

RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED

INTERIM FINANCIAL INFORMATION

September 30, 2023



SP AUDIT CO.,LTD.

บริษัท เอส พี ออดิท จำกัด

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503/31 ชั้น 18(เอ) อาคาร เค.เอส.แอล. ทาวเวอร์ ถนนศรีอยุธยา แขวงถนนพญาไท เขตราชเทวี กรุงเทพมหานคร 10400 โทร. +66 2 642-6172-4 แฟกซ์. +66 2 642-6253

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders of Rayong Wire Industries Public Company Limited

I have reviewed statements of financial position as at September 30, 2023 and the related statements of comprehensive income for the three-month and nine-month period ended September 30, 2023, changes in shareholders' equity and cash flows for the nine-month period then ended, and the condensed notes to financial statements of Rayong Wire Industries Public Company Limited. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my reviews in accordance with Thai Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" A review of interim financial 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 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.

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 34 "Interim Financial Reporting".

SP Audit Company Limited

(Miss Susan Eiamvanicha)

Certified Public Accountant (Thailand) No. 4306

Bangkok

November 10, 2023.

RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2023

(Unit : Baht)

	Notes	September 30, 2023	December 31, 2022
		Unaudited	Audited
<u>ASSETS</u>			
Current Assets			
Cash and cash equivalents		355,910,168.58	372,488,850.54
Trade and other current receivables - third parties	5	255,657,073.50	265,394,243.79
Short-term loan to related parties	4.1	30,000,000.00	-
Inventories	6	160,927,128.71	182,008,461.10
Other current financial assets	7	108,025,118.69	133,443,755.99
Total Current Assets		910,519,489.48	953,335,311.42
Non-Current Assets			
Deposits at banks pledged as collateral		88,900,000.00	88,900,000.00
Building and equipment	8	182,676,974.01	180,648,744.23
Right-of-use assets	9	119,109,950.98	125,094,141.10
Intangible assets		153,689.28	187,951.12
Deferred tax assets		3,150,274.66	3,150,274.66
Other non-current assets		626,280.62	1,571,095.05
Total Non-Current Assets		394,617,169.55	399,552,206.16
Total Assets		1,305,136,659.03	1,352,887,517.58

RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2023

(Unit : Baht)

	Notes	September 30, 2023	December 31, 2022
		Unaudited	Audited
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities			
Short-term loans from financial institutions	10	69,621,351.12	71,174,660.17
Other current payables - related parties	4.1	316,427.77	650,162.86
Trade and other current payables - third parties	11	43,552,380.48	12,543,515.44
Current portion of lease liabilities	12	4,000,140.86	4,077,316.97
Total Current Liabilities		117,490,300.23	88,445,655.44
Non-Current Liabilities			
Lease liabilities	12	124,636,444.45	129,976,418.56
Employee benefit obligation	13	18,880,361.10	20,889,426.20
Provision for decommissioning costs of building		1,725,937.60	1,684,575.55
Total Non-Current Liabilities		145,242,743.15	152,550,420.31
Total Liabilities		262,733,043.38	240,996,075.75
SHAREHOLDERS' EQUITY			
Share capital	14		
Authorized share capital			
1,372,914,345 ordinary shares, at par value of Baht 0.50		686,457,172.50	686,457,172.50
Paid-up share capital			
915,276,280 ordinary shares, at par Value of Baht 0.50		457,638,140.00	457,638,140.00
Premium on share capital		474,289,968.57	474,289,968.57
Premium on treasury stock		19,421,120.48	19,421,120.48
Retained earnings			
Appropriated			
Legal reserve		47,727,500.00	47,727,500.00
Unappropriated		43,326,886.60	112,814,712.78
Total shareholders' equity		1,042,403,615.65	1,111,891,441.83
Total Liabilities and Shareholder's Equity		1,305,136,659.03	1,352,887,517.58

Notes to financial statements are an integral part of these financial statements.

RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2023

	Notes	2023	2022
(Unit : Baht)			
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Revenues			
Revenue from sales		206,542,785.50	191,934,217.51
Other income		1,073,770.56	6,194,529.89
Total Revenues		<u>207,616,556.06</u>	<u>198,128,747.40</u>
Expenses			
Cost of sales of goods		194,586,009.44	215,283,476.64
Cost of distribution		7,800,303.76	6,628,819.78
Administrative expenses		12,070,725.37	9,581,617.36
Loss from measurement of financial assets		33,227,050.00	61,441,297.67
Finance costs		2,855,936.05	3,272,291.55
Total Expenses		<u>250,540,024.62</u>	<u>296,207,503.00</u>
Loss before income tax income		(42,923,468.56)	(98,078,755.60)
Income tax income		-	-
Loss for the period		<u>(42,923,468.56)</u>	<u>(98,078,755.60)</u>
Other comprehensive income for the period		-	-
Total comprehensive loss for the period		<u>(42,923,468.56)</u>	<u>(98,078,755.60)</u>
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Loss per share			
Basic loss per share	16	(0.05)	(0.11)
Diluted loss per share	16	(0.05)	(0.11)
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Weighted average of ordinary shares (unit : share)		915,276,280	915,276,240
Weighted average of ordinary shares for diluted earnings per share (unit : share)		915,276,280	915,276,240

