

Chow Steel Industries Public Company Limited
and its subsidiaries
Review report and
consolidated and separate financial information
For the three-month and six-month periods ended
30 June 2024

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Chow Steel Industries Public Company Limited

I have reviewed the accompanying consolidated financial information of Chow Steel Industries Public Company Limited and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Chow Steel Industries Public Company Limited for the same periods (collectively "the interim financial information"). 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 review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial 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.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Krongkaew Limkittikul

Certified Public Accountant (Thailand) No. 5874

EY Office Limited

Bangkok: 13 August 2024

Chow Steel Industries Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2024

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>30 June 2024</u>	<u>31 December 2023</u>	<u>30 June 2024</u>	<u>31 December 2023</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		164,472	90,584	63,988	17,061
Current portion of bank deposits pledged as collateral		22,903	36,345	-	-
Trade and other receivables	3	812,866	846,119	415,242	423,514
Current portion of loan receivables - personal loans	4	3,341	4,240	-	-
Contract assets	5	488,779	303,878	39,410	31,760
Inventories		9,086	18,407	8,051	8,051
Digital asset		869	869	869	869
Account receivable - Revenue Department		52,237	84,057	31,135	61,892
Current tax assets		23,481	43,893	17,735	28,014
Other current assets		30,657	23,773	6,107	7,646
		<u>1,608,691</u>	<u>1,452,165</u>	<u>582,537</u>	<u>578,807</u>
Non-current assets held for sales		<u>171,222</u>	<u>179,762</u>	<u>-</u>	<u>-</u>
Total current assets		<u>1,779,913</u>	<u>1,631,927</u>	<u>582,537</u>	<u>578,807</u>
Non-current assets					
Bank deposits pledged as collateral		43,919	43,811	25,725	25,725
Loan receivables - personal loans					
- net of current portion	4	1,149	1,734	-	-
Investments in subsidiaries	6	-	-	478,582	478,582
Investments in joint ventures	7	597,009	381,631	-	-
Investment properties		25,784	27,277	-	-
Property, plant and equipment	8	1,193,629	1,214,272	1,155,689	1,186,396
Right-of-use assets		1,975	9,239	644	6,910
Intangible assets	9	4,708	5,105	-	-
Deferred tax assets		26,674	17,864	1,577	1,781
Other non-current assets		105,226	49,978	53,573	12,767
Total non-current assets		<u>2,000,073</u>	<u>1,750,911</u>	<u>1,715,790</u>	<u>1,712,161</u>
Total assets		<u>3,779,986</u>	<u>3,382,838</u>	<u>2,298,327</u>	<u>2,290,968</u>

The accompanying notes are an integral part of the interim financial statements.

..... Director
(Mr. Anavin Jiratomsiri)

..... Director
(Ms. Koo Man Wai)

Chow Steel Industries Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2024

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from a financial institution	10	457,012	399,952	147,029	140,710
Trade and other payables	11	688,139	442,483	206,085	129,967
Current portion of long-term lease liabilities		2,057	5,014	370	2,649
Short-term loans from related parties	2	9,500	9,500	992,190	1,071,893
Short-term loans from unrelated parties		155,000	155,000	75,000	75,000
Contract liabilities	5	1,954	4,929	-	-
Income tax payable		9,093	1,370	-	-
Other current liabilities		27,016	42,160	5,201	16,352
Total current liabilities		1,349,771	1,060,408	1,425,875	1,436,571
Non-current liabilities					
Long-term lease liabilities - net of current portion		-	4,598	-	4,103
Deferred tax liabilities		3,095	3,095	-	-
Provision for long-term employee benefits		22,564	22,822	20,681	18,882
Provision for decommissioning costs of leased assets		850	850	-	-
Other non-current liabilities		47,616	46,405	47,050	45,827
Total non-current liabilities		74,125	77,770	67,731	68,812
Total liabilities		1,423,896	1,138,178	1,493,606	1,505,383

The accompanying notes are an integral part of the interim financial statements.

..... Director
(Mr. Anavin Jiratomsiri)

..... Director
(Ms. Koo Man Wai)

Chow Steel Industries Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2024

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
800,000,000 ordinary shares of Baht 1 each	800,000	800,000	800,000	800,000
Issued and fully paid-up				
800,000,000 ordinary shares of Baht 1 each	800,000	800,000	800,000	800,000
Share premium	380,845	380,845	380,845	380,845
Differences from changes in the ownership interests				
in subsidiaries	(5,517)	(5,517)	-	-
Retained earnings				
Appropriated - statutory reserve	15,400	15,400	15,400	15,400
Unappropriated (deficit)	1,157,906	1,041,500	(457,620)	(476,756)
Other components of shareholders' equity	(256,164)	(239,530)	66,096	66,096
Equity attributable to owners of the Company	2,092,470	1,992,698	804,721	785,585
Non-controlling interests of the subsidiaries	263,620	251,962	-	-
Total shareholders' equity	2,356,090	2,244,660	804,721	785,585
Total liabilities and shareholders' equity	3,779,986	3,382,838	2,298,327	2,290,968
	-	-	-	-

The accompanying notes are an integral part of the interim financial statements.

