

**SAHAVIRIYA STEEL INDUSTRIES PUBLIC COMPANY LIMITED
AND SUBSIDIARIES**

AUDITOR'S REPORT AND INTERIM FINANCIAL INFORMATION

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2023

(UNAUDITED/REVIEWED ONLY)

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To The Board of directors of SAHAVIRIYA STEEL INDUSTRIES PUBLIC COMPANY LIMITED

I have reviewed the accompanying consolidated and separate statements of financial position of SAHAVIRIYA STEEL INDUSTRIES PUBLIC COMPANY LIMITED, AND ITS SUBSIDIARIES (the Group), and of SAHAVIRIYA STEEL INDUSTRIES PUBLIC COMPANY LIMITED (the "Company") as at 30 June 2023, the consolidated and separate statements of income and comprehensive income, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the six-month periods then ended, and the condensed notes to financial statements (collectively, the "Interim financial information"). The Company's management is responsible for the preparation and presentation of this interim financial information, in all material respects, in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my reviews.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements No. 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion on this reviewed interim financial information.

Conclusion

Based on my reviews, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting.

Emphasis of Matter

1. Material uncertainty on going concern

1.1. As stated in notes 2 to financial statements, as at 30 June 2023, the Group and the Company have operating losses for the six-month periods the amount of Baht 1,451.9 million and Baht 1,361.2 million respectively, and the consolidated and separate statements of financial position also represented operating deficit as at the same date, amount of Baht 21,125.1 million and Baht 21,813.7 million respectively, and negative shareholders' equity of Baht 19,061.5 million and Baht 20,200.7 million respectively.

1.2. As stated in notes 2 to financial statements, the Company must comply with the rehabilitation plan (the Plan), which was approved by the Central Bankruptcy Court, and the rehabilitation will be deemed to have been carried out successfully as planned. The following events are required: 1) the Company has paid the outstanding principal debt to all creditors under the rehabilitation plan, including in the event that the creditors have received debt repayment by debt conversion to equity No. 1 and No. 2 in an amount totaling not less than 18% of the outstanding principal debt that the Company has to pay under the plan, and 2) the Company has repaid the outstanding principal debt from excess cash flow to the creditors under the rehabilitation plan total amount not less than Baht 2,500 million or not less than 20% of the principal amount under clauses (1), and 3) the Company has made payment under the plan without default for at least 34 consecutive months from the date the Court's order to approve the revised rehabilitation plan on 18 September 2020, and 4) the Plan administrator and creditors who had a total debt amount of not less than 75% of the outstanding amount of creditors under the rehabilitation plan have considered and agreed that the Company has the potential and readiness as well as the ability to continue its business operations after leaving the business rehabilitation process. The implementation period of the plan is 6 years (as requested for amendment of the rehabilitation plan No.3 on 14 September 2022), which is matured on 15 December 2023.

From such situation indicated the significant uncertainties to the Group and the Company ability to continue its operation as a going concern. If the Group and the Company could not provide the sufficiency working capital, the ability to negotiate with creditors to improve the rehabilitation plan to meet the conditions for paying debts appropriate to its cash flows; includes requesting an extension of the repayment period, and the implementation to be succeeded as planned in the future which may significantly affected to the valuation of assets and liabilities in the consolidated and separate financial information for the six-month periods ended 30 June 2023. However, the Group and the Company has taken the other procedures for adjustments the financial position as described in notes 2 to financial statements. Accordingly, the management believes that the preparation of such interim financial information on the assumption that the Group will continue to operate as a going concern, is appropriate.

2. Collection from related companies receivable under debt restructuring

As stated in notes 21.2 to financial statement as at 30 June 2023, and 31 December 2022, the Company has two related company receivables with total amount of Baht 3,159.6 million and 3,215.8 million respectively. The Company has set up allowance for credit losses in full. Such debt amount is higher than the remaining 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. The amount is calculated from the difference between the value of new goods and the goods price used to settle the existing debt and/or the amount that two receivables gradually pay in case of non-trading, and received the payment from those two related companies for the six months total amount of Baht 56.2 million. Both receivables will be required to complete all outstanding debts, both existing and new, to the Company within 7 years from 2017 onwards, and all outstanding debt balance within the year 2021 must not exceeding Baht 1,760.0 million which the Company is unable to collect debts and make outstanding debts to be conformed to the rehabilitation plan. This may be caused a default under the rehabilitation plan. Therefore, the aforementioned, the incident is not the cause of default because the Board of creditor not yet notice for such defaulting. At present, the Company is tracking the debt payment.

At present, the Company proposes the guidelines for the remaining debt payment of two receivables and resolving the issues with both receivables to the Board of creditors which is under the consideration for approval.

3. Retroactive adjustment of financial statements

I draw attention to notes 30 to the financial statements, which describes, the Group made retroactively adjustment of the financial statements during the year because of business combination as describe in notes 29 to the financial statement, the adjustments on accounting transactions of such acquisition have been made. In the six-month periods then end 30 June 2023, the Group has reviewed assets acquired and liabilities assumed of Redcar Bulk Terminal Limited, which was the business acquisition on 7 July 2022. The aforementioned adjustment was made in accordance with the conditions for adjusting the business combination accounting.

Accordingly, I did not provide a qualified conclusion on the aforementioned matter.

D I A International Audit Company Limited



(Mrs. Suvimol Chrityakierne)

C.P.A. (Thailand)

Registration No. 2982

17 August 2023

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of financial position

As at 30 June 2023

Unit : Thousand Baht

Assets	Note	Consolidated financial statements		Separate financial statements	
		30 June 2023 (UNAUDITED / REVIEWED ONLY)	31 December 2022 (AUDITED) (RESTATED)	30 June 2023 (UNAUDITED / REVIEWED ONLY)	31 December 2022 (AUDITED)
Current assets					
Cash and cash equivalents		262,595	552,405	153,865	432,452
Trade accounts receivable	7	248,195	228,522	104,730	105,582
Other current receivables from related parties	6	40,161	59,133	64,589	69,622
Current contract assets	8.1	36,178	56,869	-	-
Short-term loans to related parties	6	-	-	26,700	24,736
Current portion of long-term loans	14	-	-	-	13,075
Inventories	9	6,332,438	7,535,866	6,307,913	7,512,390
Other current assets	10	268,129	408,250	190,546	339,326
Other current financial assets		1,009	-	-	-
Assets held for disposal from liquidation of subsidiary	3(e)	-	-	-	-
Total current assets		7,188,705	8,841,045	6,848,343	8,497,183
Non-current assets					
Other non-current financial assets	11	35,310	62,401	33,014	60,215
Investments in subsidiaries	12	-	-	324,000	324,000
Investments in joint venture	13	2,494,143	2,576,757	2,628,782	2,628,782
Long-term loans and accrued interest receivable to related parties	14	-	-	572,889	497,158
Property, plant and equipment	15	11,729,112	11,777,375	9,177,871	9,325,127
Right-of-use assets	16.1	121,880	138,052	104,176	118,771
Other intangible assets		16,462	18,124	14,300	15,330
Deferred tax assets	17	19,848	18,736	-	-
Other non-current assets		15,432	15,420	13,741	13,587
Total non-current assets		14,432,187	14,606,865	12,868,773	12,982,970
Total assets		21,620,892	23,447,910	19,717,116	21,480,153

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

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of financial position (Cont'd)

As at 30 June 2023

Unit : Thousand Baht

Liabilities and shareholders' equity	Note	Consolidated financial statements		Separate financial statements	
		30 June 2023 (UNAUDITED / REVIEWED ONLY)	31 December 2022 (AUDITED)	30 June 2023 (UNAUDITED / REVIEWED ONLY)	31 December 2022 (AUDITED)
Current liabilities					
Short-term borrowings from financial institutions	18	45,026	62,069	-	-
Trade accounts payable	19	3,793,418	4,929,563	3,753,394	4,886,830
Other current payables to related parties	6	12,448	29,516	30,924	44,400
Other current payables		588,491	392,025	342,137	189,982
Current contract liabilities	8.1	790,783	658,895	767,759	633,539
Current portion of long-term borrowings from financial institutions		-	402	-	-
Current portion of liabilities under rehabilitation plan	21.1	1,351,343	1,359,059	1,351,343	1,359,059
Current portion of lease liabilities	16.2	39,574	35,413	24,565	25,755
Short-term borrowings from related parties	6	1,295,551	1,519,921	1,295,551	1,519,921
Corporate income tax payable		-	1,338	-	-
Provisions for onerous contracts	8.4	28,515	34,596	28,515	34,596
Other non-current financial liabilities		-	18,323	-	17,398
Total current liabilities		7,945,149	9,041,120	7,594,188	8,711,480
Non-current liabilities					
Long-term borrowings from financial institutions		6,444	12,600	-	-
Liabilities under rehabilitation plan	21.1	31,812,541	31,104,493	31,820,532	31,112,484
Lease liabilities	16.2	92,374	105,519	80,997	92,654
Deferred tax liabilities	17	202,901	192,627	17,575	16,174
Non-current provisions for employee benefits	20	489,526	468,053	403,662	386,009
Other non-current provisions	22	132,593	117,534	-	-
Other non-current liabilities		824	824	824	824
Total non-current liabilities		32,737,203	32,001,650	32,323,590	31,608,145
Total liabilities		40,682,352	41,042,770	39,917,778	40,319,625

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

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of financial position (Cont'd)

As at 30 June 2023

Unit : Thousand Baht

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2023	31 December 2022	30 June 2023	31 December 2022
		(UNAUDITED / REVIEWED ONLY)	(AUDITED) (RESTATED)	(UNAUDITED / REVIEWED ONLY)	(AUDITED)
Liabilities and shareholders' equity					
<i>Shareholders' equity</i>					
Share capital	23				
Authorized share capital					
11,113,018,280 common shares					
of Baht 1 each		11,113,018	11,113,018	11,113,018	11,113,018
Issued and paid-up share capital					
11,113,018,280 common shares					
of Baht 1 each		11,113,018	11,113,018	11,113,018	11,113,018
Share discount on ordinary shares		(9,500,000)	(9,500,000)	(9,500,000)	(9,500,000)
Deficit		(21,125,120)	(19,672,503)	(21,813,680)	(20,452,490)
Equity attributable to owners of the Company		(19,512,102)	(18,059,485)	(20,200,662)	(18,839,472)
Non-controlling interests		450,642	464,625	-	-
Total shareholders' equity		(19,061,460)	(17,594,860)	(20,200,662)	(18,839,472)
Total liabilities and shareholders' equity		21,620,892	23,447,910	19,717,116	21,480,153