Unaudited

RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023

	Notes	2023	2022
(Unit : Baht)			
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Revenues			
Revenue from sales		635,872,693.28	705,414,166.30
Other income		3,706,038.57	16,280,983.17
Total Revenues		<u>639,578,731.85</u>	<u>721,695,149.47</u>
Expenses			
Cost of sales of goods		620,521,244.91	686,380,114.83
Cost of distribution		23,491,180.54	21,197,630.30
Administrative expenses		34,826,683.21	27,987,512.13
Loss from measurement of financial assets		22,917,232.63	75,530,731.91
Finance costs		7,310,216.74	10,386,490.73
Total Expenses		<u>709,066,558.03</u>	<u>821,482,479.90</u>
Loss before income tax income		(69,487,826.18)	(99,787,330.43)
Income tax income	15	-	288,877.85
Loss for the period		(69,487,826.18)	(99,498,452.58)
Other comprehensive income for the period		-	-
Total comprehensive loss for the period		<u>(69,487,826.18)</u>	<u>(99,498,452.58)</u>
Loss per share			
Basic loss per share	16	(0.08)	(0.11)
Diluted loss per share	16	(0.08)	(0.11)
Weighted average of ordinary shares (unit : share)		915,276,280	914,915,539
Weighted average of ordinary shares for diluted earnings per share (unit : share)		915,276,280	914,915,539

Unaudited

RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023

	Notes	Paid-up share capital	Premium on share capital	Premium on treasury stock	Share subscription received awaiting registration	Retained earnings		Total
						Appropriated legal reserve	Unappropriated	
Balance as at January 1, 2023		457,638,140.00	474,289,968.57	19,421,120.48	-	47,727,500.00	112,814,712.78	1,111,891,441.83
Changes in equity for the period								
Comprehensive loss for the period		-	-	-	-	-	(69,487,826.18)	(69,487,826.18)
Balance as at September 30, 2023		457,638,140.00	474,289,968.57	19,421,120.48	-	47,727,500.00	43,326,886.60	1,042,403,615.65
Balance as at January 1, 2022		318,727,593.00	196,468,874.57	19,421,120.48	363,551,905.00	47,727,500.00	426,359,747.52	1,372,256,740.57
Changes in equity for the period								
Exercised warrants		138,910,547.00	277,821,094.00	-	-	-	-	416,731,641.00
Transfer share subscription received awaiting registration		-	-	-	(363,551,905.00)	-	-	(363,551,905.00)
Dividend paid	17	-	-	-	-	-	(91,520,473.00)	(91,520,473.00)
Comprehensive loss for the period		-	-	-	-	-	(99,498,452.58)	(99,498,452.58)
Balance as at September 30, 2022		457,638,140.00	474,289,968.57	19,421,120.48	-	47,727,500.00	235,340,821.94	1,234,417,550.99

Unaudited

RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOW
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023

	Notes	2023	2022
(Unit : Baht)			
Cash Flow From Operating Activities			
Loss before income tax income		(69,487,826.18)	(99,787,330.43)
Adjustments to reconcile loss before income tax income for cash received (used)			
from operations			
Depreciation		20,286,831.78	21,884,555.42
Amortization		34,261.84	77,707.47
Unrealized gain on exchange rate		(45,993.43)	-
Loss from expected credit loss		4,564,440.68	2,144,631.58
Loss from measurement of short-term loan to related parties		-	108,632.49
Loss from diminution in the value of inventories (Reversal)		(24,648,513.17)	26,625,281.97
Loss from measurement of financial assets		22,917,232.63	75,530,731.91
(Gain) loss from disposal and write-off of assets		2.00	(4,292,895.22)
Reversal allowance for impairment of assets		-	(1,127,012.91)
Loss from changes in fair value of foreign currency forward contract		8,962.08	-
Provisions for employee benefits		1,358,548.23	1,335,564.24
Interest income		(2,928,771.04)	(2,496,544.07)
Interest expenses		7,310,216.74	10,386,490.73
Gain (loss) from operation before changes in operating assets and liabilities		(40,630,607.84)	30,389,813.18
Operating assets (increase) decrease			
Trade and other current receivables - third parties		5,896,253.28	36,222,206.22
Inventories		45,729,845.56	(103,825,473.07)
Other non - current assets		41,813.79	-
Operating liabilities increase (decrease)			
Other current payables - related parties		(333,735.09)	(4,127.59)
Trade and other current payables - third parties		29,730,936.98	(16,894,948.93)
Cash generated from operating activities		40,434,506.68	(54,112,530.19)
Cash paid for employee benefits		(3,367,613.33)	(152,340.00)
Cash received from interest		2,843,229.44	2,172,138.47
Cash received from income tax		768,116.77	368,594.05
Cash paid for income tax		(363,790.30)	(259,503.70)
Net cash provided by (used in) operating activities		40,314,449.26	(51,983,641.37)

