Financial Liabilities

Other current financial liabilities as at 31 December 2020 and 2019 are as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Forward contracts	732	-	732	-

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

26. Non-current provisions for employee benefit

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<i>Statements of financial position</i>				
<i>as at 31 December</i>				
Provisions in statements of financial position for:				
Statutory severance pay	367,596	338,177	315,654	288,355
Other long-term employee benefits	23,568	22,741	19,025	17,819
Total	391,164	360,918	334,679	306,174
<i>For the year ended 31 December</i>				
Statement of comprehensive income				
Recognised in profit or loss:				
Statutory severance pay	31,903	40,011	27,300	26,498
Other long-term employee benefits	2,417	43,662	1,891	42,429
Total	34,320	83,673	29,191	68,927

Statutory severance pay

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

The movement in the present value of the provisions for employee benefits for the year ended 31 December 2020 and 2019 were shown in the table below:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Provisions for employee benefits at 1 January	360,918	200,358	306,174	165,353
<i>Recognised in profit or loss:</i>				
Current service costs and interest				
Previous service cost	34,320	83,673	29,191	68,927
<i>Recognised in comprehensive income:</i>				
Actuarial losses on change in the estimates	-	79,621	-	72,700
<i>Others</i>				
Benefits paid by the plan	(4,074)	(2,734)	(686)	(806)
Provisions for employee benefits at 31 December	391,164	360,918	334,679	306,174

Actuarial assumption

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Discount rate	1.63-1.71	1.63-1.71	1.71	1.71
Future salary growth	5.62-7.02	5.62-7.02	7.02	7.02

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

Sensitivity analysis

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

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	Increase	Decrease	Increase	Decrease
Provisions for employee benefits				
31 December 2019				
Discount rate (0.5% movement)	(13,677)	17,273	(11,528)	14,984
Future salary growth (0.5% movement)	15,947	(12,669)	13,743	(10,586)
Employee turnover rate (0.5-1% movement)	(15,795)	19,652	(11,511)	14,813

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
Cost of sales	15,337		11,422	
Distribution costs	3,107		2,954	
Administrative expenses	15,876		14,815	
Total	34,320		29,191	

27. Liabilities under business rehabilitation plan and progressive

The Company recorded liabilities under rehabilitation plan at the fair value as at 31 December 2020 are presented as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Current portion of liabilities under rehabilitation plan	225,082	1,766,345	233,073	1,774,336
Overdue portion of liabilities under rehabilitation plan	29,527,289	55,226,829	29,527,289	55,226,829
Total	29,752,371	56,993,174	29,760,362	57,001,165

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<i>Current of liabilities</i>				
The creditor class 1	91,900	812,991	91,900	812,991
The creditor class 2	30,992	249,307	30,992	249,307
The creditor class 3	9,635	77,676	9,635	77,676
The creditor class 4	59,669	559,998	59,669	559,998
The creditor class 5	3,924	31,611	3,924	31,611
The creditor class 6	28,902	34,682	28,902	34,682
The creditor class 7	-	-	7,991	7,991
The creditor class 12	60	80	60	80
Total	225,082	1,766,345	233,073	1,774,336
<i>Non-current of liabilities</i>				
The creditor class 1	5,486,206	8,155,558	5,486,206	8,155,558
The creditor class 2	7,261,730	14,792,240	7,261,730	14,792,240
The creditor class 3	2,257,712	4,521,863	2,257,712	4,521,863
The creditor class 4	13,555,445	25,688,490	13,555,445	25,688,490
The creditor class 5	920,698	1,780,328	920,698	1,780,328
The creditor class 6	31,037	273,386	31,037	273,386
The creditor class 7	4,300	4,300	4,300	4,300
The creditor class 12	10,161	10,664	10,161	10,664
Total	29,527,289	55,226,829	29,527,289	55,226,829
Total liabilities under rehabilitation plan	29,752,371	56,993,174	29,760,362	57,001,165

Changes in liabilities under rehabilitation plan which stated at fair value for the year ended 31 December 2020 are as follows:

Disclosure of accounting policies adopted since 1 January 2020

	Unit: Thousand Baht	
	Consolidated financial statements	Separate financial statements
Balance as at 31 December 2019	56,993,174	57,001,165
Adjustment to fair value from adoption TFRS 9 (note 6)	(26,384,253)	(26,384,253)
Balance at fair value as at 1 January 2020	30,608,921	30,616,912
Recognised interest expenses by effective rate	1,709,263	1,709,263
Repayment	(374,740)	(374,740)
Changes in fair value	(2,191,073)	(2,191,073)
Balance at fair value as at 31 December 2020	<u>29,752,371</u>	<u>29,760,362</u>

Disclosure of accounting policies adopted prior to 1 January 2020

Movements of liabilities under rehabilitation plan for the year ended 31 December 2019

	Unit: Thousand Baht	
	Consolidated financial statements	Separate financial statements
	2019	2019
As at 1 January 2019	58,680,153	58,688,144
Repayment	(1,686,979)	(1,686,979)
As at 31 December 2019	<u>56,993,174</u>	<u>57,001,165</u>

Liabilities under business rehabilitation of secured portion, detailed of security, land building and equipment as stated in notes 18 to financial statements.

Liabilities under rehabilitation plan as at 31 December 2020 and 2019 classified by currency as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Baht currency	16,137,257	30,744,686	16,145,248	30,752,677
USD currency	13,615,114	26,248,488	13,615,114	26,248,488
Total	29,752,371	56,993,174	29,760,362	57,001,165

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 2020 (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”). and the Plan No. 2 is approval by the Central Bankruptcy Court on 18 September 2020.