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

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of comprehensive income

For the six-month periods ended 30 June 2023

(Unaudited/reviewed only)

Unit : Thousand Baht

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Income					
Revenue from sale		12,286,559	19,051,626	12,285,877	19,051,845
Revenue from rendering of services		483,848	372,729	100,479	119,044
Dividend income	12	-	-	15,300	51,000
Other income		22,758	16,657	11,941	19,336
Total income		12,793,165	19,441,012	12,413,597	19,241,225
Expenses					
Cost of sales		11,867,442	17,838,044	11,913,651	17,898,898
Idle cost		45,167	-	45,167	-
Cost of rendering of services		427,404	319,515	77,787	98,686
Distribution costs		37,854	31,978	32,912	27,207
Administrative expenses		379,518	291,923	261,449	248,189
Management benefit expenses		52,804	65,828	51,003	60,603
Net (gain) loss on exchange rate		46,325	164,923	49,957	165,928
(Reversed) Allowance for expected credit losses		(56,133)	(96,743)	(56,133)	(96,743)
Loss on onerous contracts	8.4	(6,081)	82,042	(6,081)	82,042
Total expenses		12,794,300	18,697,510	12,369,712	18,484,810
Profit (loss) from operation activities		(1,135)	743,502	43,885	756,415
Finance income		939	9,918	20,407	9,413
Finance costs		(896,910)	(853,563)	(894,493)	(852,884)
Gains (losses) on exchange rate from liabilities under the rehabilitation	21.1	(529,588)	(1,005,055)	(529,588)	(1,005,055)
Share of profit (loss) on equity securities of joint venture by equity method		(53,812)	12,008	-	-
Profit (loss) before income tax		(1,480,506)	(1,093,190)	(1,359,789)	(1,092,111)
Tax (expense) income	17	(139)	(4,707)	(1,401)	(823)
Profit (loss) for the period		(1,480,645)	(1,097,897)	(1,361,190)	(1,092,934)
Profit (loss) attributable to					
Owners of the Company		(1,481,362)	(1,113,434)	(1,361,190)	(1,092,934)
Non-controlling interests		717	15,537	-	-
Profit (loss) for the period		(1,480,645)	(1,097,897)	(1,361,190)	(1,092,934)
Basic earnings (loss) per share (Baht)	26	(0.13)	(0.10)	(0.12)	(0.10)

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

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of comprehensive income (Cont'd)

For the six-month periods ended 30 June 2023

(Unaudited/reviewed only)

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit (loss) for the period	(1,480,645)	(1,097,897)	(1,361,190)	(1,092,934)
Other comprehensive income (expense) for the period				
Exchange differences on translating financial statements - net	28,745	-	-	-
Other comprehensive income (expense) for the period-net of tax	28,745	-	-	-
Total comprehensive income (expense) for the year	(1,451,900)	(1,097,897)	(1,361,190)	(1,092,934)
Total comprehensive income attributable to:				
Owners of the Company	(1,452,617)	(1,113,434)	(1,361,190)	(1,092,934)
Non-controlling interests	717	15,537	-	-
Total comprehensive income for the period	(1,451,900)	(1,097,897)	(1,361,190)	(1,092,934)

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

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of changes in shareholders' equity

For the six-month periods ended 30 June 2023

(Unaudited/reviewed only)

Unit : Thousand Baht

Consolidated financial statements							
	Issued and paid-up share capital	Share discount on ordinary shares issuance	Retained earnings (deficit)		Equity		Total shareholders' equity
			Legal reserve	Unappropriated (deficit)	attributable to owners of the Company	Non- controlling interests	
Balance as at 31 December 2021	11,113,018	(9,500,000)	-	(17,191,282)	(15,578,264)	506,783	(15,071,481)
Total comprehensive income (expense) for the period	-	-	-	(1,113,434)	(1,113,434)	15,537	(1,097,897)
Dividend paid to non-controlling interests	-	-	-	-	-	(49,000)	(49,000)
Balance as at 30 June 2022	11,113,018	(9,500,000)	-	(18,304,716)	(16,691,698)	473,320	(16,218,378)
Balance as at 31 December 2022 - as previously reported	11,113,018	(9,500,000)	-	(20,175,632)	(18,562,614)	464,625	(18,097,989)
Retrospective adjustment from determine the fair value of acquisition of business	30	-	-	503,129	503,129	-	503,129
Balance as at 31 December 2022 - restated	11,113,018	(9,500,000)	-	(19,672,503)	(18,059,485)	464,625	(17,594,860)
Total comprehensive income (expense) for the period	-	-	-	(1,452,617)	(1,452,617)	717	(1,451,900)
Dividend paid to non-controlling interests	-	-	-	-	-	(14,700)	(14,700)
Balance as at 30 June 2023	11,113,018	(9,500,000)	-	(21,125,120)	(19,512,102)	450,642	(19,061,460)

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

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of changes in shareholders' equity

For the six-month periods ended 30 June 2023

(Unaudited/reviewed only)

Unit : Thousand Baht

	Separate financial statements				Total shareholders' equity
	Issued and paid-up share capital	Share discount on ordinary shares issuance	Retained earnings (deficit)		
			Legal reserve	Unappropriated (deficit)	
Balance as at 31 December 2021	11,113,018	(9,500,000)	-	(17,722,590)	(16,109,572)
Total comprehensive income (expense) for the period	-	-	-	(1,092,934)	(1,092,934)
Balance as at 30 June 2022	11,113,018	(9,500,000)	-	(18,815,524)	(17,202,506)
Balance as at 31 December 2022	11,113,018	(9,500,000)	-	(20,452,490)	(18,839,472)
Total comprehensive income (expense) for the period	-	-	-	(1,361,190)	(1,361,190)
Balance as at 30 June 2023	11,113,018	(9,500,000)	-	(21,813,680)	(20,200,662)

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

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of cash flows

For the six-month periods ended 30 June 2023

(Unaudited/reviewed only)

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<i>Cash flows from operating activities</i>				
Profit (loss) for the period	(1,480,645)	(1,097,897)	(1,361,190)	(1,092,934)
<i>Adjustments for</i>				
Depreciation and amortization	414,927	430,649	354,906	376,827
Expected credit losses (reversal)	(56,133)	(96,743)	(56,133)	(96,743)
Loss on devaluation of inventories (reversal)	(104,286)	492,453	(104,286)	492,453
Unrealized loss (gain) on exchange rate	(18,170)	124,145	(61,511)	123,094
Loss (gain) on forward contracts	(19,332)	65	(17,398)	3,440
Write-off equipment	7,145	447	785	447
Employee benefit provisions	23,943	16,325	19,429	13,914
Other provisions	15,059	-	-	-
Loss on onerous contracts	(6,081)	82,042	(6,081)	82,042
Loss (gain) on disposal of property, plant and equipment	(110)	-	-	-
Gain on investment in subsidiary	(92,580)	-	-	-
Share of loss (gain) of joint venture (net of tax)	68,631	(12,008)	-	-
Loss (gain) on exchange rate from liabilities under rehabilitation				
plan-net	529,588	1,005,055	529,588	1,005,055
Finance costs	896,910	853,563	894,493	852,884
Finance income	(1,213)	(7,059)	(20,407)	(9,413)
Dividend income	-	-	(15,300)	(51,000)
Tax expense (income)	8,950	4,707	1,401	823
<i>Profit (loss) from operating activities before changes in operating assets and liabilities :</i>	186,603	1,795,744	158,296	1,700,889
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	36,274	13,365	55,283	5,378
Other receivables from related parties	17,917	(10,669)	(8,339)	(17,444)
Current contract assets	20,691	(26,671)	-	-
Inventories	1,307,715	(3,575,531)	1,308,763	(3,584,558)
Other current assets	139,589	292,004	149,070	311,417
Other non-current assets	(12)	918	39	862
Trade accounts payable	(1,118,141)	1,601,293	(1,115,439)	1,561,748
Other payables to related parties	(22,704)	(5,217)	(10,875)	33,140
Other current liabilities	192,948	65,914	145,776	50,915
Current contract liabilities	131,888	278,285	134,220	275,314
<i>Cash provided by (used in) operating activities</i>	892,768	429,435	816,794	337,661

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

Sahaviriya Steel Industries Public Company Limited and Subsidiaries

Statements of cash flows (Cont'd)

For the six-month periods ended 30 June 2023

(Unaudited/reviewed only)

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Employee benefit obligations paid	(2,470)	(1,338)	(1,776)	(1,338)
Income tax paid	(17,252)	(22,933)	(755)	(1,314)
Income tax received	17,787	16,942	-	-
Net cash provided by operating activities	890,833	422,106	814,263	335,009
<i>Cash flows from investing activities</i>				
Finance income received	1,493	3,623	1,909	3,524
Other non-current financial assets (increase) decrease	27,091	10,143	27,201	11,427
Payments for short-term loans to related parties	-	(41,071)	-	-
Proceeds from short-term loans to related parties	-	10,584	-	-
Proceeds from long-term loans to related parties	-	6,466	12,932	6,466
Purchases of property, plant and equipment	(207,717)	(273,879)	(187,119)	(281,598)
Proceeds from sales of property, plant and equipment	119	-	-	-
Purchases of intangible assets	(680)	(1,254)	(463)	(445)
Dividend received	-	-	15,300	25,842
Net cash used in investing activities	(179,694)	(285,388)	(130,240)	(234,784)
<i>Cash flows from financing activities</i>				
Finance cost paid	(73,540)	(45,021)	(71,123)	(43,861)
Payments for short-term borrowings				
from financial institutions	(17,043)	(14,000)	-	-
Payments for long-term borrowings from				
financial institutions	(6,558)	-	-	-
Proceeds from short-term borrowings				
from related parties	4,088,245	2,102,078	4,088,245	2,098,205
Payments for short-term borrowings				
from related parties	(4,312,615)	(1,008,605)	(4,312,615)	(1,008,605)
Payments for liabilities under rehabilitation plan	(649,407)	(1,245,990)	(649,407)	(1,245,990)
Payments for lease liabilities	(15,331)	(17,301)	(17,710)	(13,795)
Dividend paid	(14,700)	(49,000)	-	-
Net cash used in financing activities	(1,000,949)	(277,839)	(962,610)	(214,046)
Net increase (decrease) in cash and cash equivalents	(289,810)	(141,121)	(278,587)	(113,821)
Cash and cash equivalents as at 1 January	552,405	496,420	432,452	383,872
Cash and cash equivalents as at 30 June	262,595	355,299	153,865	270,051
Significant non-cash transactions				
Other payables for property, plant and equipment acquisition	3,614	14,523	9,681	12,982
Dividend income offset repayment for borrowings and finance costs	-	-	-	25,158