Unaudited

RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOW
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023

	Notes	2023	2022
(Unit : Baht)			
Cash Flow From Investing Activities			
Increase in other current financial assets		(92,651.70)	(4,376.41)
Decrease in deposits at bank pledged as collateral		-	85,000,000.00
Increase in short-term loan to related parties		(30,000,000.00)	-
Cash paid for other current financial assets		(135,570.18)	(20,409,543.82)
Cash received from disposal of other current financial assets		2,729,626.55	19,833,892.41
Cash received from disposal of assets		-	5,420,047.14
Cash paid for purchase of assets and assets payable		(15,155,827.23)	(10,432,246.62)
Net cash provided by (used in) investing activities		<u>(42,654,422.56)</u>	<u>79,407,772.70</u>
Cash Flow From Financing Activities			
Decrease in short-term loans from financial institutions		(1,553,309.05)	(62,262,868.41)
Cash paid for lease liabilities		(5,417,150.22)	(4,747,876.50)
Cash paid for interest expense on lease liabilities		(5,343,630.55)	(5,354,445.43)
Cash paid for interest expenses		(1,924,618.84)	(5,035,237.37)
Cash paid for dividend		-	(91,520,473.00)
Cash received from exercised warrants		-	53,179,736.00
Net cash provided financing activities		<u>(14,238,708.66)</u>	<u>(115,741,164.71)</u>
Net Decrease in Cash and Cash Equivalent		(16,578,681.96)	(88,317,033.38)
Cash and Cash Equivalent at the Beginning of the period		372,488,850.54	463,211,409.12
Cash and Cash Equivalent at the End of the period	18.1	<u>355,910,168.58</u>	<u>374,894,375.74</u>

Unaudited

RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED
CONDENSED NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE NINE - MONTH PERIOD ENDED SEPTEMBER 30, 2023 (UNAUDITED)

1. General information

Rayong Wire Industries Public Company Limited (“the Company”) is a public limited company and incorporated in Thailand. The Company is listed on the Market for Alternative Investment (MAI). The address of the Company’s registered office is Maptaphut Industrial Estate, No.5, I-5 Road, Maptaphut, Muang, Rayong.

The principal activities of the Company involve the manufacturing and distributing prestressed concrete wire, prestressed concrete strand wire and welding wire.

2. Basis of preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543 (or 2000), being those Thai Accounting Standards issued under the Account Profession Act B.E. 2547 (or 2004), and the financial reporting requirements of Capital Market Supervisory Board. The primary financial statements (i.e. statements of financial position, statements of comprehensive income, statements of changes in equity and statements of cash flows) are prepared in the full format as required by Capital Market Supervisory Board. The notes to the financial statements are prepared in a condensed format according to Thai Accounting Standard 34, “Interim Financial Reporting” and additional notes are presented as required by Capital Market Supervisory Board under the Securities and Exchange Act B.E. 2535 (or 1992).

The interim financial statements are prepared to provide an update on the financial statements for the year ended December 31, 2022. They 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 for the year ended December 31, 2022.

The interim financial statements issued for Thai report purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The Federation of Accounting Profession (TFAC) has revised some following financial reporting standards to apply to the financial statements having an accounting period beginning on or after January 1, 2023.

TFRS No. 1 First-time Adoption of Thai Financial Reporting Standards

TFRS No. 3 Business Combinations

TFRS No. 9 Financial Instruments

TAS No. 16 Property, Plant and Equipment

TAS No. 37 Provisions, Contingent Liabilities and Contingent Assets

TAS No. 41 Agriculture

The Company has adopted such financial reporting standards to the financial statements on the current period. The management believes that they don't have any significant impact on the financial statements for the current period.

3. Accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2022.

Costs that incur unevenly during the financial year are anticipated or deferred in the interim report only if it would be also appropriate to anticipate or defer such costs at the end of the financial year.

4. Related party transactions

Capital Engineering Network Public Company Limited is a major shareholder, holding 52.30% (December 31, 2022 : 52.04%) of the share capital of the Company. The principal shareholder of Capital Engineering Network Public Company Limited is Leenabanchong family. Transactions related to companies in which the Leenabanchong family is the principal shareholders or directors are recognized as related parties to the Company.