The substances of the 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 (converted into Baht at the exchange rate as at 10 March 2016, the date that the Court issued Rehabilitation Order in which the exchange rate for USD 1 = 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:

Classes No.	Classes of Creditor	Total indebtedness amount equivalent to Thai Baht (in Thousand Baht)		
		Principal	Interest	Total
1	Secured creditors	9,780,633	8,764	9,789,397
2	Financial institution creditors for the portions of debt claims that exceed the appraised value of the collateral	12,468,299	2,271,120	14,739,419
3	Financial institution creditors who are the joint creditors under the Debt Restructuring Agreement	3,968,607	526,228	4,494,835
4	Creditor of guarantee obligations for loan repayment	28,006,355	1,865,495	29,871,850
5	Suppliers of key raw materials	1,592,058	172,264	1,764,322
6	Government agencies and authorities	177,397	204,022	381,419
7	Related party creditors	872,574	587	873,161
8	Trade accounts payable	15,110	387	15,497
9	Creditor under the guarantee agreement	3,545,460	224,786	3,770,246
10	Creditor of contingent liabilities relating to guarantees	1,185,026	-	1,185,026
11	Creditor of fines and/or damages incurred in relation to defaults of contract	279,391	-	279,391
12	Creditor of professional fees under consultant agreements	1,927,893	21,251	1,949,144
13	Issuers of bank guarantees	105,562	925	106,487
	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, 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 principals of the debt repayment of this Plan, the Plan Administrator will have to increase the registered share capital and increase the issued and paid-up share capital by issuing adequate number of ordinary shares at the par value of Baht 1 each to be the reserve shares for the Debt to Equity conversion of the creditor class 7, 9 and 12 of the Plan. The conversion price will be Baht 0.05 per 1 share as stipulated in the Plan. In the allocation of the increased ordinary shares for debt repayment to the creditor as per the aforementioned, the Company can consider to register the issued and paid-up shares one or more times.

3. Debt repayment of each creditor class

3.1 Creditor Class 1 (Secured creditor)

- 3.1.1 The outstanding principal of Baht 9,780.6 million will be repaid from cash flow for debt repayment and/or excess cash. The creditor will be paid for 144 monthly instalment payments (the 1st month commencing from the month after the month that the Court approves the Plan).
- 3.1.2 (a) From the date after the Court ordered the business rehabilitation to the Court's Plan approval date, the Creditor Class 1 will be entitled to receive interim interest on the outstanding principal at the rate of 7.5% per annum. Such interim interest will be accrued and paid in the 144th month.
- (b) From the date after the Court's Plan Approval Date until the date the total debt is paid in full, the Creditor Class 1 will be entitled to receive New Interest on the principal at the rate of MLR% per annum; nonetheless, the actual interest payment will be at the rate of 0.5%. The difference between the new interest and the actual interest ("deferred new interest Portion") will be accrued and paid in the 144th month.
- 3.1.3 In case the Company executes the Debt to Equity Conversion No.2, the Creditor Class 1 will receive interest payment at the rate of MLR% per annum from the date after the Debt to Equity Conversion No.2 date.
- 3.1.4 After the Creditor Class 1 receives the repayment of debt in full as stipulated in the Plan which includes the prepayment of debt in full, or the Company has completed the Debt to Equity Conversion No.2 to the creditor who may convert their debt into shares in the Debt to Equity Conversion No.2, the Creditor Class 1 agrees to waive the interim interest and the deferred new interest portion by 50% of such interim interest and the deferred new Interest Portion .
- 3.1.5 With regards to the outstanding interest of Baht 8.8 million, the remaining interim interest and the remaining deferred new Interest Portion from clause 3.1.4, the Creditor Class 1 will be repaid in the 144th month. However, if the Company repays the principals of the Creditor Class 2, 3, 4 and 5 in full in any year, the Company will pay the outstanding interest, the remaining interim interest and the remaining Deferred New Interest Portion to the Creditor Class 1 in the same year.
- 3.1.6 Moreover, during the plan administration period, the Creditor Class 1 who has collaterals which are the shares owned by the Company, can opt to receive the repayment of its outstanding principal and interest in full by transferring the share collaterals to offset such amount. In this event, such Creditor agrees to immediately waive the interim interest and the deferred new interest portion in full on the closing date of the transfer of shares.

The Plan No. 2

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

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

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

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

3.2.2 Creditor Class 3 (Financial institution creditors who are the joint creditors under the Loan Rescheduling Agreement). The outstanding principal of Baht 722.6 million will be repaid from cash flow for debt repayment and/or excess cash. The creditor will be paid for 144 monthly instalment payments (the 1st month commencing from the month after the month that the Court approves the Plan). The remaining principal of Baht 3,246.0 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:

1st Month – 60th Month	1.00% per annum
61st Month – 84th Month	1.75% per annum
85th Month – 96th Month	2.00% per annum
97th Month – 108th Month	2.25% per annum
109th Month – 120th Month	2.50% per annum
121st Month – 144th Month	2.75% per annum

In this regards, the creditor will receive actual interest payment at the rate of 0.1% per annum. The deferred new interest portion, which is the difference between the new interest and the actual interest, will be accrued and paid in the 144th month.

3.2.6 The Creditor Classes 2 and 4 will receive partial principal repayment by the Company's ordinary shares. The Creditor Class 3 has the right to receive partial principal repayment by the Company's ordinary shares under the Debt to Equity Conversion No. 1 as stipulated in the Plan.

3.2.7 The Creditor Classes 2, 3, 4 and 5 have the right to notify the Company of their intention to receive principal repayments by Company's ordinary shares under the Debt to Equity Conversion No. 2 as stipulated in the Plan.

3.2.8 In case the Company executes the Debt to Equity Conversion No. 2, if there are remaining outstanding principals, the interest computed and actually paid from the date after the Debt to Equity Conversion No. 2 date until the date the creditor'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:

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

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

The Plan No. 2

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

3.3 Creditor Class 6 (Government agencies and authorities)

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

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

The Plan No. 2

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

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

3.4 *Creditor Class 7 (Related party creditors)*

3.4.1 The outstanding principal of Baht 872.6 million will be repaid by the increase in the Company’s ordinary shares with the conversion price at Baht 0.05 per share within the last working day of the 84th month (the 1st month commencing from the month after the month that the Court approves the Plan). If, however, within such period of time, any Creditor in Class 7 has not yet received the final judgment of its debt claim, the Plan Administrator must increase the Company’s registered ordinary shares in advance to be the reserve shares for the Debt to Equity conversion of the Creditor Class 7 and increase the number of issued and paid-up shares after the final judgment of the debt claim is issued.