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

Sahaviriya Steel Industries Public Company Limited and subsidiaries

Notes to interim financial statements

For the six-month periods ended 30 June 2023

(Unaudited/reviewed only)

Notes	Contents
1	General information
2	Basis of operation as a going concern
3	Basis of interim financial statements preparation
4	New financial reporting standards
5	Summary of significant accounting policies
6	Related parties
7	Trade accounts receivable
8	Current contract assets / Current contract liabilities / Provisions for onerous contracts
9	Inventories
10	Other current assets
11	Other non-current financial assets
12	Investments in subsidiaries
13	Investments in joint venture
14	Long-term loans
15	Property, plant and equipment
16	Right-of-use assets / Lease liabilities
17	Deferred tax
18	Short-term borrowings from financial institutions
19	Trade accounts payable
20	Non-current provisions for employee benefits
21	Liabilities under business rehabilitation plan and progressive
22	Other non-current provisions
23	Share capital
24	Segment information
25	Income tax
26	Basic earnings (loss) per share
27	Commitments and contingent liabilities
28	Financial instruments
29	Business combination
30	Financial statements adjustment
31	Events after the reporting period
32	Interim financial statements approval

Sahaviriya Steel Industries Public Company Limited and subsidiaries

Notes to interim financial statements

For the six-month periods ended 30 June 2023

(Unaudited/reviewed only)

1. General information

1.1 Company's General information

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

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 12 and 13 to financial statements.

2. Basis of operation as a going concern

For the six-month periods ended 30 June 2023, the Group has operating loss for the period amount of Baht 1,451.9 million (loss for the period amount of Baht 922.3 million when deducting gains (losses) on exchange rate from liabilities under the rehabilitation plan-net amount of Baht 529.6 million) (2022 : loss for the period amount of Baht 1,097.9 million (loss for the period amount of Baht 92.8 million when deducting loss on exchange rate from liabilities under the rehabilitation plan-net amount of Baht 1,005.1 million) and as at the same day, the Group had deficit amount of Baht 21,125.1 million (31 December 2022: Baht 19,672.5 million), negative shareholders' equity amount of Baht 19,061.5 million. (31 December 2022: Baht 17,594.9 million).

For the six-month periods ended 30 June 2023, the Company has operating loss for the period amount of Baht 1,361.2 million (loss for the period amount of Baht 831.6 million when deducting loss on exchange rate from liabilities under the rehabilitation plan-net amount of Baht 529.6 million) (2022 : loss for the period amount of Baht 1,092.9 million (loss for the period amount of Baht 87.8 million when deducting losses on exchange rate from liabilities under the rehabilitation plan-net amount of Baht 1,005.1 million) and as at the same day, the Company had a deficit amount of Baht 21,813.7 million (31 December 2022 : Baht 20,452.5 million), negative shareholders' equity amount of Baht 20,200.7 million. (31 December 2022: Baht 18,839.5 million).

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

Later, on 18 June 2020, the Official Receiver held a creditors' meeting, and most creditors' meetings approved the request for amendments to the plan (rehabilitation plan dated 14 July 2016, amended by the creditors' meeting on 18 June 2020) (the "Amendment Plan") and the Central Bankruptcy Court approved the plan No. 2 on 18 September 2020.

Subsequently, on 22 September 2021, Sahaviriya Steel Industries Public Company Limited, the "Plan Administrator", needed to amend the plan to meet the successful rehabilitation business of the debtors so that "A request to amend the rehabilitation plan." was filed to the Official Receiver. Accordingly, the Official Receiver held a meeting on 9 November 2021, and the majority of the creditors' meeting approved with "A request to amend the rehabilitation plan" and approved by the Central Bankruptcy Court on 14 December 2021.

The significant of successful of the rehabilitation plan that the following events occur:

- 1) The Company has repaid outstanding principal to all creditors in accordance with the rehabilitation plan including the cases of the creditors receive debt repayment by converting debt into equity in the 1st and 2nd times in the total amount are not less than 25% of the outstanding principal that the Company has to pay for the debts as planned, and
- 2) The Company has received new investment from co-investor, resulted to the shareholders' equity in the financial statements is positive, or
- 3) There is conversion of debts into equity, in accordance with the rehabilitation plan and resulted to the shareholders' equity in the financial statements is positive.

The implementation period of the plan is 6 years from the date the Court approval with the Plan on 15 December 2016, which will be matured on 15 December 2022. In the event that the implementation of this Plan has not been achieved within a period of 6 years, the Plan Administrator can file an application for amendments to the Plan by requesting an extension of the plan implementation period in accordance with the methods set forth in the Bankruptcy Act.

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

Nevertheless, the Company has requested amendments to the rehabilitation plan for the business to continue its operation and for the accomplishment of the Plan in the future.

Subsequently, on 1 March 2023, Sahaviriya Steel Industries Public Company Limited, the “Plan Administrator” has filed “Application for revision of the Rehabilitation Plan” and the creditors' meeting passed the resolution to approve “Application for revision of the Rehabilitation Plan” and approved by the Central Bankruptcy Court on 27 June 2023.

The significant of the successful of the rehabilitation plan must include the following events:

- 1) The Company has repaid outstanding principal debts to all creditors in accordance with the rehabilitation plan including the creditors who had received the debts settlement by converting debt into equity pursuant to clauses 7.6 and 7.7 of the Plan in the amount not less than 18% of the outstanding principal obligation to be paid by the Company under the plan, and
- 2) The Company has repaid the outstanding principal from excess cash flow to the creditors under the rehabilitation plan not less than Baht 2,500 million or not less than 20% of the principal amount in clause (1), and
- 3) The Company has implemented debt repayment under the plan in clauses 8.2.1 to 8.2.13 without default payment of not less than 34 consecutive months from the date of the Court to approve with the revised rehabilitation plan on 18 September 2020 onwards, and
- 4) The Plan administrators and the creditors who had total debt amount of not less than 75% of the outstanding amount of creditors under the rehabilitation plan jointly deemed that the Company has the potential and readiness as well as the ability to continue its business after leaving the business rehabilitation process.

Past performance operation

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

Debt repayment under rehabilitation plan

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

Long-term operating plan

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

However, in 2023, the Company has reviewed its future strategic and plans to create more new businesses and plans to resolve the Group's debts.

In addition, the Company has received working capital loans from the bank, which has begun to withdraw such loans from May 2022 onwards. Therefore, the Company believes that it will have sufficient working capital to be used in the business over the next year. During the period, the Company was able to repay the debt as required by the Plan and allocated to repay excess cash flow debt from which the Company's results of operation is better than the estimates provided in the rehabilitation plan.

The consolidated and separate financial statements have been prepared by the Management in accordance with the ongoing on the assumption that the rehabilitation will be succeeded and that the entity will have sufficient funds and credit limits to be used in the business operations of the Group and the Company. However, the suitability of this assumption depends on the success of the rehabilitation plan, as well as the implementation of measures to attain profitability and cash flows, success in capital restructuring, the ability to make debts settlement on schedule, and the ability to provide financing from other sources to provide sufficient funds and the ability to negotiate with creditors to revise the rehabilitation plan to meet conditions for debts settlement appropriate with the entity's cash flows. This may include requesting an extension of the debt repayment period. The implementation is to be succeeded in accordance with the Plan in the future.

The consolidated and separate financial statements do not include reclassification or adjustment of assets and liabilities, which may be necessary if the Group and the Company are unable to continue the operation as a going concern. Nevertheless, the value gained from the asset may be significantly less than the book value and may have additional contingent liabilities if the Group and the Company will not be able to continue their operations.

3. Basis of interim financial statements preparation

(a) *Statement of compliance*

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

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2022. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company for the year ended 31 December 2022.

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

(b) ***Basis of consolidation***

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

Name of entity	Type of business	30 June	30 June
		2023	2022
		(%)	(%)
<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 (Shareholding at 100% by West Coast Engineering Co., Ltd.)	Investment	100.00	100.00
Helium Miracle 301 Limited	Non-operation	100.00	100.00
Helium Miracle 302 Limited	Dissolution	-	100.00
<u>Indirect subsidiaries</u>			
Redcar Bulk Terminal Limited (Shareholding at 100% by Helium Miracle 303 Limited)	Port to handle products for marine transportation.	100.00	-
<u>Direct associates</u>			
Thai Cold Rolled Steel Sheet Public Company Limited	Production and distribution of cold rolled coils	35.19	35.19

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

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

The consolidated financial statements contain the Company's financial statements, subsidiaries (collectively, the "Group") and the Group's joint ventures and interests in the joint venture.

(c) *Basic of measurement*

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

(d) *Functional and presentation currency*

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

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

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

Currently, details of progress about Sahaviriya Steel Industries UK Limited are described in note 21.

Net interests and carrying value of investments in SSI UK has been transferred to assets held for disposal in the separate financial statements as at 30 June 2023 and 31 December 2022. Details are as follows:

Unit : Thousand Baht

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

4. New financial reporting standards

Issued and revised financial reporting standards adoption during the period

During the period, the Group has adopted a number of new and revised financial reporting standards, and interpretations which are effective for the financial statements for the period beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards.

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

5. Summary of significant accounting policies

These interim financial statements have been prepared by using the accounting policy and estimates of the financial statements for the year ended 31 December 2022.