(Unaudited)

The transactions with person and related parties for the three-month and nine-month periods ended September 30, 2023 and 2022 are as follows:-

4.1 Inter-assets and liabilities

	(Unit : Baht)	
	As at	
	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Short-term loans to related parties		
Related company		
Opening balance	-	44,207,445.17
Additional in during the period	30,000,000.00	401,187.34
Repayment in during the period	-	(44,608,632.51)
Ending balance	<u>30,000,000.00</u>	<u>-</u>
Other current financial assets		
Investments in listed equity instruments		
Related company	107,412,327.48	130,603,616.48
Other non-current assets		
Deposit payment		
Parent company	535.00	535.00
Other current payables		
Accrued expenses		
Parent company	316,427.77	320,555.36
Key Management Personnel	-	329,607.50
Total	<u>316,427.77</u>	<u>650,162.86</u>
Lease liabilities		
Parent company		
Opening balance	817,637.79	1,476,656.09
Additions in during the period	-	-
Repayment in during the period	(519,391.84)	(659,018.30)
Ending balance	<u>298,245.95</u>	<u>817,637.79</u>

(Unaudited)

The maturity analysis of lease liabilities is as follows:-

(Unit : Baht)

	As at					
	September 30, 2023			December 31, 2022		
	Lease liabilities	Deferred finance		Lease liabilities	Deferred finance	
		lease charges	Net		lease charges	Net
Not later than 1 year	302,500.00	(4,254.05)	298,245.95	726,000.00	(28,507.38)	697,492.62
Later than 1 year but not later than 5 years	-	-	-	121,000.00	(854.83)	120,145.17
Total	302,500.00	(4,254.05)	298,245.95	847,000.00	(29,362.21)	817,637.79

As at September 30, 2023, the Company has entered into the parent company so as to lease office building area of 1 contract. The leased contracts determine leased fee repayment as monthly installment from Baht 60,500.00 per month (December 31, 2022 : Baht 60,500.00 per month). The leased the period 2 year and 11 months.

As at September 30, 2023, short-term loans to related parties in form of promissory notes maturity 6 month due on January 8, 2024 with interest rate 5.50% per annum, secured by the collateral the condominiums of related company valued of Baht 32.23 million.

4.2 Inter-revenues and expenses

(Unit : Baht)

	For the three-month period ended September 30,	
	<u>2023</u>	<u>2022</u>
Interest income		
Related company	415,890.42	686,389.66
Other income		
Parent company	33,000.00	-
Total	448,890.42	686,389.66

(Unaudited)

(Unit : Baht)

For the three-month period ended September 30,

	<u>2023</u>	<u>2022</u>
Service fee		
Parent company	254,100.00	252,120.00
Internal audit fee		
Parent company	180,000.00	180,000.00
Fee		
Parent company	354,895.79	354,895.79
Total	788,995.79	787,015.79

(Unit : Baht)

For the nine-month period ended September 30,

	<u>2023</u>	<u>2022</u>
Revenue from sale of goods		
Related company	81,675.00	-
Interest income		
Related company	1,193,424.67	2,014,610.49
Other income		
Parent company	88,000.00	-
Total	1,363,099.67	2,014,610.49
Service fee		
Parent company	760,980.00	755,040.00
Internal audit fee		
Parent company	540,000.00	540,000.00
Fee		
Parent company	1,053,114.68	1,053,114.68
Total	2,354,094.68	2,348,154.68

*(Unaudited)*4.3 Management benefit expense

	(Unit : Baht)	
	For the three-month period ended September 30,	
	<u>2023</u>	<u>2022</u>
Short-term employee benefits	1,934,766.75	1,889,061.70
Post-employment benefits	46,225.68	59,592.60
	<u>1,980,992.43</u>	<u>1,948,654.30</u>

	(Unit : Baht)	
	For the nine-month period ended September 30,	
	<u>2023</u>	<u>2022</u>
Short-term employee benefits	5,321,695.85	6,047,444.70
Post-employment benefits	138,677.04	178,777.80
	<u>5,460,372.89</u>	<u>6,226,222.50</u>

4.4 Pricing policies

<u>Trading transactions</u>	<u>Policy of pricing</u>
Revenue from sales	Cost plus profit margin or Market price at that time
Other income	Contract price
Interest income	5.50% per annum of loan balance
Internal audit fee and other expenses	The amount has been approved by the Company's directors
Fee	2.00% per annum of mortgage value
Dividend paid	The amount has been approved by the ordinary general meeting of shareholders
Director and management compensation represent salary, meeting allowance, per-diem and bonus	The amount has been approved by the Company's directors and/or shareholders meeting