3.4.2 Any other debt owed to the Creditor Class 7 including the outstanding interest of Baht 0.6 million defaulted interest, fines, penalty, surcharge, statutory costs, expenses and others incurred from contracts and/or law whose repayments have not been stipulated in this Plan will be immediately waived for the entire amount after the completion of the debt repayment to such creditor under the Plan.

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

The Plan No. 2

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

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

3.5 Creditor Class 8 (Trade creditor)

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

3.6 Creditor Class 9 (Creditor under the guarantee agreement)

3.6.1 The debt of the Creditor Class 9 comprises of the outstanding principal of Baht 3,545.5 million and the outstanding interest of Baht 224.8 million. Such debt will be repaid as stipulated in the Plan when the Creditor in Class 9 in the capacity of the joint guarantor pays the principal debt on behalf of SSI UK and the principal debt of such principal creditors as per the Senior Facilities Agreement dated 16 March 2011 (and the subsequent amendments) must be already repaid in full.

3.6.2 The right to claim of the Creditor Class 9 will be equal to half of the amount that the Creditor Class 9 in the capacity of the joint guarantor pays to the principal creditors.

3.6.3 In case the Creditor Class 9 and the Company in the capacity of the joint guarantors have individually paid the principal debt to the principal creditors in accordance with such joint guarantee agreement, the Plan Administrator must offset the amount before proceeding to the Debt to Equity conversion for the Creditor Class 9.

3.6.4 The remaining outstanding principal after the offset will be repaid by the Company’s ordinary shares to be newly issued with the conversion price at Baht 0.05 per share within 180 days after the date the Creditor in Class 9 submits evidences of the debt repayment to the Plan Administrator.

3.6.5 The Plan Administrator will negotiate with the Creditor Class 9 to make an agreement between the Company and the Creditor to reduce the debt and to waive the right of recourse with one another in order to decrease the debt burden or to waive the debt payment to each other.

- 3.6.6 Any other debt owed to the Creditor Class 9 including the outstanding interest, defaulted interest, fines, penalty, surcharge, statutory costs, expenses and others incurred from contracts and/or law whose repayments have not been stipulated in this Plan will be immediately waived for the entire amount after the completion of the debt repayment to such creditor under the Plan.

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

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

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

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

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

The Plan No. 2

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

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

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

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

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

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

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

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

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

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 principal 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.

The Plan No. 2

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

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

5. Excess cash flows

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

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

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

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

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

6. Excess cash flows allocation methodology

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

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

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- (1) In 2021, the Company was able to reserve excess cash flows to support the Company's operations in total but not exceeding Baht 662 million. If this number is exceeded, the excess amount will be allocated in accordance with clause (3).
- (2) In 2022 and 2023, the Company was able to reserve excess cash flows to support the Company's operations, but when combined with the excess cash flows already reserved in accordance with Clause (1), not exceeding Baht 1,000 million. If this number is exceeded, excess amount will be allocated in accordance with clause (3).
- (3) In excess of the allocations in clauses (1) and (2) above, and from the year 2024 onwards, they should be allocated as follows:
 - 3.1 15% is excess cash flows reserved for debts settlement that the Plan Administrator must deposit in the bank account with the objective of preserving the repayment of principal and interest payments according to the repayment period or as excess cash flows to pay off the debt further early to maintain this amount. The Company can set aside funds from excess cash flows to reserve repayments in excess of the principal and interest that the Company must pay to all creditors for an average of 3 periods, by calculating from the principal and interest payable of the calendar year following the year when the excess cash flows reserved exceeded that limit. However, if the Company encountered the financial trouble, it is necessary to use the excess cash flows deposited in the bank account to pay off principal and interest payments. This is a monthly installment in the order in which the payment is matured, or if the intention is to use excess cash flows to pay off the debt further early or use the funds in any other cases. The Company shall consider the necessary grounds and present the details to the Creditors Committee for consideration and approval.

3.2 85% will be allocated the debts settlement according to the proportion specified in the Plan as follows:

3.2.1 85% will be settled the principal of class 1 creditors as a proportion of the outstanding principal of each creditor in that class (Pro rate) before maturity.

The Company will receive a reduction in interim interest payable and suspended interest at the rate of 50% of the interim interest payable and suspended interest obligations as defined in the Plan in proportion to the principal repayment of excess cash flows and outstanding principal as at the date of the Court order for rehabilitation.

3.2.2 15% was settled for the principal of class 2 creditors, class 3, class 4, class 5, class 10, class 11 based on the proportionate of outstanding principal of each class of creditors, and each creditor in that class (Pro rate) before maturity.

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

7. The success of the Plan

7.1 The Company has repaid the outstanding principal to every Creditor as stipulated in the Plan in the amount not less than 25% of the outstanding principal that the Company has to pay under the Plan, and

7.2 The Company has secured new funding from an investor(s) to repay debt such that the shareholders' equity of the Company becomes positive, or

7.3 Debt to equity conversion 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 31 December 2020 and 2019

For the year ended 31 December 2020, the Company has made repayment to creditors under the Plan for the principals amount of Baht 305.6 million and interest total amount of Baht 68.8 million , totally Baht 374.4 million. Thus, the Company has not made the principals repayment since March 2020 until present The Company has requested revision to the plan and the Court has agreed to the revised Plan on 18 September 2020.

For the year ended 31 December 2019, the Company has made repayment to the creditors under the Plan for the principal amount of Baht 1,684.5 million and interest amount of Baht 72.2 million, totally Baht 1,756.7 million.

In 2020, the liquidators had sold collateral assets amounting to GBP 15 million (before deducting expenses) and this fund was sent to the creditors class 4 in full. According to the rehabilitation plan, the fund will be used to reduce the installment amount of principal in the final period backwards respectively. Therefore, the Plan Administrator has sent a letter to the class 4 of creditors for informing the reduced principal debt balance and showing the receipt of the payment. As at 31 December 2020, the Plan Administrator has not yet replied, the reduction in accounts has not been made since the process of liquidity is not finalized. Contingent liabilities from guarantee as stated in notes 34 to financial statements from contractual damages from environmental insurance amounting to USD 31 million as stated in note 34.