6. Related parties

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

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

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

Name of entities	Country of incorporation/ nationality	Nature of relationships
Bangsaphan Barmill Public Company Limited	Thailand	Common directors and direct shareholding by the Company's director(s)
B.S. Metal Co., Ltd.	Thailand	Direct and indirect shareholding by the Company's director(s)
Sahaviriya Plate Mill Public Company Limited	Thailand	Common directors
Prapawit Building Property Co., Ltd.	Thailand	Common directors and direct and indirect shareholding by the Company's director(s)
Sahaviriya Panich Corporation Co., Ltd.	Thailand	Direct and indirect shareholding by the Company's director(s)
Line Transport Co., Ltd.	Thailand	Common directors with the subsidiary and indirect shareholding by the Company's director(s)
Bangpakong Lighyer Co.,Ltd.	Thailand	Indirect shareholding by the Company's director(s)
Bangpakong Port Co., Ltd.	Thailand	Indirect shareholding by the Company's director(s) and the Company's shareholder is director
Sahaviriya Steel Corporation Co., Ltd.	Thailand	Common shareholder and the Company's shareholder is director
Thai Steel Sales Co., Ltd.	Thailand	Common directors and direct shareholding by the Company's director(s)
Prachuap Pattana Development Co., Ltd.	Thailand	Common directors and indirect shareholding by the Company's director(s)
SVL Corporation Co., Ltd.	Thailand	Common shareholder and directors and indirect shareholding by the Company's director(s)
Vanomet AG	Switzerland	Common shareholder and common director with a subsidiary
Bangpakong Shape Steel Co., Ltd.	Thailand	Indirect shareholding by the Company's director(s) and the Company's shareholder is director
Bangsapan Sampun Co. Ltd.	Thailand	Direct shareholding by the Company's director(s)
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. Commissions are charged based on agreements.
Loans	The contractual interest rate	The contractual interest rate
Borrowings	The contractual interest rate	The contractual interest rate

Significant transactions for the six-month periods ended 30 June 2023 and 2022 with related parties are summarized as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Subsidiaries				
Sales of goods	-	-	-	275
Purchases of goods and receiving of services	-	-	169,930	226,919
Dividend income	-	-	15,300	51,000
Other income	-	-	4,343	6,300
Distribution costs and administrative				
Expenses	-	-	4,542	21
Finance costs	-	-	-	480
Joint venture				
Sales of goods	188,993	449,101	188,993	449,101
Revenue from rendering of services	61,331	44,011	-	-
Purchases of goods and receiving of services	141	17	-	-
Other income	4,481	5,882	4,481	5,882
Distribution costs and administrative				
expenses	115	485	90	485
Other related parties				
Sales of goods	1,096,897	2,499,101	1,096,897	2,499,101
Revenue from rendering of services	9,747	31,172	-	-
Purchases of goods and receiving of services				
(including other related expenses)	391,419	19,749	382,533	302,238
Finance income	19	1,454	-	1,454
Other income	7,174	6,059	5,781	4,729
Distribution costs and administrative				
expenses	12,227	306,160	8,224	18,487
Finance costs	1,370	8,555	7	8,555

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
The committee and key management				
personnel remuneration				
The committee remuneration	3,092	8,464	1,291	1,199
Key management personnel remuneration				
Short-term benefits	50,540	63,343	50,540	58,118
Statutory severance pay	443	2,466	443	2,466
Other long-term benefits	20	19	20	19
Total key management personnel				
remuneration	51,003	65,828	51,003	60,603
Total the committee and key management				
personnel remuneration	54,095	74,292	52,294	61,802

Balances as at 30 June 2023 and 31 December 2022 with related parties were as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
<i>Cash and cash equivalents</i>				
<i>– related parties</i>				
Krung Thai Bank Public Company Limited	128,188	410,654	85,833	356,383
Siam Commercial Bank Public Company Limited	69,472	80,499	61,325	72,249
Net	197,660	491,153	147,158	428,632
<i>Other non-current financial assets</i>				
<i>– related parties</i>				
Krung Thai Bank Public Company Limited	108	2,443	-	2,335
Siam Commercial Bank Public Company Limited	33,014	57,881	33,014	57,881
Net	33,122	60,324	33,014	60,216

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Trade accounts receivable from related parties				
Joint venture				
Thai Cold Rolled Steel Sheet	24,894	19,094	-	-
Other related parties				
B.S. Metal Co., Ltd.	1,552,508	1,591,556	1,552,508	1,591,556
Sahaviriya Panich Corporation Co., Ltd.	1,607,083	1,624,280	1,607,083	1,624,280
Others	28,920	18,407	21,625	5,408
Total	3,213,405	3,253,337	3,181,216	3,221,244
Less Allowance for expected credit losses	(3,159,591)	(3,215,836)	(3,159,591)	(3,215,836)
Net	53,814	37,501	21,625	5,408
Other receivables from related parties				
Subsidiaries				
West Coast Engineering Co., Ltd.	-	-	26,159	13,494
Prachuap Port Co., Ltd.	-	-	32	98
Joint venture				
Thai Cold Rolled Steel Sheet Public Company Limited	175	183	175	183
Other related parties				
Vanomet AG (as prepaid for goods)	174,219	174,219	174,219	174,219
Less Allowance for prepaid for goods – Vanomet AG	(174,219)	(174,219)	(174,219)	(174,219)
Sahaviriya Plate Mill Public Company Limited (Net)	1,955	2,648	1,955	2,648
Line Transport Company Limited	200	255	-	-
Thai Steel Sales Co., Ltd.	2,195	5,516	2,195	5,156
B.S. Metal Co., Ltd (net of expected credit losses amount of Baht 16 million ; 31 December 2022 amount of Baht 18 million)	26,923	25,730	26,923	25,730
Helium Miracle 303	-	-	-	15,538
Others	8,713	24,801	7,150	6,775
Total	40,161	59,133	64,589	69,622

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
<i>Current contract assets - related parties</i>				
Joint venture				
Thai Cold Rolled Steel Sheet Public Company Limited	16,454	6,890	-	-
Sahaviriya Plate Mill Public Company Limited	1,699	-	-	-
Total	18,153	6,890	-	-
<i>Right-of-use assets (net) – related parties</i>				
Other related parties				
Prapawit Building Property Co., Ltd.	108,835	115,734	96,343	107,743
Total	108,835	115,734	96,343	107,743
<i>Trade accounts payable to related parties</i>				
Subsidiaries				
West Coast Engineering Co., Ltd.	-	-	7,656	18,785
Prachuap Port Co., Ltd.	-	-	5,249	11,304
Other related parties				
B.S. Metal Co., Ltd.	842	715	842	715
SVL Corporation Co., Ltd.	46,853	47,464	46,853	47,464
Sahaviriya Plate Mill Public Company Limited	-	4,236	-	4,236
Others	9,301	2,388	9,301	2,389
Total	56,996	54,803	69,901	84,893
<i>Other accounts payable to related parties</i>				
Subsidiaries				
West Coast Engineering Co., Ltd.	-	-	21,073	31,300
Prachuap Port Co., Ltd.	-	-	-	926
Joint venture				
Thai Cold Rolled Steel Sheet Public Company Limited	27	-	-	-

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Other related parties				
Prapawit Building Property Co., Ltd.	552	311	522	286
Thai Steel Sales Co., Ltd.	480	360	-	-
SVL Corporation Co., Ltd.	159	1,785	-	1,294
B.S. Metal Co., Ltd.	2,233	1,392	2,233	1,392
Krung Thai Bank Public Company Limited	637	-	637	-
Siam Commercial Bank Public Company Limited	356	-	356	-
Others	8,004	25,668	6,103	9,202
Total	12,448	29,516	30,924	44,400

Current contract liabilities - related parties

Joint venture

Thai Cold Rolled Steel Sheet Public Company Limited	2,312	101,929	-	99,000
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Other related parties

Thai Steel Sales Co., Ltd.	459,045	1,316	459,045	1,316
B.S. Metal Co., Ltd.	17,096	43,452	17,096	43,452
Sahaviriya Panich Corporation Co., Ltd.	-	1,512	-	1,512
Sahaviriya Plate Mill Public Company Limited	1,028	897	-	-
Total	479,481	149,106	476,141	145,280

Lease liabilities (net) - related parties

Other related parties

Prapawit Building Property Co., Ltd.	-	-	97,836	107,849
Total	-	-	97,836	107,849

Short-term loans - related party

Redcar Bulk Terminal Limited	-	-	26,700	24,736
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Movements during the period on short-term loans from related party were as follows:

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Beginning balance	-	-	24,736	26,789
Unrealized gain (loss) on exchange rate	-	-	1,964	(2,053)
Ending balance	-	-	26,700	24,736

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

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

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

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
<i>Long-term loans - related party</i>				
Redcar Bulk Terminal Limited	-	-	-	13,075
Less Current portion of long-term loans	-	-	-	(13,075)
Long-term loans - net	-	-	-	-

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
<i>Long-term loans - related party</i>				
Helium Miracle 303	-	-	536,617	497,158
Less Current portion of long-term loans	-	-	-	-
Long-term loans - net	-	-	536,617	497,158

Movements during the period on long-term loans from related party were as follows:

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Beginning balance	-	-	510,233	25,959
Increase	-	-	-	516,061
Decrease	-	-	-	(11,412)
Unrealized gain (loss) on exchange rate	-	-	26,384	(20,375)
Ending balance	-	-	536,617	510,233

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

In April - June 2022, Redcar Bulk Terminal Limited did not make the principal repayment under the agreement. Subsequently, on 8 December 2022, the Company entered into the agreement for extension the plan of the receiving of principal repayment that the first installment shall be made on 24 November 2022 and the last installment by 24 June 2023. Consequent, as at 30 June 2023 the Company has no balance of long-term loans.

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Short-term borrowings - related parties				
Related parties				
Krung Thai Bank Public Company Limited	648,400	761,284	648,400	761,284
Siam Commercial Bank Public Company Limited	647,151	758,637	647,151	758,637
Total	1,295,551	1,519,921	1,295,551	1,519,921

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

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Related parties				
Beginning balance	1,519,921	-	1,519,921	-
Increase	4,088,245	6,276,150	4,088,245	6,276,150
Decrease	(4,312,615)	(4,756,229)	(4,312,615)	(4,756,229)
Ending balance	1,295,551	1,519,921	1,295,551	1,519,921

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

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

As at 30 June 2023, West Coast Engineering Co., Ltd., a subsidiary, had an overdraft limit of Baht 5 million from a domestic financial institution which guaranteed by land and buildings of such subsidiary.