4.5 Nature of relationship

<u>Name</u>	<u>Relationship</u>
Capital Engineering Network Public Co., Ltd.	Parent company and some common directors
Sky Tower Public Co., Ltd.	Related company through same major shareholder
Enesol Co., Ltd.	Related company through same major shareholder
Pipe Line Engineering Co., Ltd.	Related company through same major shareholder
Evergreen Biomass Co., Ltd.	Related company through same major shareholder
EMC Public Co., Ltd.	Related company through same major shareholder
WJC Enterprise Co., Ltd.	Related company through same major shareholder
Capital digital network Co., Ltd.	Related company through same major shareholder
Paradise Green Energy Co., Ltd.	Related company through same ultimate parent company
Ultra Asia Co., Ltd.	Related company through same ultimate parent company
UWCC (Cambodia) Co., Ltd.	Related company through same ultimate parent company
Ultra Asia Singapore Co., Ltd.	Related company through same ultimate parent company
Ultra Network Pte.Ltd.	Related company through same ultimate parent company
Ultra Asia Investment Pte.Ltd.	Related company through same ultimate parent company
Sky Towers Infra Inc.	Related company through same ultimate parent company
QROI Network Services Inc.	Related company through same ultimate parent company
Interglob Investment Co., Ltd.	Related company
Sunflowergreen Co., Ltd.	Related company
Key Management Personnel	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the Company (whether executive or otherwise)

4.6 Commitments with related parties

As at September 30, 2023, the Company has performed the service agreement with Capital Engineering Network Public Co., Ltd., while there is the period 2 year and 11 months, can be renewed. The Company comprises obligation repay service fee in amount of Baht 84,700.00 per month (December 31, 2022 : Baht 84,040.00-84,700.00 per month).

(Unaudited)

5. Trade and other current receivable – third parties

Consisted of:-

(Unit : Baht)

	As at	
	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Trade receivables	270,635,982.03	277,853,186.95
<u>Less</u> Allowance for expected credit loss	(19,371,866.49)	(14,807,425.81)
Total trade receivables	251,264,115.54	263,045,761.14
Other receivables	1,603,757.93	828,005.56
Receivables Revenue Department	1,310,021.97	523,122.50
Advance payment for goods	625,000.00	665,000.00
Prepaid expenses	715,487.69	279,205.82
Accrued interest incomes	138,690.37	53,148.77
Total trade and other current receivables	255,657,073.50	265,394,243.79

Outstanding trade receivable – third parties can be aged as follows:-

(Unit : Baht)

	As at	
	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Within credit term	157,257,691.72	167,601,794.98
Overdue 1 month to 3 months	66,229,411.79	82,482,993.21
Overdue 3 months to 6 months	21,702,308.02	13,490,553.27
Overdue 6 months to 12 months	10,058,342.90	8,579,133.21
Overdue over 12 months	15,388,227.60	5,698,712.28
Total	270,635,982.03	277,853,186.95
<u>Less</u> Allowance for expected credit loss	(19,371,866.49)	(14,807,425.81)
Net	251,264,115.54	263,045,761.14

(Unaudited)

The movements of allowance for expected credit loss – trade receivable – third parties for the nine-month period ended September 30, 2023 are as follows:-

	(Unit : Baht)
Opening balance	(14,807,425.81)
Additions during the period	(5,293,617.68)
Reversal during the period	729,177.00
Ending balance	<u>(19,371,866.49)</u>

6. Inventories

Consisted of:-

	(Unit : Baht)					
	As at					
	September 30, 2023			December 31, 2022		
	Cost	Allowance for Diminutions of inventories	Net	Cost	Allowance for Diminutions of inventories	Net
Finished goods	33,364,405.84	(3,749,409.36)	29,614,996.48	60,275,500.86	(12,762,117.34)	47,513,383.52
Work in progress	14,561,748.40	(1,201,790.00)	13,359,958.40	11,932,388.31	(3,010,136.19)	8,922,252.12
Raw materials	124,810,435.95	(10,823,647.86)	113,986,788.09	147,444,970.07	(24,651,106.86)	122,793,863.21
Supplies	3,965,385.74	-	3,965,385.74	2,778,962.25	-	2,778,962.25
Total	<u>176,701,975.93</u>	<u>(15,774,847.22)</u>	<u>160,927,128.71</u>	<u>222,431,821.49</u>	<u>(40,423,360.39)</u>	<u>182,008,461.10</u>

The movements of allowance for diminutions of inventories for the nine-month period ended September 30, 2023 is as follows:-

	(Unit : Baht)
Opening balance	(40,423,360.39)
Increased during the period	-
Reversal during the period	24,648,513.17
Ending balance	<u>(15,774,847.22)</u>

For the nine-month period ended September 30, 2023, the costs of inventories recognized as expenses are Baht 645.17 million (for the nine-month period ended September 30, 2022 : Baht 659.75 million).