In 2015, major lenders demanded immediate payments of USD 788 million and GBP 1 million respectively (equivalent to Baht 28,384 million and Baht 46 million respectively) and Baht 1.6 million with Sahaviriya Steel Industries UK Co., Ltd. and subsequently, the major lender also asked the Company to take responsibility for the debt as a loan guarantor, resulting in the Company's inability to maintain its financial ratio and does not repay the matured principal and interest to the bank. That the major lender called for total loans repayment immediately. The incident caused the Board of Directors to approve the Company's request for rehabilitation to the Central Bankruptcy Court on 1 October 2015 as a result of a rehabilitation plan approved by the Central Bankruptcy Court on 15 December 2016. The provisions from acted as guarantors and other creditors under the rehabilitation plan are included in part of the rehabilitation plan (Note 34). Therefore, the reclassification of borrowings, provisions, other creditors and accrued interest under the rehabilitation plan are conformed to the repayment plan specified in the rehabilitation plan.

Collection from related company receivables

According to the rehabilitation plan, the Company must monitor the debt collection of B.S. Metal Co., Ltd. and Sahaviriya Panich Corporation Co., Ltd. totaling not less than Baht 3 0 0 million per annum to be completed within 7 years from 2017 onwards. (Both existing and new debts totaled not exceeding Baht 2,640 million, but as at 31 December 2020, the debts of two debtors amounted to Baht 3,498 million, the Company has received the settlement in 2020 total amount of Baht 82 million. The Company has provided the all remaining debt allowances in full. The incident is not considered a default because the Creditors Committee has not yet issued a notice of default. The Company is currently tracking the debt and consenting the additional repayment terms.

In 2020, the Company proposed an alternative solution to resolve the guidance to repay the outstanding debts of the two receivables and resolve the problems with two receivables to the Creditors Committee for consideration. Presently, it's under consideration of the Creditors Committee.

28. Share capital

Movements of share capital for the year ended 31 December 2020 and 2019 are as follows:

Par value per share (in Baht)		2020		2019	
		Number <i>Thousand shares</i>	Amount <i>Thousand Baht</i>	Number <i>Thousand shares</i>	Amount <i>Thousand shares</i>
<i>Authorized</i>					
ordinary shares					
As at 1 January	1	11,113,018	11,113,018	11,113,018	11,113,018
- Share increase	1	-	-	-	-
As at 31 December	1	11,113,018	11,113,018	11,113,018	11,113,018
<i>Issued and paid-up</i>					
ordinary shares					
As at 1 January		11,113,018	11,113,018	11,113,018	11,113,018
- Share increase		-	-	-	-
As at 31 December	1	11,113,018	11,113,018	11,113,018	11,113,018

Increase in ordinary shares

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

Thus the abovementioned decrease and increase share capital must be complied with the stipulation in the Plan.

Transactions effected from decrease share capital

Moments of capital and reserves are presented in statements of changes in shareholders' equity.

Share discount on ordinary shares

	Unit : Thousand Baht
As at 1 January 2020	(9,500,000)
Increase	-
As at 31 December 2020	(9,500,000)

29. 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 year ended 31 December 2020 and 2019 are as follows:

Unit : Thousand Baht

	Manufacture								Total segment	
	of hot rolled coils		Maintenance services		Deep-sea port services		Elimination			
	2020	2019	2020	2019	2020	2019	2020	2019		
External revenue	17,681,506	24,662,945	325,015	339,526	118,389	196,928	-	-	18,124,910	25,199,399
Inter-segment revenue	-	-	283,791	359,389	35,752	64,154	(319,543)	(423,543)	-	-
Segment profit (loss) before income tax	433,496	(2,401,829)	12,854	52,807	(5,728)	73,853	(73,016)	527,537	367,606	(1,747,632)
Reportable segment assets as at 31 December	18,587,799	20,708,779	360,414	388,718	1,213,465	1,255,695	(481,851)	(465,438)	19,679,827	21,887,754
Reportable segment liabilities as at 31 December	34,065,706	63,003,581	174,774	222,068	69,601	61,584	(109,234)	(141,277)	34,200,847	63,145,956

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	17,928,655	25,171,934	17,496,802	24,655,214
Overseas	196,255	27,465	184,704	7,731
Total	18,124,910	25,199,399	17,681,506	24,662,945

Major customer

For the year ended 31 December 2020, Revenues from 2 customers of the Group's segment 1 represent approximately Baht 7,502 million (2019: 3 customers Baht 6,490 million).

30. Expenses by nature

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Changes in inventories of finished goods				
and work in progress	1,217,875	914,725	1,240,282	918,902
Raw materials and consumables used	14,794,820	22,215,507	14,584,316	21,991,379
Employee benefit expenses	1,088,284	1,109,860	793,141	783,968
Fuel oil and electrical expenses	533,588	660,322	525,866	651,651
Depreciation and amortization	649,485	723,033	540,841	617,842
Maintenance expenses	204,672	282,806	196,933	277,143
Transportation expenses	357,303	467,061	357,303	467,061
Professional fee	286,118	290,990	162,802	159,221
Minimum lease payments recognised as an				
operating lease expenses	19,768	46,981	13,740	35,313
Credit loss /bad debt and doubtful accounts	1,243	843,311	1,243	843,311
Advertising and public relation expenses	9,751	14,626	9,751	14,626
Penalties	1,817	911	1,817	911
Loss on devaluation of inventories (reversal)	(538,518)	35,404	(538,518)	35,404
Loss on onerous contracts (reversal)	12,291	(1,073)	12,291	(1,073)
Loss on impairment of investments in joint				
venture	-	-	-	530,887

31. Income tax

Income tax recognised in profit or loss

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Current income tax				
Current year	-	(36,904)	-	-
Deferred tax expense				
Movements in temporary differences	(9,821)	7,560	(853)	(3,116)
Total tax (expense) income	(9,821)	(29,344)	(853)	(3,116)