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Liabilities under rehabilitation plan - related parties				
Subsidiaries				
Prachuap Port Co., Ltd.	-	-	7,991	7,991
Other related parties				
Sahaviriya Plate Mill Public Company Limited	4,300	4,300	4,300	4,300
Financial institutions Group	29,374,557	28,715,045	29,374,557	28,715,045
Total	29,378,857	28,719,345	29,386,848	28,727,336

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

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Other related parties				
Subsidiaries				
Prachuap Port Co., Ltd.				
Beginning balance	-	-	7,991	7,991
Repayment	-	-	-	-
Ending balance	-	-	7,991	7,991

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Class No.1 : Secured creditors				
Beginning balance	4,521,383	5,235,779	4,521,383	5,235,779
Recognized interest expenses by effective rate	164,528	367,174	164,528	367,174
Repayment	(309,878)	(1,081,570)	(309,878)	(1,081,570)
Ending balance	<u>4,376,033</u>	<u>4,521,383</u>	<u>4,376,033</u>	<u>4,521,383</u>
Class No 2 : Financial institution creditors in debt claims that exceed the value of collaterals				
Beginning balance	7,840,245	7,648,651	7,840,245	7,648,651
Recognized interest expenses by effective rate	207,379	429,861	207,379	429,861
Repayment	(103,730)	(238,267)	(103,730)	(238,267)
Ending balance	<u>7,943,894</u>	<u>7,840,245</u>	<u>7,943,894</u>	<u>7,840,245</u>
Class No 4 : Creditor of guarantee obligations for borrowings repayment				
Beginning balance	16,353,417	15,420,899	16,353,417	15,420,899
Recognized interest expenses by effective rate	375,745	714,483	375,745	714,483
Repayment	(204,120)	(472,130)	(204,120)	(472,130)
Adjustment from decrease of guarantee obligation from				
Liquidation of the creditor class 4	-	-	-	-
(Gains) losses on exchange rate	529,588	690,165	529,588	690,165
Ending balance	<u>17,054,630</u>	<u>16,353,417</u>	<u>17,054,630</u>	<u>16,353,417</u>
Total financial institutions group	<u>29,374,557</u>	<u>28,715,045</u>	<u>29,374,557</u>	<u>28,715,045</u>

7. Trade accounts receivable

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Related parties (Note 6)	3,213,405	3,253,337	3,181,216	3,221,244
Other parties	486,383	481,147	374,035	389,290
Total	3,699,788	3,734,484	3,555,251	3,610,534
<i>Less</i> Allowance for expected credit losses	(3,451,593)	(3,505,962)	(3,450,521)	(3,504,952)
Net	248,195	228,522	104,730	105,582

Aging analyses for trade accounts receivable were as follows:

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Related parties				
Within credit terms	40,893	20,245	16,180	915
Overdue:				
Less than 3 months	12,626	17,256	5,445	4,493
3-6 months	-	-	-	-
6-12 months	-	-	-	-
Over 12 months	3,159,886	3,215,836	3,159,591	3,215,836
Total	3,213,405	3,253,337	3,181,216	3,221,244
<i>Less</i> Allowance for expected credit losses	(3,159,591)	(3,215,836)	(3,159,591)	(3,215,836)
Total	53,814	37,501	21,625	5,408

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Other parties				
Within credit terms	139,888	142,097	82,614	90,399
Overdue:				
Less than 3 months	43,898	13,724	331	7,120
3-6 months	2,875	24,266	-	359
6-12 months	2,464	9,738	160	2,296
Over 12 months	297,258	291,322	290,930	289,116
Total	486,383	481,147	374,035	389,290
Less Allowance for expected credit losses	(292,002)	(290,126)	(290,930)	(289,116)
Total	194,381	191,021	83,106	100,174
Net	248,195	228,522	104,730	105,582

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

As at 30 June 2023, the Company has two related receivables which the remaining outstanding passed due over 12 months in the amount of Baht 3,159.6 million. The Company provided allowance for expected credit losses in full. During 2023, the Company received the debt repayment in amount of Baht 56.2 million and reversed allowance for expected credit losses by the same amount. The Company must comply with the repayment and outstanding debt conditions in accordance with the rehabilitation plan (as stated in note 21.2).

8 Current contract assets / Current contract liabilities / Provisions for onerous contracts

8.1 Contract balances

Unit : Thousand Baht

	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 June 2023	31 December 2022	30 June 2023	31 December 2022
Current contract asset					
Unbilled revenue					
Related companies	6	18,153	6,890	-	-
Other companies		15,225	44,804	-	-
Retention receivable		2,800	5,175	-	-
Total current contract asset		36,178	56,869	-	-
Current contract liabilities					
Unearned revenue from services and advance from customer - related companies					
Advanced received from service income	6	3,340	3,826	-	-
Amount received in advance for goods		476,141	145,280	476,141	145,280
Total		479,481	149,106	476,141	145,280
Unearned revenue from services and advance from customer - other companies					
Advanced received from service income		33,328	37,235	13,644	15,705
Amount received in advance for goods		277,974	472,554	277,974	472,554
Total		311,302	509,789	291,618	488,259
Total current contract liabilities		790,783	658,895	767,759	633,539

8.2 Revenue recognized in relation to contract balances

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Revenues previously recognized in unearned services income brought forward	41,061	14,929	15,705	1,465
Revenues recognized in advance received for goods brought forward	587,169	533,666	587,169	533,666

8.3 Revenue recognized in relation to contract balances

As at 30 June 2023, the Group expects to have service revenues for future recognition for unsatisfied performance obligation (or partially unsatisfied) of contracts with customers amounted to Baht 333 million (31 December 2022: Baht 234 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 323 million (31 December 2022: Baht 618 million).

8.4 Provisions for onerous contracts

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Provisions for onerous contracts at the beginning of the period	34,596	104,991	34,596	104,991
Realized loss on onerous contracts (reverse) loss	(6,081)	82,042	(6,081)	82,042
Provisions for onerous contracts at the ending of the period	28,515	187,033	28,515	187,033

9. Inventories

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Finished goods	2,307,449	2,455,395	2,315,420	2,463,184
Work in progress	31,207	49,398	17,311	36,903
Raw materials	1,433,591	1,760,197	1,428,685	1,756,345
Spare parts and factory supplies	835,975	818,356	822,282	803,438
Inventories under collateral management agreement (<i>Note 19</i>)	1,870,511	2,761,051	1,870,510	2,761,051
Goods in transit	596,864	538,914	596,864	538,914
Total	7,075,597	8,383,311	7,051,072	8,359,835
<i>Less</i> Allowance for devaluation	(743,159)	(847,445)	(743,159)	(847,445)
Net	6,332,438	7,535,866	6,307,913	7,512,390

As at 30 June 2023, the Company had finished goods and some raw materials as collateral against short-term borrowings from related parties (as stated in note 6) amounting to Baht 1,327.8 million.

10. Other current assets

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Prepaid expenses	31,460	21,835	12,743	15,513
Prepaid for goods and supplies	97,630	172,283	94,558	171,781
Revenue Department receivable	45,311	98,495	38,949	90,954
Income tax deducted at source	54,200	53,408	18,919	18,164
Others	40,969	63,670	26,818	44,355
Total	269,570	409,691	191,987	340,767
<i>Less</i> Allowance for expected credit losses	(1,441)	(1,441)	(1,441)	(1,441)
Net	268,129	408,250	190,546	339,326

11. Other non-current financial assets

Other non-current financial assets as at 30 June 2023 and 31 December 2022 are as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Other non-current financial assets				
measured at amortized cost				
Restricted deposit at financial institution	35,310	62,401	33,014	60,215
Other non-current financial assets				
measured at FVTPL				
Equity securities of non-listed company	294,000	294,000	294,000	294,000
Less Allowance for measurement of investment	(294,000)	(294,000)	(294,000)	(294,000)
Total other non-current financial assets	35,310	62,401	33,014	60,215

- 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%.

12. Investments in subsidiaries

Investments in subsidiaries as at 30 June 2023 and 31 December 2022 were as follows:

Unit : Thousand Baht

Name of entity	Type of business	Separate financial statements										Dividend income for the six-month periods ended	
		Ownership proportion		Paid-up capital		Cost method		Impairment		At cost - net			
		30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	30 June 2022
		(%)	(%)										
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	15,300	51,000
West Coast Engineering Co., Ltd.	Maintenance services	99.99	99.99	120,000	120,000	120,000	120,000	-	-	120,000	120,000	-	-
<u>Indirect subsidiaries</u>													
Helium Miracle 303 Limited	Investment business	100.00	100.00	0.04	0.04	-	-	-	-	-	-	-	-
Helium Miracle 301 Limited	Non-operating	100.00	100.00	0.04	0.04	-	-	-	-	-	-	-	-
Helium Miracle 302 Limited ⁽¹⁾	Dissolution	-	-	-	-	-	-	-	-	-	-	-	-
Redcar Bulk Terminal Limited	Port to handle products for marine transportation	100.00	100.00	1,134,054	1,134,054	-	-	-	-	-	-	-	-
				(GBP 11,998,957)	(GBP 11,998,957)								
Total						324,000	324,000	-	-	324,000	324,000	15,300	51,000

⁽¹⁾Dissolution is registered on 18 October 2022.

12. Investments in subsidiaries (cont'd)

As at 30 June 2023, the Company had investment in Prachuap Port Co., Ltd. in amount of Baht 204 million. The shareholding proportion remains the same. For the six-month periods ended 30 June 2023, the Company received a dividend of Baht 15.3 million.

As at 30 June 2023, the Company has investment in the amount of Baht 120 million in West Coast Engineering Co., Ltd. The shareholding proportion remains the same. For the six-month periods ended 30 June 2023, does not have dividend payment.

Indirect subsidiaries

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

13. Investments in joint venture

Investments in subsidiaries as at 30 June 2023 and 31 December 2022 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 six-month periods ended	
		30 June 2023 (%)	31 December 2022 (%)	30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	30 June 2022
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	2,494,143	2,576,757	(53,812)	12,008
Total						3,817,962	3,817,962	2,494,143	2,576,757	(53,812)	12,008

Unit : Thousand Baht

Separate financial statements

Name of entity	Type of business	Ownership proportion		Paid-up capital		Cost method		Impairment		At cost - net	
		30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	31 December 2022
		(%)	(%)								
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 recognized loss on guarantee amount of Baht 513 million as outstanding debts and presented as provisions under rehabilitation plan.

For the six-month periods ended 30 June 2023 and 2022, does not have dividend payment.