(Unaudited)

For the nine-month period ended September 30, 2023, the Company has reversed allowance for diminutions in the value of inventories in amount of Baht 24.65 million (for the nine-month period ended September 30, 2022 : the Company has reversed allowance for diminutions in the value of inventories in amount of Baht 1.94 million).

As at September 30, 2023 and December 31, 2022, there are no inventories that the Company are expected to be sold more than twelve months after the reporting period.

7. Other current financial assets

Consisted of:-

	(Unit : Baht)	
	As at	
	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Financial assets measured at amortized cost		
Fixed deposit	612,791.21	520,139.51
Financial assets measured at fair value through profit or loss		
Investment in listed equity instruments	107,412,327.48	132,923,616.48
Total	<u>108,025,118.69</u>	<u>133,443,755.99</u>

The movements of investment in listed equity instruments for the nine-month period ended September 30, 2023 are as follows:-

	(Unit : Baht)
Opening balance	132,923,616.48
Purchase during the period	135,570.18
Disposal during the period	(2,729,626.55)
Changes in fair value of investments	(22,917,232.63)
Ending balance	<u>107,412,327.48</u>

*(Unaudited)*8. Buildings and equipment

The movements of buildings and equipment for the nine-month period ended September 30, 2023 are as follows:-

	(Unit : Baht)
Opening balance	180,648,744.23
Purchases	16,330,873.44
Disposal	-
Write off	(2.00)
Depreciation charge during the period	<u>(14,302,641.66)</u>
Ending balance	<u><u>182,676,974.01</u></u>

As at September 30, 2023, certain buildings and equipment items of the Company has been fully depreciated but are still in use. The original cost, before deducting accumulated depreciation, of those assets amounted to Baht 439.87 million (December 31, 2022 : Baht 429.29 million).

9. Right-of-use assets

The movements of right-of-use assets for the nine-month period ended September 30, 2023 are as follows:-

	(Unit : Baht)
Opening balance	125,094,141.10
Increase in right-of-use assets	-
Depreciation charge for the period	<u>(5,984,190.12)</u>
Ending balance	<u><u>119,109,950.98</u></u>

Expense items related to leases consist of:-

	(Unit : Baht)	
	For the nine-month period ended September 30,	
	<u>2023</u>	<u>2022</u>
Interest expense on lease liabilities	5,343,630.55	5,354,445.43

10. Short-term loans from financial institutions

As at September 30, 2023 and December 31, 2022, trust receipt payable are loan due to one commercial bank, carried interest rate of 5.02 per annum and rate of 3.97 per annum, respectively. Ownership of merchandise purchased from trust receipt contract performance is still belonged to a commercial bank until there is repayment of trust receipt payables to such commercial banks. Such borrowings were collateralized by deposits at financial institutions and land of parent company.

11. Trade and other current payables – third parties

Consisted of:-

	(Unit : Baht)	
	As at	
	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Trade payables	28,041,439.70	1,432,610.35
Accrued expenses	10,691,355.84	7,288,163.11
Other current payables	3,393,206.66	3,664,724.38
Payables for purchase of assets	1,426,378.28	158,017.60
Total	43,552,380.48	12,543,515.44

12. Lease liabilities

Consisted of:-

	(Unit : Baht)	
	As at	
	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Lease liabilities-third parties	128,338,339.36	133,236,097.74
Lease liabilities-related parties	298,245.95	817,637.79
Total	128,636,585.31	134,053,735.53

(Unaudited)

Changes of lease liabilities for the nine-month period ended September 30, 2023 are as follows:-

	(Unit : Baht)
Opening balance	134,053,735.53
Interest expenses during the period	-
Repayment during the period	(5,417,150.22)
Ending balance	<u>128,636,585.31</u>

The maturity analysis of lease liabilities are as follows:-

	(Unit : Baht)					
	September 30, 2023			December 31, 2022		
	Lease liabilities	Deferred finance lease charges	Net	Lease liabilities	Deferred finance lease charges	Net
Not later than 1 year	10,899,085.88	(6,898,945.02)	4,000,140.86	11,129,466.76	(7,052,149.79)	4,077,316.97
Later than 1 year but not later than 5 years	54,599,214.82	(30,915,081.81)	23,684,133.01	53,824,121.86	(31,883,945.80)	21,940,176.06
Later than 5 year	133,492,949.66	(32,540,638.22)	100,952,311.44	144,798,442.51	(36,762,200.01)	108,036,242.50
Total	<u>198,991,250.36</u>	<u>(70,354,665.05)</u>	<u>128,636,585.31</u>	<u>209,752,031.13</u>	<u>(75,698,295.60)</u>	<u>134,053,735.53</u>

As at September 30, 2023, the Company has entered into the contracts leased with several lessors so as to lease land, building and vehicles by number of 5 contracts (December 31, 2022 : 5 contracts). The leased contracts determine leased fee repayment as monthly installment from Baht 10,000.00 - 60,500.00 per month and Baht 9.28 - 15.19 million per year. The leased period is carried 3-20 years. (December 31, 2022 : Baht 10,000.00 - 60,500.00 per month and Baht 9.28 - 15.19 million per year. The leased period is carried 3-20 years).