Reconciliation of effective tax rate

Unit : Thousand Baht

	Consolidated financial statements			
	2020		2019	
	Tax rate	Amount	Tax rate	Amount
	(%)		(%)	
Gain (loss) before income tax		367,607		(1,747,632)
Income tax using the Thai corporation tax rate	20	73,521	20	(349,526)
Income not subject to tax		(9,431)		(15,515)
Expenses not deductible for tax purposes		66,902		480,830
Double taxable expenses		(7,303)		(4,593)
Unrecognise deferred tax assets and deferred tax liabilities during the year		(9,821)		7,442
Under tax provided in prior year, lower (over)		(3,819)		3,668
Tax loss		(119,870)		(151,650)
Total		(9,821)		(29,344)

Unit : Thousand Baht

Separate financial statements			
2020		2019	
Tax rate	Amount	Tax rate	Amount
(%)		(%)	
	433,496		(2,398,675)
Income tax using the Thai corporation tax rate	20 86,699	20	(479,735)
Income not subject to tax	(9,431)		(13,511)
Expenses not deductible for tax purposes	42,602		583,184
Unrecognised deferred tax assets and deferred tax liabilities during the year	(853)		7,442
Tax losses	(119,870)		(100,496)
Total	(853)		(3,116)

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 differences 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.

32. Earnings per share

Basic earnings (loss) per share

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

For the year ended 31 December 2020 and 2019 as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Profit (Loss) for the year attributable to ordinary shareholders of the Company				
(Thousand Baht)	376,347	(1,802,878)	432,643	(2,401,791)
Number of ordinary shares issued				
as at 1 January	11,113,018	11,113,018	11,113,018	11,113,018
Effects of shares issued during the year	-	-	-	-
Weighted average number of ordinary shares outstanding (basic)				
(Thousand shares)	11,113,018	11,113,018	11,113,018	11,113,018
Basic earnings (loss) per share (Baht)	0.03	(0.16)	0.04	(0.22)

33. Promotional privileges

By virtue of the provisions of the Industrial Investment Promotion Act of B.E. 2520, the Group has been granted privileges by the Board of Investment relating to (1) the manufacture of hot rolled coils and hot rolled pickled and oiled coils (2) the provision of marine shipping services (3) the provision of high-powered tug boat services (4) the manufacture of industrial machinery and equipment, mechanical parts, and the repair and improvement of industrial machinery and equipment and steel structures for industrial use.

The privileges granted include:

- (a) exemption from payment of import duty on machinery approved by the Board;
- (b) exemption from payment of import duty on essential raw materials and supplies imported;
- (c) exemption from payment of income tax for sales of hot rolled coils and hot rolled pickled and oiled coils, to the extent that the amount sold does not exceed 1.6 million tons a year, for a period of 8 years from the date on which the income is first derived from such operations (13 May 2004).

- (d) exemption from payment of income tax on net income from the provision of marine shipping services, for a period of 8 years from the date on which the income is first derived from such operations (14 November 2006) to the extent that the amount of tax exempted does not exceed 100 percent of the total investment made, excluding the price of land and working capital. The amount of income tax exempted thus must not exceed Baht 1,146 million, and such cap is to be adjusted according to the actual capital investment (excluding land cost and working capital) as of the started date operation of the project commences. In addition, the privilege also includes an exemption from payment of import duty on machinery approved by the Board;

- (e) exemption from payment of income tax on net income from the provision of high-powered tug boat services, for a period of 8 years from the date on which the income is first derived from such operations (4 July 2012) to the extent that the amount of tax exempted does not exceed 100 percent of the total investment made, excluding the price of land and working capital. The amount of income tax exempted thus must not exceed Bath 300 million, and such cap is to be adjusted according to the actual capital investment (excluding land cost and working capital) as of the started date operation of the project commences; and

- (f) exemption from payment of income tax on net income from manufacture of industrial machinery and equipment, mechanical parts, and the repair and improvement of industrial machinery and equipment and steel structures for industrial use, for a period of 8 years from the date on which the income is first derived from such operations, to the extent that the amount of tax exempted does not exceed 100 percent of the total investment made, excluding the price of land and working capital. The total amount of income tax exempted thus must not exceed Baht 167 million, and such cap is to be adjusted according to the actual capital investment (excluding land cost and working capital) as of the started date operation of the project commences.

As promoted companies, the Group must comply with certain terms and conditions prescribed in the promotional certificates.

Summary of revenue from promoted and non-promoted businesses for the year ended 31 December

Unit : Thousand Baht

Consolidated financial statements						
2020			2019			
Promoted Businesses	Non-promoted Businesses	Total	Promoted Businesses	Non-promoted Businesses	Total	
Export sales and services	-	196,255	196,255	-	27,465	27,465
Local sales and services	-	18,248,198	18,248,198	1,296	25,594,181	25,595,477
Eliminations	-	(319,543)	(319,543)	-	(423,543)	(423,543)
Total revenues	-	18,124,910	18,124,910	1,296	25,198,103	25,199,399

Unit : Thousand Baht

Separate financial statements						
2020			2019			
Promoted Businesses	Non-promoted Businesses	Total	Promoted Businesses	Non-promoted Businesses	Total	
Export sales and services	-	184,704	184,704	-	7,731	7,731
Local sales and services	-	17,496,802	17,496,802	-	24,655,214	24,655,214
Total revenues	-	17,681,506	17,681,506	-	24,662,945	24,662,945

34. Commitments and contingent liabilities

Unit: Million Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Capital expenditures commitment				
<i>Contracted but not provided for</i>				
Machinery and equipment	59	82	135	104
Total	59	82	135	104

As at 31 December 2020, the Group had capital expenditures amount of Baht 37 million, USD 0.5 million and EUR 0.2 million (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 31 December 2020, the Company had capital expenditures amount of Baht 113 million, USD 0.5 million and EUR 0.2 million (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 31 December 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	
	2020	2019	2020	2019
<i>Non-cancellable operating lease commitments</i>				
Within one year	0.30	12	0.23	5
After one year but within five years	0.21	3	-	4
Total	0.51	15	0.23	9
<i>Other commitments</i>				
Raw materials purchases	821	6,511	821	2,194
Letter of credit	-	43	-	-
Other agreements	312	569	297	513
Total	1,133	7,123	1,118	2,707

As at 31 December 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 recognised 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 6.