Contingent liabilities and commitments relating to the joint venture:

	30 June 2023	31 December 2022
<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 84.2 million, USD 0.35 million and JPY 180.1 million	Baht 41.7 million, USD 0.28 million, and JPY 69.9 million
- from non-cancellable operating lease commitments	-	-
- from raw materials and chemical purchases	Baht 13.3 million and USD 10.5 million	Baht 24.9 million and USD 10.5 million
- from other contracts	Baht 27.1 million, and JYP 5.3 million	Baht 16 million, and JYP 10.6 million
- Guarantee	Baht 9.3 million	Baht 9.29 million

14. Long-term loans

Unit : Thousand Baht

	Notes	Separate financial statements	
		30 June	31 December
		2023	2022
Principal			
Helium Miracle 303 Limited	6	536,617	497,158
Redcar Bulk Terminal Limited	6	-	13,075
Total		536,617	510,233
<i>Less Current portion of long-term loans</i>	6	-	(13,075)
Principal - net		536,617	497,158
Accrued interest			
Helium Miracle 303 Limited	6	36,272	15,538
Total		36,272	15,538

As at 30 June 2023, there was a loan amount of GBP 12.06 million, with exchange rates at the transaction date at Baht 42.79 per 1 GBP, and Baht 44.50 per 1 GBP at the end of the period.

Movements of long-term loans from related parties during the period for are as follows:

Unit : Thousand Baht

Consolidated and Separate financial statements						
		31			Unrealized	30
		December			gain (loss) on	June
	Notes	2022	Increase	Decrease	exchange rate	2023
Principal						
Helium Miracle 303 Limited	6	497,158	-	-	39,459	536,617
Redcar Bulk Terminal Limited	6	13,075	-	13,075	-	-
Total		510,233	-	13,075	39,459	536,617
<i>Less</i> Current portion	6	(13,075)				-
Net		497,158				536,617
Accrued interest income						
Helium Miracle 303 Limited	6	15,538	18,498	-	2,236	36,272
Total		15,538	18,498	-	2,236	36,272

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 in the amount of GBP 11.36 million equivalents to Baht 463 million with the condition that Cork Gully LLP in being Receiver, held the acquired share capital and used them as guarantee to the Company against its borrowings. Subsequent on 24 February 2020, SSI UK received the transferred of share capital of RBT, resulted to the increase in proportion of shareholding in RBT from 50% to 100%. Such loans are charged interest at LIBOR averaged 3 months+2% per annum which will be matured on 5 February 2025 and transferred the debts including interest to Helium Miracle 303 Limited.

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

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

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

15. Property, plant and equipment

	Unit : Thousand Baht	
	Consolidated financial statements	Separate financial statements
For the six-month end 30 June 2023		
Net book value as at 1 January 2023	11,777,375	9,325,127
Additions during the period - cost method	227,037	192,348
Transfer to cost of inventories	(121,535)	(121,535)
Depreciation charge for the period	(275,754)	(217,283)
Disposals	(3,517)	(786)
Exchange different of translating financial statements	125,506	-
Net book value as at 30 June 2023	11,729,112	9,177,871
For the year end 31 December 2022		
Net book value as at 1 January 2022	10,542,803	9,430,058
Additions during the period - cost method	631,177	606,478
Received transfer from business combination	1,495,475	-
Transfer to cost of inventories	(248,660)	(248,660)
Depreciation charge for the period	(569,533)	(461,498)
Disposals	(6,382)	(1,251)
Exchange different of translating financial statements	(67,505)	-
Net book value as at 31 December 2022	11,777,375	9,325,127

As at 30 June 2023, the Group and the Company has mortgaged/ pledged assets amounting to approximately Baht 8,383 million and Baht 8,096 million respectively (*31 December 2022: Baht: 8,451 million and Baht 8,221 million respectively*), as collateral against bank overdrafts, short-term borrowings and long-term borrowings from financial institutions, and letter of guarantee for electricity, port and goods warehouse, as described in notes 18, 21 and 27 to financial statements.

16. Right-of-use assets/ Lease liabilities

16.1 Right-of-use assets

Movements of right-of-use assets/leasehold right for the six-month periods ended 30 June 2023 are summarized as follows:

	Unit : Thousand Baht	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2023	138,052	118,771
Additions during the period – Cost method	1,158	-
Depreciation charge for the period	(17,330)	(14,595)
Net book value as at 30 June 2023	121,880	104,176

16.2 Lease liabilities

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Minimum amount to be paid	148,776	160,876	120,127	136,399
<u>Less</u> Deferred interest	(16,828)	(19,944)	(14,565)	(17,990)
Present value of minimum amount to be paid	131,948	140,932	105,562	118,409
<u>Less</u> Current portion	(39,574)	(35,413)	(24,565)	(25,755)
Overdue portion of lease liabilities for over 1 year but less than 5 years	92,374	105,519	80,997	92,654

The Group entered into a lease of land, building space and vehicles for using in the operation of the business. The lease period is approximated from 3 to 5 years on average.

17. Deferred tax

Deferred tax assets and liabilities as at 30 June 2023 and 31 December 2022 were as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Deferred tax assets	19,848	18,736	-	-
Deferred tax liabilities	(202,901)	(192,627)	(17,575)	(16,174)
Net	(183,053)	(173,891)	(17,575)	(16,174)

Unit : Thousand Baht

	Consolidated financial statements			
	Assets		Liabilities	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Total	169,564	155,835	(352,617)	(329,726)
Offsetting of tax	(149,716)	(137,099)	149,716	137,099
Deferred tax assets (liabilities)	19,848	18,736	(202,901)	(192,627)

Unit : Thousand Baht

	Separate financial statements			
	Assets		Liabilities	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Deferred tax liabilities	-	-	(17,575)	(16,174)

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

Unit : Thousand Baht

	Consolidated financial statements			
	(Charged)/			Exchange different of translating
	Credited to:			
	As at 1 January 2023	Profit or loss	financial statements	As at 30 June 2023
<i>Deferred tax assets</i>				
Trade accounts receivable	202	13	-	215
Property, plant and equipment	65,060	(26)	(4,843)	60,191
Current financial liabilities	477	(185)	(67)	225
Lease liabilities	166	(2)	-	164
Non-current provisions for employee benefit	16,408	1,399	-	17,807
Taxable loss carry forward	73,522	329	17,111	90,962
Total	155,835	1,528	12,201	169,564
<i>Deferred tax liabilities</i>				
Other current assets	-	(482)	-	(482)
Property, plant and equipment	(328,432)	114	(22,224)	(350,542)
Lease liabilities	(1,294)	(299)	-	(1,593)
Total	(329,726)	(667)	(22,224)	(352,617)
Net	(173,891)	861	(10,023)	(183,053)

Unit : Thousand Baht

	Separate financial statements			
	(Charged)/ Credited to:			As at 30 June 2023
	As at 1 January 2023	Profit or loss	Other comprehensive income	
<i>Deferred tax liabilities</i>				
Property, plant and equipment	(16,174)	(1,401)	-	(17,575)
Total	(16,174)	(1,401)	-	(17,575)

Tax expense for the six-month periods ended 30 June 2023 and 2022 are summarized as follows:

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	30 June	30 June	30 June
	2023	2022	2023	2022
Income tax recognized in profit or loss				
Income tax for the period	1,000	891	-	-
Deferred tax				
Changes in temporary differences	(861)	3,816	1,401	823
Total tax expense (income)	139	4,707	1,401	823

The Group does not record deferred tax assets arising from temporary differences in certain accounts and tax losses because it is not probable that the Group will have sufficient taxable profits against which to utilize the benefits of the temporary differences or to reverse in the foreseeable future.

18. Short term borrowings from financial institutions

Unit : Thousand Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Short-term borrowings from financial				
Institutions with collaterals				
Promissory notes	37,500	42,000	-	-
Trust receipts	7,526	20,069	-	-
Total	45,026	62,069	-	-

As at 30 June 2023, the aforementioned borrowings are wholly owned by West Coast Engineering Co., Ltd., a subsidiary, has short-term credit line from two domestic financial institutions totaling Baht 154.5 million which is charged interest at the rate of MLR-0.75% per annum (as at 31 December 2022: Baht 135 million).

As at 30 June 2023, the Group had unutilized credit facilities total amount of Baht 109.5 million and the Company does not have credit facilities (as at 31 December 2022: Baht 73 million for the Group only and no credit facilities for the Company).

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

19. Trade accounts payable

	Unit: Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Related parties (Note 6)	56,996	54,803	69,901	84,893
Other parties	3,736,422	4,874,760	3,683,493	4,801,937
Total	3,793,418	4,929,563	3,753,394	4,886,830

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 deposit in full 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.

20. Non-current provisions for employee benefits

The movement in the present value of the defined benefit obligations for the six-month periods ended 30 June 2023 were shown in the table below

	Unit : Thousand Baht	
	Consolidated financial statements	Separate financial statements
Provisions for employee benefit as at 1 January 2023	468,053	386,009
<i>Recognized in profit or loss:</i>		
Current service costs and interest	23,943	19,429
Benefits paid by the plan	(2,470)	(,1776)
Provisions for employee benefit as at 30 June 2023	489,526	403,662

Expenses related to long-term employee benefits for the six-month periods ended 30 June 2023 recognized in statement of comprehensive income as follows:

	Unit : Thousand Baht	
	Consolidated financial statements	Separate financial statements
Cost of sales	14,619	12,139
Distribution costs	2,051	1,240
Administrative expenses	7,273	6,050
Total	23,943	19,429

21. Liabilities under rehabilitation plan and progressive

21.1 Liabilities under rehabilitation plan

The Company recorded liabilities under rehabilitation plan at amortized cost as at 30 June 2023 are presented as follows:

	Unit: Thousand Baht	
	Consolidated	Separate
	financial statements	financial statements
Current portion of liabilities under rehabilitation plan	1,351,343	1,351,343
Overdue portion of liabilities under rehabilitation plan	31,812,541	31,820,532
Total	33,163,884	33,171,875

	Unit: Thousand Baht	
	Consolidated	Separate
	financial statements	financial statements
<i>Current portion</i>		
class 1	650,964	650,964
class 2	205,400	205,400
class 3	63,860	63,860
class 4	405,003	405,003
class 5	26,044	26,044
class 6	-	-
class 7	-	-
class 12	72	72
Total	1,351,343	1,351,343

<i>Non-current of liabilities</i>		
class 1	4,022,913	4,022,913
class 2	7,738,495	7,738,495
class 3	2,405,939	2,405,939
class 4	16,649,627	16,649,627
class 5	981,220	981,220
class 6	-	-
class 7	4,300	12,291
class 12	10,047	10,047
Total	31,812,541	31,820,532
Total liabilities under rehabilitation plan	33,163,884	33,171,875

Changes in liabilities under rehabilitation plan which stated at amortized cost for the six-month periods ended 30 June 2023 are as follows:

Unit: Thousand Baht

	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2023	32,463,552	32,471,543
Recognized interest expenses by effective rate	850,691	850,691
Repayment principal and interest	(679,948)	(679,948)
(Gains) Losses on foreign exchange liabilities under the rehabilitation plan-net	529,588	529,588
Net book value as at 30 June 2023	<u>33,163,883</u>	<u>33,171,874</u>

Liabilities under rehabilitation plan as at 30 June 2023 and 31 December 2022 classified by currency as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Baht currency	16,109,253	16,110,135	16,117,244	16,118,126
USD currency	17,054,630	16,353,417	17,054,630	16,353,417
Total	<u>33,163,883</u>	<u>32,463,552</u>	<u>33,171,874</u>	<u>32,471,543</u>

21.2 Rehabilitation plan and progressive

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

On 15 September 2016, the Official Receiver held a meeting of creditors to consider the Plan, and the meeting of creditors passed a special resolution to accept the rehabilitation plan (the "Plan") and resolved to appoint three creditors consisting of: Siam Commercial Bank Public Company Limited, Krung Thai Bank Public Company Limited and TISCO Bank Public Company Limited are directors of creditor.