13. Employee benefit obligation

Changes in the present value of the retirement employee benefit obligation the nine-month period ended September 30, 2023 are as follows:-

	(Unit : Baht)
Opening balance	20,889,426.20
Current service cost	1,127,923.59
Interest cost	230,624.64
Benefit paid	(3,367,613.33)
Ending balance	<u>18,880,361.10</u>

14. Share capital

The movements of share capital for the nine-month period ended September 30, 2023 are as follows:-

	Number of Ordinary shares <u>(Unit : Share)</u>	Amount <u>(Unit : Baht)</u>
Registered share capital (Baht 0.50 per share)		
As at January 1, 2023	1,372,914,345	686,457,172.50
Decrease of share capital	-	-
Increment of share capital	-	-
As at September 30, 2023	1,372,914,345	686,457,172.50

	Number of Ordinary shares <u>(Unit : Share)</u>	Ordinary shares Amount <u>(Unit : Baht)</u>	Premium on share capital <u>(Unit : Baht)</u>	Toal Amount <u>(Unit : Baht)</u>
Paid-up share capital (Baht 0.50 per share)				
As at January 1, 2023	915,276,280	457,638,140.00	474,289,968.57	931,928,108.57
Exercise of RWI-W3	-	-	-	-
As at September 30, 2023	915,276,280	457,638,140.00	474,289,968.57	931,928,108.57

Warrant (RWI-W3)

On May 17, 2022, the Company disposed warrants of 457,602,263 units (RWI-W3) to the former shareholders. The warrants (RWI-W3) the detail by summation as follows:-

- It is the kind of specifying the names of holders and the holders can be changed. The warrants as registered as securities in the Market for Alternative Investment (MAI).
- The age of warrant is 2 years.
- The rate of warrants right exercise is one unit per one ordinary share.
- The exercised price is Baht 1.50 per share.
- The following presents each exercise date

Each exercise date	Date
1st	September 15, 2022
2nd	December 15, 2022
3rd	March 15, 2023
4th	June 15, 2023
5th	September 15, 2023
6th	December 15, 2023
Final	May 16, 2024

As at September 30, 2023, the remaining warrants (RWI-W3) not yet exercised are 457,602,213 units.

15. Income tax income

The income tax income recognized in loss for the nine-month period ended September 30, 2023 and 2022 are as follows:-

	(Unit : Baht)	
	For the nine-month period ended September 30,	
	<u>2023</u>	<u>2022</u>
Current tax expense	-	-
Deferred tax income relating to the origination and reversal of temporary difference	-	(288,877.85)
Total income tax income	-	(288,877.85)

16. Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the profit (loss) for the period attributable to shareholders (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share is calculated by the sum of the weighted average number of ordinary shares in issue during the period and the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. By supposition that if taking money received from right exercise from such warrants to purchase ordinary shares back in the market price of diluted equivalent ordinary shares; for example, warrants to purchase ordinary shares in the case that prices according to the rights of warrants constitute value lower than market price.

The calculation of diluted earnings per share for the three-month and nine-month periods ended September 30, 2023 and 2022, on the issuance of warrants assuming that ordinary shares are issued through all exercise of the warrants is antidilutive.

17. Dividend paid

On April 29, 2022, the 2022 Annual General Meeting of Shareholders has resolved to approve the annual dividend payment of year 2021 (business operation of January 1 – December 31 2021) in which the dividend shall be paid from the net profit of the Company's financial statement of Baht 0.10 per share as share as total amount of Baht 91.52 millions. The dividend was paid to shareholders on May 25, 2022.

18. Supplemental disclosures of cash flow information

18.1 Cash and cash equivalents consisted of :-

	(Unit : Baht)	
	For the nine-month period ended September 30,	
	<u>2023</u>	<u>2022</u>
Cash	142,463.00	128,322.00
Cash deposits-Saving accounts	355,382,328.77	372,221,113.43
Cash deposits-Current accounts	250,560.61	2,463,430.40
Cash deposits-Fixed accounts	134,816.20	81,509.91
Total	355,910,168.58	374,894,375.74

18.2 Non - cash items:-

	(Unit : Baht)	
	For the nine-month period ended September 30,	
	<u>2023</u>	<u>2022</u>
Purchases of fixed assets but not yet paid	1,333,063.81	1,848,396.00
Purchases of intangible assets but not yet paid	-	1,919,500.00

19. Operating segments

The Company identified the operating segments on the basis of internal reports that are regularly reviewed by the Company's chief operating decision maker in order to allocate resources to the segment and assess its performance. However, the Company has a single reportable segment which is the business of manufacturing and distributing prestressed concrete wire, prestressed concrete strand wire and welding wire and its operation is in one geographical area that is Thailand. The Company measures the profit or loss for each segment from the gross profit excluding the items of other income, interest income, gain or loss on exchange rate, other central expenses and finance cost.