As at 31 December 2020, the Group had other commitments in relation to purchase spare parts and equipment supplies, and to obtain maintenance services amounting to Baht 219 million, USD 1 million, EUR 1.5 million, GBP 0.1 million and JPY 8.2 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 31 December 2020, the Company had other commitments in relation to purchase spare parts and equipment supplies, and to obtain maintenance services amounting to Baht 203.4 million, USD 1 million, EUR 1.5 million, GBP 0.1 million and JPY 8.2 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 31 December 2020 and 2019, the Group was liable to banks in respect to the following guarantees:

Unit: Million Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Electricity supply	107	107	104	104
Performance guarantees	78	47	34	4
Others	11	11	-	-
Total	196	165	138	108

As at 31 December 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 78 million (*31 December 2019: amount of Baht 47 million*),
- Electricity usage amount of Baht 107 million (*31 December 2019: amount of Baht 107 million*).

- b) As at 31 December 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 complaint 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 complaint is still pending the Court’s trial.

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

35. Financial instruments

Financial risk management policies

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

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

Capital management

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

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings (Note 22 and 27). The Group mitigates this risk by ensuring that the majority of its borrowings are at fixed interest rates.

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

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

Unit : Thousand Baht

Consolidated financial statements as at 31 December 2020

Particular	Notes	Floating	Fixed	Non-interest	Total	Interest rate
		interest based on market rate	interest rate	bearing		
Financial assets						
Cash and cash equivalents	8	665,740	-	-	665,740	0.05% - 0.125 %
Trade accounts receivable	9	-	-	134,804	134,804	-
Other current related party receivables						
Other receivable deposits	7	-	-	150,162	150,162	-
Current contract assets	10	-	-	16,593	16,593	-

Unit : Thousand Baht

Consolidated financial statements as at 31 December 2020

Particular	Notes	Floating	Fixed	Non-interest	Total	Interest rate
		interest based on market rate	interest rate			
Short-term loans from related parties	7	11,056	-	-	11,056	LIBOR 3 Month + 2 and MLR+1
Current portion of long-term loans	17	14,875	-	-	14,875	LIBOR 3 Month + 2 and MLR+1
Other non-current financial assets	13	44,136	-	-	44,136	0.100%
Long-term loans	17	471,446	-	-	471,446	LIBOR 3 Month + 2 and MLR+1
Financial liabilities						
Short-term borrowings from financial institutions	22	40,000	-	-	40,000	MLR and MOR
Trade accounts payable	23	-	-	2,838,508	2,838,508	-
Other current payables	24	-	-	216,468	216,468	-
Current portion of liabilities under rehabilitation plan	27	225,022	60	-	225,082	MLR and 1.00% to 2.75%
Current portion of lease liabilities	19	-	680	30,765	31,445	MOR KTAM 5.4%
Other current financial liabilities	25	-	-	732	732	-
Liabilities under rehabilitation plan	27	29,512,828	14,461	-	29,527,289	MLR and 1.00% to 2.75%
Lease liabilities	19	41,439	-	-	41,439	4.30%

Unit : Thousand Baht

Separate financial statements as at 31 December 2020

Particular	Notes	Floating	Fixed	Non-interest	Total	Interest rate
		interest based on market rate	interest rate			
Financial assets						
Cash and cash equivalents	8	635,691	-	-	635,691	0.05% - 0.125 %
Trade accounts receivable	9	-	-	36,401	36,401	-
Other current receivables from related parties						
Other receivable deposits	7	-	-	150,162	150,162	-
Short-term borrowings from related parties	7	11,056	-	-	11,056	LIBOR 3 Month + 2 and MLR+1
Current portion of long-term loans	19	14,875	-	-	14,875	LIBOR 3 Month + 2 and MLR+1
Other non-current financial assets	13	43,322	-	-	43,322	0.100%
Long-term loans	17	471,446	-	-	471,446	LIBOR 3 Month + 2 and MLR+1
Financial liabilities						
Trade accounts payable	23	-	-	2,801,885	2,801,885	-
Other current payables	24	-	-	180,494	180,494	-
Current portion of liabilities Under rehabilitation plan	27	225,022	8,051	-	233,073	MLR and 1.00% to 2.75%
Current portion of lease liabilities	19	-	680	24,480	25,160	4.30%
Short-term borrowings from related parties	7	-	74,500	-	74,500	6.025%
Other current financial liabilities	25	-	-	732	732	-
Liabilities under rehabilitation plan	27	29,512,828	14,461	-	29,527,289	MLR and 1.00% to 2.75%
Lease liabilities	19			25,353	25,353	4.30%

Foreign currency risk

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

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

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Unit : Thousand Baht				
<i>US Dollars</i>				
Cash and cash equivalents	1,897	318	1,897	318
Trade accounts receivable	-	-	-	-
Short-term borrowings from financial institutions	-	(5,841)	-	-
Trade accounts payable	(2,487,013)	(4,660,572)	(2,487,013)	(4,660,572)
Provisions under guarantee agreement and others	(21,905,081)	(25,815,560)	(21,905,081)	(25,815,560)
Other current liabilities	(1,633)	-	(1,633)	-
Book value in balance sheets at risks	(24,391,830)	(30,481,655)	(24,391,830)	(30,476,450)
Forward contracts	(732)	-	(732)	-
Net risks balance	(24,392,562)	(30,481,655)	(24,392,562)	(30,476,450)
<i>Pound Sterling</i>				
Trade accounts receivable	-	403	-	-
Trade accounts payable	-	(11,609)	-	(11,473)
Financial liabilities with interest obligation	-	-	-	-
Other current liabilities	(6,786)	-	(6,786)	-
Book value in balance sheets at risks	(6,786)	(11,206)	(6,786)	(11,473)
Forward contracts	-	-	-	-
Net risks balance	(6,786)	(11,206)	(6,786)	(11,473)