On 15 December 2016, the Central Bankruptcy Court passed an order to approve the rehabilitation plan dated 14 July 2016 (amended Plan No. 1, at the meeting of creditors on 15 September 2016) (Plan No. 1), in which the Plan designated the Company as the Plan Administrator.

In 2020, the Company ceased to pay its principal debts under the Plan since March 2020 (interest under the Plan still normally pay), and the Company filed a Plan amendment application No. 1 on 27 April 2020 to the Official Receiver on 18 June 2020, the Official Receiver held a meeting of creditors, and the majority creditors approved the Plan amendment requested (The Rehabilitation Plan dated 14 July 2016, as amended by the meeting of creditors on 18 June 2020) (the "Plan No. 2"), and subsequently the Central Bankruptcy Court approved the Plan No. 2 on 18 September 2020, which was scheduled to commence the first monthly principal repayment in March 2021.

Subsequently, on 22 September 2021, Sahaviriya Steel Industries Public Company Limited, the "Plan Administrator", needed to amend the Plan to meet the successful rehabilitation business of the debtors. So it was filed. "Application for revision of Rehabilitation Plan" (Application for revision of Rehabilitation Plan No. 2) to the Official Receiver. Accordingly, the Official Receiver held a meeting on 9 November 2021, and the majority creditors meeting approved with "A request for amendment the Rehabilitation Plan" and was subsequently approved by the Central Bankruptcy Court on 14 December 2021.

Subsequently, on 14 September 2022, Sahaviriya Steel Industries Public Company Limited, the "Plan Administrator", necessarily needs to revise the plan for the successful of rehabilitation of debtor's business. Therefore, "Application for revision of Rehabilitation Plan" (Application for revision of Rehabilitation Plan No. 3) have been filed to the Official Receiver and the creditors' meeting passed the resolution to agree by requesting the extension procedures period in accordance with the Plan to the next one year which will be matured on 15 December 2023 and the Central Bankruptcy Court has approved on 8 December 2022.

Subsequently, on 1 March 2023, Sahaviriya Steel Industry Public Company Limited "Plan Administrator", needs necessary to amend the plan in order to successfully rehabilitate the debtor's business. Therefore, "Application for revision of Rehabilitation Plan" (Application for revision of Rehabilitation Plan No.4) have been filed to the Official Receiver and the creditors' meeting passed the resolution to approve with Application for revision of Rehabilitation Plan No.4 and approved by the Central Bankruptcy Court on 27 June 2023 (as stated in note 2).

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

Progress in implementing the rehabilitation plan for the period ended 30 June 2023 and 2022

For the six-month periods ended 30 June 2023, the Company made debts settlement to the creditors under the rehabilitation plan in the amount of Baht 649.4 million and interest amounted to Baht 30.5 million, totally Baht 679.9 million.

Collection from receivables which are related companies

According to the rehabilitation plan, the Company must track the debts of B.S. Metal Co., Ltd. and Sahaviriya Commercial Corporation Co., Ltd., required to collect from the debtors at least Baht 300 million per annum, and both debtors must repay all outstanding debts (both existing and new debts) to the Company to be completed within 7 years from the year 2017 onwards. By the end of 2019, the remaining amount (both existing and new debts) will not exceed Baht 2,640 million, and by the end of 2021, the remaining amount (both existing and new debts) will be not exceeding Baht 1,760 million and the Company has proposed guidelines, repayment of debts and solutions to such debtors to the Creditors Committee for approval.

As at 30 June 2023, the debt balance of the two receivables amounted to Baht 3,159.6 million. The Company received debt repayment for the six-month periods total amount of Baht 56.2 million, and the Company reversed the allowance for doubtful account with the same amount. The remaining debts were provided allowance for expected credit losses. Debt repayment and remaining debts do not meet the requirements of the rehabilitation plan. However, such incidents are not considered to be a default because the Board of creditors has not a notice to inform about such default. The Company is currently followed up the debt collection, and the Company proposes guidelines for repayment of the outstanding debts of both debtors and the resolution of issues arising with both debtors to the Board of creditors for approval. It is currently under consideration for approval by the Board of creditors.

22. Other non-current provisions

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

23. Share capital

No movement of share capital for the six-month periods ended 30 June 2023.

24. Segment information

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

Segment

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

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

Information about reportable segments

Information about segment income and profit (loss) for the six-month periods ended 30 June 2023 and 2022 are as follows:

Unit : Thousand Baht

	Manufacture										Total segment	
	of hot rolled coils		Maintenance services		Deep-sea port services		Investment		Elimination			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
External revenue	12,386,356	19,170,613	147,712	161,061	236,339	92,681	-	-	-	-	12,770,407	19,424,355
Inter-segment revenue	-	276	150,359	195,870	20,385	31,287	-	-	(170,744)	(227,433)	-	-
Segment profit (loss) before												
income tax	(1,359,789)	(1,092,111)	(5,516)	4,634	(30,908)	38,674	(18,238)	-	(66,055)	(44,387)	(1,480,506)	(1,093,190)
Reportable segment assets												
as at 30 June	19,717,116	24,670,658	400,958	442,697	2,692,771	1,126,884	1,104,205	-	(2,294,158)	(350,768)	21,620,892	25,889,471
Reportable segment												
liabilities as at 30 June	39,917,778	41,873,164	252,757	275,797	637,209	75,448	578,225	-	(703,617)	(116,560)	40,682,352	42,107,849

Geographical segments

- Segment 1 - is managed and operates manufacturing facilities and sales offices in Thailand.
- Segment 2 - operate principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries.
- Segment 3 - operated business in Thailand and England.
- Segment 4 - operated business in England.

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	
	30 June	30 June	30 June	30 June
	2023	2022	2023	2022
Income				
Domestic	12,555,741	19,258,461	12,336,313	19,009,785
Overseas	214,666	165,894	50,043	161,104
Total	12,770,407	19,424,355	12,386,356	19,170,889

Major customer

Revenues from 1 customer of the Group's segment 1 represent approximately Baht 2,346 million (2022: 1 customers amount of Baht 3,745 million).

25. Income tax

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

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

26. Earnings (loss) per share

Basic earnings (loss) per share

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

For the six-month periods ended 30 June 2023 and 2022 are calculated as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	For six month periods ended 30 June		For six month periods ended 30 June	
	2023	2022	2023	2022
Profit (Loss) for the period attributable to ordinary shareholders of the Company <i>(Thousand Baht)</i>	<u>(1,452,617)</u>	<u>(1,113,434)</u>	<u>(1,361,190)</u>	<u>(1,092,934)</u>
Weighted average number of ordinary shares outstanding (basic) <i>(Thousand shares)</i>	<u>11,113,018</u>	<u>11,113,018</u>	<u>11,113,018</u>	<u>11,113,018</u>
Basic earnings (Loss) per share <i>(in Baht)</i>	<u>(0.13)</u>	<u>(0.10)</u>	<u>(0.12)</u>	<u>(0.10)</u>

27. Commitments and contingent liabilities

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
<i>Capital expenditures commitment</i>				
Machinery and equipment	104	66	101	102
Total	104	66	101	102

As at 30 June 2023, the Group had capital expenditures amount of Baht 47.4 million, USD 0.2 million and EUR 1.3 million (31 December 2022: Baht 18 million, USD 0.2 million and EUR 1.1 million) in relation to the acquisition and installation of machinery and equipment.

As at 30 June 2023, the Company had capital expenditures amount of Baht 44.4 million, USD 0.2 million and EUR 1.3 million (31 December 2022: Baht 54 million, USD 0.2 million and EUR 1.1 million) in relation to the acquisition and installation of machinery and equipment.

As at 30 June 2023 and 31 December 2022, the Group had the minimum amount to be paid in the future under the lease as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
<i>Non-cancellable operating lease commitments</i>				
Within one year	0.49	0.46	0.2	-
Over one year to five years	0.03	0.07	-	-
Total	0.52	0.53	0.2	-

Unit: Million Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
<i>Other commitments</i>				
Raw materials purchases agreement	3,430	2,793	3,430	2,793
Letter of credit	-	12	-	-
Other agreements	890	594	804	643
<i>Total</i>	4,320	3,399	4,234	3,436

As at 30 June 2023, the Group had other commitments in relation to purchase spare parts and equipment supplies, and to obtain maintenance services amounting to Baht 695.4 million, USD 3.2 million, EUR 1.8 million, GBP 0.3 million and JPY 7.0 million (31 December 2022: Baht 287.7 million, USD 4.1 million, EUR 3.0 million, GBP 0.4 million and JPY 13.5 million).

As at 30 June 2023, the Company had other commitments in relation to purchase spare parts and equipment supplies, and to obtain maintenance services amounting to Baht 610 million, USD 3.2 million, EUR 1.8 million, GBP 0.3 million and JPY 7.0 million (31 December 2022: Baht 366.6 million, USD 4.1 million, EUR 3.0 million, GBP 0.4 million and JPY 13.5 million).

Contingent liabilities

- a) As at 30 June 2023 and 31 December 2022, the Group has contingent liabilities from banks issuance of letter of guarantee for the following matter:

Unit: Million Baht

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Electricity supply	107	107	105	105
Performance guarantees	52	62	31	40
Others	11	11	-	-
Total	170	180	136	145

As at 30 June 2023, 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 2022: amount of Baht 11 million*),
- The contractual performance amounting to Baht 52 million (*31 December 2022: amount of Baht 62 million*),
- Electricity usage amount of Baht 107 million (*31 December 2022: amount of Baht 107 million*).