Additional Information of major customers

For the nine-month period ended September 30, 2023 the Company earn the revenues from sales of goods with each 1 major customer Baht 86.44 million and for the nine-month period ended September 30, 2022, the Company earn the revenues from sales of goods with each 1 major customer Baht 124.29 million.

20. Revenue

The relationship between the revenue information disclosed for each reportable segment for the three-month and nine-month periods ended September 30, 2023 and 2022 are as follows :-

	(Unit : Million Baht)	
	Segment operation	
	For the three-month period ended September 30,	
	<u>2023</u>	<u>2022</u>
Revenues from external customers	206.54	191.93
Revenues about geographic areas		
- Thailand	206.54	191.93
Revenues recognized when a performance obligation		
- satisfied at a point in time	206.54	191.93

(Unaudited)

(Unit : Million Baht)

Segment operation		
For the nine-month period ended September 30,		
	<u>2023</u>	<u>2022</u>
Revenues from external customers	635.87	705.41
Revenues about geographic areas		
- Thailand	635.87	705.41
Revenues recognized when a performance obligation		
- satisfied at a point in time	635.87	705.41

21. Fair value Measurement

Information on assets and liabilities of the Company measured the fair value in the statement of financial position as at September 30, 2023 and December 31, 2022, are as follows:-

(Unit : Million Baht)

Assets and Liabilities	Fair value		Fair value hierarchy	Valuation techniques (For level 2 and 3)
	September 30, 2023	December 31, 2022		
Investment in equity instruments (Note 7)	107.41	132.92	Level 1	Market price at the end of reporting period. The data is publicly available on the Stock Exchange of Thailand.
Foreign currency forward as assets (liabilities) contract	(0.01)	-	Level 2	Calculated by the value declared by the financial institution.

For the nine-month period ended September 30, 2023 and 2022, there is no the transfer of any amount between level 1 and level 2 of the fair value hierarchy.

The financial assets and financial liabilities not measured the fair value in the statement of financial position are as follows:-

(Unit : Thousand Baht)

Assets and liabilities	September 30, 2023		December 31, 2022		Fair value hierarchy
	Carrying amount	Fair value	Carrying amount	Fair value	
Financial assets					
Short-term loan to related party	30,000	30,000	-	-	Level 2
Deposits at bank pledged as collateral	88,900	88,900	88,900	88,900	Level 2

(Unaudited)

(Unit : Thousand Baht)

Assets and liabilities	September 30, 2023		December 31, 2022		
	Carrying	Fair	Carrying	Fair	Fair value
	amount	value	amount	value	hierarchy
Financial liabilities					
Short-term loan from financial institutions	69,621	69,621	71,175	71,175	Level 2

The carrying amount of cash and cash equivalents, trade receivables and trade payables approximates the fair value.

22. Borrowing facilities

(Unit : Million Baht)

	As at					
	September 30, 2023			December 31, 2022		
	Total	Amount used	Amount unused	Total	Amount used	Amount unused
Letters of guarantee	35.00	(29.06)	5.94	35.00	(28.89)	6.11
Short-term loans Letter of credit and Forward exchange contract	214.59	(120.33)	94.26	214.59	(84.82)	129.77
	249.59	(149.39)	100.20	249.59	(113.71)	135.88

The Company has bank deposits as mentioned and the parent Company's lands as collaterals against the said credit facilities.

23. Obligation and contingent liabilities

23.1 Apart from the various liabilities presented in the financial statements, the Company has the obligations as at September 30, 2023 and December 31, 2022 are as follows:-

	As at	
	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Letter of Guarantee		
Baht	29,055,493.00	28,887,618.00

23.2 As at September 30, 2023, the Company has entered into service agreement by number of 1 contract. The leased contracts determine leased fee repayment as monthly installment from Baht 122,800.00 per month (December 31, 2022: Baht 117,000.00 per month) The leased the period 1 year.

23.3 As at September 30, 2023, the Company had capital expenditures of Bath 4.76 million related to installation in the fire protection system within the factory.

24. Approval of interim financial statements

The interim financial statements were authorized for issue by the Company's board of Directors on November 10, 2023.