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<i>Euro</i>				
Cash and cash equivalents	4,677	65	4,677	65
Trade accounts receivable	166	1,156	-	-
Short-term borrowings from financial institutions	-	(345)	-	-
Trade accounts payable	(28,124)	(27,748)	(28,124)	(27,748)
Other current payables	(1,836)	-	(1,836)	-
Book value in balance sheets at risks	(25,117)	(26,872)	(25,283)	(27,813)
Forward contract	-	-	-	-
Net risks balance	(25,117)	(26,872)	(25,283)	(27,813)
<i>Yen</i>				
Trade accounts payable	(870)	(294)	(842)	(268)
Other current liabilities	-	-	-	-
Book value in balance sheets at risks	(870)	(294)	(842)	(268)
Forward contract	-	-	-	-
Net risks balance	(870)	(294)	(842)	(268)

The Company has derivatives instruments by entering into forward foreign exchange contracts as at 31 December 2020 as follows:

Unit : Thousand Baht

Consolidated financial statements			
Currency	Purchased amount	Exchange rate under contract of the purchased amount	
		(Baht/foreign currency)	
			Maturity date
US Dollar	220,620	30.375	22 February 2021
US Dollar	47,864	30.390	22 February 2021
US Dollar	79,966	30.290	9 March 2021

Separate financial statements

Currency	Purchased amount	Exchange rate under contract	Maturity date
		of the purchased amount (Baht/foreign currency)	
US Dollar	47,864	30.390	22 February 2021
US Dollar	79,966	30.290	9 March 2021

Analysis the impacts of changes in exchange rate

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

Credit risk

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

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

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

Credit risk

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

As at 31 December 2020, the Group has approximately 12.49% of its liabilities due within a year compared to the book value of liabilities presented in the financial statements (2019: 12.09%). The Group assessed the concentration of risks relating to borrowings for settle the existing debts and concluded that such risk is low. The Group has sufficient access to various of funding sources.

Details of maturities of non-derivative financial liabilities of the Group as at 31 December 2020 based on undiscounted contractual cash flows to present value, can be shown as follows:

Unit : Thousand Baht

		Consolidated financial statements				
		Within			Over	
	Note	On demand	1 year	1 - 5 years	5 years	Total
Non-derivatives						
Short-term borrowings from	22					
financial institutions		-	40,000	-	-	40,000
Trade accounts payable	23	-	2,837,509	-	-	2,837,509
Other current payables to						
related parties	7	-	11,085	-	-	11,085
Other current payables		-	219,142	-	-	219,142
Current contract liabilities	10	-	823,914	-	-	823,914
Liabilities under rehabilitation	27					
plan		-	225,082	20,115,907	9,186,299	29,527,288
Lease liabilities	19	-	31,445	41,439	-	72,884
Total non-derivatives		-	4,188,177	20,157,346	9,186,299	33,531,822

Unit : Thousand Baht

		Separate financial statements				
		Within			Over	
		On demand	1 year	1 - 5 years	5 years	Total
Note						
Non-derivatives						
Short-term borrowings from						
	related parties	74,500	-	-	-	74,500
	Trade accounts payable	-	2,801,885	-	-	2,801,885
Other current payables to						
	related parties	-	22,070	-	-	22,070
	Other current payables	-	180,494	-	-	180,494
	Current contract liabilities	-	812,234	-	-	812,234
	Liabilities under rehabilitation plan	-	233,073	20,115,907	9,411,381	29,760,361
	Lease liabilities	-	25,160	25,353	-	50,513
Total non-derivatives		74,500	4,074,916	20,141,260	9,411,381	33,702,057

Determination of fair values

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

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

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

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

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

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

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

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	Fair value level 2	Carrying value	Fair value level 2	Carrying value
2020				
Current				
Derivatives-contracts	(732)	(732)	(732)	(732)
Current portion of liabilities under rehabilitation plan	(225,082)	(225,082)	(233,073)	(233,073)
Total	(225,814)	(225,814)	(233,805)	(233,805)
Non-current				
Liabilities under rehabilitation plan	(29,527,288)	(29,527,288)	(29,527,288)	(29,527,288)
Total	(29,527,288)	(29,527,288)	(29,527,288)	(29,527,288)
2019				
Current				
Derivatives - contracts	(7,150)	(7,150)	-	-
Current portion of liabilities under rehabilitation plan	(1,766,345)	(1,766,345)	(1,774,336)	(1,774,336)
Total	(1,773,495)	(1,773,495)	(1,774,336)	(1,774,336)

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	Fair value level 2	Carrying value	Fair value level 2	Carrying value
Non-current				
Liabilities under rehabilitation plan	(55,226,829)	(55,226,829)	(55,226,829)	(55,226,829)
Total	(55,226,829)	(55,226,829)	(55,226,829)	(55,226,829)

Fair value of financial instruments

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

Book value and fair value of financial assets and financial liabilities as at 31 December 2020 and 1 January 2020 are as follows:

				Unit : Thousand Baht
Consolidated financial statements as at 31 December 2020				
		Book value		Fair value
		Fair value through profit or loss	Amortized cost	Total
Financial instruments disclosed at fair value				
Financial assets				
Cash and cash equivalents	-	665,740	665,740	665,740
Trade accounts receivable	-	134,804	134,804	134,804
Other current receivables from related parties – Other receivables	-	150,162	150,162	150,162
Current contract asset	-	16,593	16,593	16,593
Short-term loans from related parties	-	11,056	11,056	11,056
Current portion of long-term loans	-	14,875	14,875	14,875
Other non-current financial assets				
-Restricted deposit at financial institution	-	44,136	44,136	44,136
Long-term loans	-	471,446	471,446	471,446
Total financial assets	-	1,508,812	1,508,812	1,508,812
Financial liabilities				
Short-term borrowings from financial institutions	-	40,000	40,000	40,000
Trade accounts payable	-	2,837,509	2,837,509	2,837,509
Other current payables	-	216,468	216,468	216,468
Current portion of liabilities under rehabilitation plan	225,082	-	225,082	225,082
Current portion of lease liabilities	-	31,445	31,445	31,445
Other current financial liabilities	-	732	732	732
Liabilities under rehabilitation plan	29,527,288	-	29,527,288	29,527,288
Lease liabilities	-	41,439	41,439	41,439
Total financial liabilities	29,752,370	3,167,593	32,919,963	32,919,963