Dispute and litigation

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 of Utilization (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.

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

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

On 20 February 2018, the Central Administrative Court has judged to dismiss the aforementioned lawsuit, subsequent on 19 March 2018, the Company and subsidiary filed the appeal to dispute the judgment to the Central Administrative Court. At the present, the plaint is still pending the Court’s trial.

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

28. Financial instruments

28.1 Fair value of financial instruments

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

Carrying value and fair value of financial assets and liabilities as at 30 June 2023 and 31 December 2022 are as follows:

Unit: Thousand Baht

Consolidated financial statements as at 30 June 2023				
	Book value			Fair value
	Fair value through profit or loss	Amortized cost	Total	
Financial assets				
Cash and cash equivalents	-	262,595	262,595	262,595
Trade accounts receivable	-	248,195	248,195	248,195
Other current receivables from related parties				
- Other current receivables	-	25,712	25,712	25,712
Current contract assets	-	36,178	36,178	36,178
Other non-current financial assets				
- Restricted deposit at financial institution	-	35,310	35,310	35,310
Long-term loans	-	-	-	-
Total financial assets	-	607,990	607,990	607,990
Financial liabilities				
Short-term borrowings from financial institutions	-	45,026	45,026	45,026
Trade accounts payable	-	3,793,418	3,793,418	3,793,418
Other current payables- related parties	-	12,448	12,448	12,448
Other current payables	-	588,156	588,156	588,156
Current portion of long-term borrowings from financial institutions	-	-	-	-
Current portion of liabilities under rehabilitation plan	-	1,351,343	1,351,343	1,351,343
Current portion of lease liabilities	-	39,573	39,573	39,573
Short-term borrowings from related parties	-	1,295,551	1,295,551	1,295,551
Other current financial liabilities - derivatives	-	-	-	-
Long-term borrowings from financial institution	-	6,444	6,444	6,444
Liabilities under rehabilitation plan	-	31,812,541	31,812,541	31,812,541
Lease liabilities	-	92,374	92,374	92,374
Total financial liabilities	-	39,036,874	39,036,874	39,036,874

Unit: Thousand Baht

Consolidated financial statements as at 1 January 2023				
	Book value		Fair value	
	Fair value through profit or loss	Amortized cost	Total	
Financial assets				
Cash and cash equivalents	-	552,405	552,405	552,405
Trade accounts receivable	-	228,522	228,522	228,522
Other current receivables from related parties - other current receivables	-	39,990	39,990	39,990
Current contract assets	-	56,869	56,869	56,869
Other non-current financial assets				
- Restricted deposit at financial institution	-	62,401	62,401	62,401
Long-term loans		-	-	-
Total financial assets	-	940,187	940,187	940,187
Financial liabilities				
Short-term borrowings from financial institutions	-	62,069	62,069	62,069
Trade accounts payable	-	4,929,563	4,929,563	4,929,563
Other current payables – related parties	-	29,516	29,516	29,516
Other current payables	-	392,024	392,024	392,024
Current portion of long-term borrowings from financial institutions	-	402	402	402
Current portion of liabilities under rehabilitation plan	-	1,359,059	1,359,059	1,359,059
Current portion of lease liabilities	-	35,413	35,413	35,413
Short-term borrowings from related parties		1,519,921	1,519,921	1,519,921
Other current financial liabilities-derivatives	18,323	-	18,323	18,323
Long-term borrowings from financial institutions	-	12,600	12,600	12,600
Liabilities under rehabilitation plan	-	31,104,493	31,104,493	31,104,493
Lease liabilities	-	105,518	105,518	105,518
Total financial liabilities	18,323	39,550,578	39,568,901	39,568,901

Separate financial statements as at 30 June 2023

	Book value		Fair value
	Fair value through profit or loss	Amortized cost	
Financial assets			
Cash and cash equivalents	-	153,865	153,865
Trade accounts receivable	-	104,731	104,731
Other current receivables from related parties - other current receivables	-	31,594	31,594
Short-term loans from related parties	-	26,700	26,700
Current portion of long-term loans	-	-	-
Other non-current financial assets			
- Restricted deposit at financial institution	-	33,014	33,014
Long-term loans	-	572,889	572,889
Total financial assets	-	922,793	922,793
Financial liabilities			
Trade accounts payable	-	3,753,394	3,753,394
Other current payables – related parties	-	30,924	30,924
Other current payables	-	342,137	342,137
Current portion of liabilities under rehabilitation plan	-	1,351,343	1,351,343
Current portion of lease liabilities	-	24,565	24,565
Short-term borrowings from related parties	-	1,295,551	1,295,551
Other current financial liabilities-derivatives	-	-	-
Liabilities under rehabilitation plan	-	31,820,532	31,820,532
Lease liabilities	-	80,997	80,997
Total financial liabilities	-	38,699,443	38,699,443

Separate financial statements as at 1 January 2023

	Book value		Fair value	
	Fair value through profit or loss	Amortized cost		Total
Financial assets				
Cash and cash equivalents	-	432,452	432,452	432,452
Trade accounts receivable	-	105,582	105,582	105,582
Other current receivables from related parties				
- other current receivables	-	41,389	41,389	41,389
Short-term loans from related parties	-	24,736	24,736	24,736
Current portion of long-term loans	-	13,075	13,075	13,075
Other non-current financial assets				
- Restricted deposit at financial institution	-	60,215	60,215	60,215
Long-term loans	-	497,158	497,158	497,158
Total financial assets	-	1,174,607	1,174,607	1,174,607
Financial liabilities				
Trade accounts payable	-	4,886,830	4,886,830	4,886,830
Other current payables – related parties	-	44,400	44,400	44,400
Other current payables	-	189,981	189,981	189,981
Current portion of liabilities under rehabilitation plan	-	1,359,059	1,359,059	1,359,059
Current portion of lease liabilities	-	25,755	25,755	25,755
Short-term borrowings from related parties	-	1,519,921	25,755	25,755
Other current financial liabilities-derivatives	17,398	-	17,398	17,398
Liabilities under rehabilitation plan	-	31,112,484	31,112,484	31,112,484
Lease liabilities	-	92,654	92,654	92,654
Total financial liabilities	17,398	39,231,084	39,248,482	39,248,482

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

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

29. Business Combination

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

According to the above acquisitions, the Group has engaged an independent appraiser to determine the fair values of net assets and liabilities acquired. As at 7 July 2022, the determination of the fair values of net assets and liabilities has been completed, and the carrying amount of the assets acquired and liabilities assumed were adjusted accordingly.

Moreover, the Group has continuously determined its review of fair values of the business acquired within one year from the acquisition date, taking into accounts additional information, facts as well as circumstances that existed at the acquisition date. Consequently, the adjustments on accounting transactions of such acquisition will be made. In the six month periods ended 30 June 2023, the Group revised the conditions and reviewed assets acquired and liabilities assumed of Redcar Bulk Terminal Limited, which was the business acquisition on 7 July 2022. The identifiable assets and liabilities have an assessable fair value that is not materially different from the fair value at the acquisition date. As a result, the Group recognised gain on acquire of business amount of Baht 503.13 million in the financial statements and the adjustment was made in accordance with the conditions for adjusting the acquisition accounting as previously mentioned.

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

	(Unit : Baht)
	<u>Amount</u>
Fair value of net assets acquired	
Cash and cash equivalents	5,625,904
Trade accounts receivable	37,234,726
Inventories	6,098,849
Other current assets	6,789,111
Property, plant and equipment	1,495,474,681
Current contract liabilities	(10,353,754)
Long-term borrowings from related parties	(74,463,006)
Current portion of long-term borrowing from financial institution	(417,012)
Current portion of financial lease liabilities	(3,901,865)
Other current payables	(152,624,852)
Long-term borrowings from financial institutions	(12,274,089)
Other non-current provisions	(111,858,627)
Deferred tax liabilities	(166,140,179)
Total fair value of net identifiable assets	<u>1,019,189,887</u>
Gains on unallocated business acquisition	<u>503,129,334</u>
Consideration payment for business acquisition	<u><u>516,060,553</u></u>

30. FINANCIAL STATEMENTS RESTATEMENT

During the period, the Group has made retroactive adjustment of the financial statements in respect of the accounting for acquisition of business as described in notes 29 to the financial statements. In the six month periods ended 30 June 2023, the Group has reviewed the assets acquired and liabilities assumed of Redcar Bulk Terminal Limited, which was the business acquisition on 7 July 2022 and the adjustment was made in accordance with the conditions for adjusting the acquisition accounting as previously mentioned.

The effects to the statement of financial position as at 31 December 2022, the Group has been restated as follows:

	In Thousand Baht		
	Consolidated financial statement		
	As previously report	Adjustments increase (decrease)	After restated
Statement of financial position			
Property, plant and equipment	11,274,246	503,129	11,777,375
Deficit	(20,175,632)	503,129	(19,672,503)

31. Events after the reporting period

31.1 On 20 July 2023, the Company entered into a secured loan agreement with Redcar Bulk Terminal Limited in the amount of GBP 0.47 million at an interest rate of MLR+1% per annum (of two major bank creditors under rehabilitation plan). The principal and interest are scheduled for receiving every end of month (principal amount of GBP 0.04 million per month), by receiving the repayment of the first principal installment on 31 January 2024 and fully completed by 31 December 2024.

31.2 On 10 August 2023, the Company filed an application for revision of rehabilitation plan No.5 to the Official Receiver that the Company request to stop the principal debt settlement under the plan from August 2023 until June 2024 (interest is still made payment under the plan as normal). The Official Receiver will convene a meeting of creditors for further considering application for revision of this plan.

31.3 On 11 August 2023, the Company filed an application to amend the Company's Memorandum of Association (increase registered share capital) to the Central Bankruptcy Court by increasing the registered capital for 860,533,753,775 shares with a par value of Baht 1 per share. The first part is the issuance of shares for debt settlement (converted debt to capital) to group 7 creditors (creditors related to the Company), group 9 creditors (creditors under the joint guarantee agreement) and group 12 creditors (creditors from service fee under advisory contracts), and the second part is to increase the registered share capital of the Company for reserving the debt-to-capital conversion No. 2 to the creditors who may receive the debt settlement in the form of debt to equity conversion in accordance with the regulations and conditions of the rehabilitation plan and on 15 August 2023, the Court ordered to permit the amendment of the Company's Memorandum of Association as submitted.

32. Interim financial statements approval

These interim financial statements were approved and authorized for issue by the Company's Board of directors on 17 August 2023.