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
Other current receivables from related parties – Other receivables	-	162,987	162,987	162,987
Current contract asset	-	12,588	12,588	12,588
Other non-current financial assets -Restricted deposit at financial institution	-	7,596	7,596	7,596
Total financial assets	-	610,725	610,725	610,725
Financial liabilities				
Short-term borrowings from financial institutions	-	60,683	60,683	60,683
Trade accounts payable	-	5,148,663	5,148,663	5,148,663
Other current payables	-	280,686	280,686	280,686
Current portion of liabilities under rehabilitation plan	363,319	-	363,319	363,319
Current portion of lease liabilities	-	2,332	2,332	2,332
Liabilities under rehabilitation plan (after adjustment) (Note 6.1)	30,245,602	-	30,245,602	30,245,602
Lease liabilities	-	1,803	1,803	1,803
Total financial liabilities	30,608,921	5,494,167	36,103,088	36,103,088

Unit : Thousand Baht

Separate financial statements as at 31 December 2020				
	Book value		Fair value	
	Fair value through profit or loss	Amortized cost	Total	
Financial assets				
Cash and cash equivalents	-	635,691	635,691	635,691
Trade accounts receivable	-	36,401	36,401	36,401
Other current receivables from related parties – Other receivables	-	150,162	150,162	150,162
Short-term loans from related parties	-	11,056	11,056	11,056
Current portion of long-term loans	-	14,875	14,875	14,875
Other non-current financial assets				
-Restricted deposit at financial institution	-	43,322	43,322	43,322
Other Long-term loans	-	471,446	471,446	471,446
Total financial assets	-	1,362,953	1,362,953	1,362,953
Financial liabilities				
Short-term borrowings from financial institutions	-	-	-	-
Trade accounts payable	-	2,801,885	2,801,885	2,801,885
Other current payables	-	180,494	180,494	180,494
Current portion of liabilities under rehabilitation plan	233,073	-	233,073	233,073
Current portion of lease liabilities	-	25,160	25,160	25,160
Short-term borrowings from related parties	-	74,500	74,500	74,500
Other current financial liabilities	-	732	732	732
Liabilities under rehabilitation plan	29,527,288	-	29,527,288	29,527,288
Lease liabilities	-	25,353	25,353	25,353
Total financial liabilities	29,760,361	3,108,124	32,868,485	32,868,485

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
Other current receivables from related parties – Other receivables	-	162,987	162,987	162,987
Other non-current financial assets				
-Restricted deposit at financial institution	-	3,634	3,634	3,634
Total financial assets	-	412,680	412,680	412,680
Financial liabilities				
Trade accounts payable	-	5,188,949	5,188,949	5,188,949
Other current payables	-	235,176	235,176	235,176
Current portion of liabilities under rehabilitation plan	363,319	-	363,319	363,319
Current portion of lease liabilities	-	649	649	649
Liabilities under rehabilitation plan (after adjustment) (Note 6.1)	30,253,593	-	30,253,593	30,253,593
Lease liabilities	-	680	680	680
Total financial liabilities	30,616,912	5,425,454	36,042,366	36,042,366

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

- a) Financial assets and financial liabilities will be matured in short-term, such as cash on hand and deposits at financial institutions, receivables and payables, current contract asset are presented by the estimated fair value based on carrying value in statements of financial position.
- b) Loans and borrowings which had interest rate close to market interest rate, are presented by the estimated fair value based on carrying value in statements in financial position.
- c) The Company had liabilities under the rehabilitation plan presented at fair value by using the discounted future cash flows technique and valuation theory model.

- d) Future exchange contract presented at fair value by using discounted future cash flows and valuation theory model. Information use in valuation is an observable information in relevant market, such as exchange rates immediately.

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

36. RECLASSIFICATION

The Company has reclassified the certain accounts in financial statements for the year ended 2019 for corresponding with the recent reclassification, summarised as follows:

Unit : Thousand Baht

	Consolidated financial statements		
	Before reclassify	Reclassification	After reclassify
Statement of financial position			
Current assets			
Current contract assets	-	12,588	12,588
Other current assets	230,002	(12,588)	217,414
Current liabilities			
Other current payables to related parties	213,679	(207,210)	6,469
Other current payables	-	280,686	280,686
Current contract liabilities	-	244,836	244,836
Other current liabilities	318,312	(318,312)	-

Unit : Thousand Baht

	Consolidated financial statements		
	Before reclassify	Reclassification	After reclassify
Statements of comprehensive income			
Revenue from sale of goods	24,662,883	(108,574)	24,554,309
Revenue from rendering of services	536,516	108,574	645,090
Other income	78,935	(3,574)	75,361
Cost of sales	24,720,252	367,454	25,087,706
Cost of rendering of services	382,606	99,831	482,437

Unit : Thousand Baht

Consolidated financial statements

	Before reclassify	Reclassification	After reclassify
Distribution costs	552,822	(467,285)	85,537
Finance income	-	3,574	3,574

Unit : Thousand Baht

Separate financial statements

	Before reclassify	Reclassification	After reclassify
Statement of financial position			
Current liabilities			
Other current payables to related parties	230,546	(207,210)	23,336
Other current payables	-	235,176	235,176
Current contract liabilities	-	232,359	232,359
Other current liabilities	260,325	(260,325)	-
Statements of comprehensive income			
Revenue from sale of goods	24,662,712	(108,574)	24,554,138
Revenue from rendering of services	234	108,574	108,808
Other income	82,475	(3,154)	79,321
Cost of sales	24,828,475	367,230	25,195,705
Cost of rendering of services	-	99,831	99,831
Distribution costs	536,824	(467,061)	69,763
Finance income	-	3,154	3,154

37. Financial Statements Approval

These financial statements were approved and authorized for issue by the Company's Board of directors on 1 March 2021.