..... Director
(Mr. Anavin Jiratomsiri)

..... Director
(Ms. Koo Man Wai)

Chow Steel Industries Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 June 2024

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Profit or loss:					
Revenues					
Sales		697,704	615,232	685,012	573,040
Service income		342,052	225,083	230,631	176,641
Interest income		4,910	333	1,442	1,777
Other income		20,458	8,336	6,050	6,729
Total revenues		<u>1,065,124</u>	<u>848,984</u>	<u>923,135</u>	<u>758,187</u>
Expenses					
Cost of sales		687,322	583,903	678,307	567,383
Cost of services		315,502	209,792	214,734	168,401
Administrative expenses		20,790	34,839	14,909	19,658
Loss on exchange		-	-	-	2,895
Total expenses		<u>1,023,614</u>	<u>828,534</u>	<u>907,950</u>	<u>758,337</u>
Operating profit (loss)		41,510	20,450	15,185	(150)
Share of gain (loss) from investments in joint ventures		4,320	(532)	-	-
Finance cost		(7,037)	(26,200)	(6,933)	(16,237)
Profit (loss) before income tax		38,793	(6,282)	8,252	(16,387)
Income tax	12	741	(3,141)	(185)	(832)
Profit (loss) for the period		<u>39,534</u>	<u>(9,423)</u>	<u>8,067</u>	<u>(17,219)</u>
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements					
in foreign currencies		(19,937)	(71,207)	-	-
Gain on cash flow hedge		-	4,233	-	-
Share of other comprehensive income from investments in joint ventures		1,597	-	-	-
Other comprehensive income for the period		<u>(18,340)</u>	<u>(66,974)</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u>21,194</u>	<u>(76,397)</u>	<u>8,067</u>	<u>(17,219)</u>

The accompanying notes are an integral part of the interim financial statements.

..... Director
(Mr. Anavin Jiratomsiri)

..... Director
(Ms. Koo Man Wai)

(Unaudited but reviewed)

Chow Steel Industries Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the three-month period ended 30 June 2024

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Profit (loss) attributable to:				
Equity holders of the Company	35,608	(10,218)	<u>8,067</u>	<u>(17,219)</u>
Non-controlling interests of the subsidiaries	<u>3,926</u>	<u>795</u>		
	<u>39,534</u>	<u>(9,423)</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	19,586	(68,726)	<u>8,067</u>	<u>(17,219)</u>
Non-controlling interests of the subsidiaries	<u>1,608</u>	<u>(7,671)</u>		
	<u>21,194</u>	<u>(76,397)</u>		
Earnings per share				
Basic earnings per share				
Profit (loss) attributable to equity holders of the Company	<u>0.04</u>	<u>(0.01)</u>	<u>0.01</u>	<u>(0.02)</u>

The accompanying notes are an integral part of the interim financial statements.

..... Director
(Mr. Anavin Jiratomsiri)

..... Director
(Ms. Koo Man Wai)

Chow Steel Industries Public Company Limited and its subsidiaries

Statement of comprehensive income

For the six-month period ended 30 June 2024

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Profit or loss:					
Revenues					
Sales		1,627,237	845,070	1,607,631	761,425
Service income		687,304	461,933	468,217	392,919
Interest income		9,822	702	3,136	4,491
Other income		111,072	15,922	11,534	11,889
Total revenues		2,435,435	1,323,627	2,090,518	1,170,724
Expenses					
Cost of sales		1,606,212	785,498	1,592,558	753,291
Cost of services		630,490	433,702	435,390	373,959
Reduction of digital asset to net realisable value (reversal)		-	(4,093)	-	(4,093)
Administrative expenses		60,179	61,111	28,465	33,920
Loss on exchange		-	-	-	1,978
Total expenses		2,296,881	1,276,218	2,056,413	1,159,055
Operating profit		138,554	47,409	34,105	11,669
Share of gain (loss) from investments in joint ventures	7	5,467	(571)	-	-
Finance cost		(14,506)	(53,898)	(14,765)	(34,035)
Profit (loss) before income tax		129,515	(7,060)	19,340	(22,366)
Income tax	12	390	(5,923)	(204)	(1,494)
Profit (loss) for the period		129,905	(12,983)	19,136	(23,860)
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements					
in foreign currencies		(19,413)	(103,922)	-	-
Loss on cash flow hedge		-	(2,460)	-	-
Share of other comprehensive income from investments					
in joint ventures	7	372	-	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods		(19,041)	(106,382)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial gain		707	-	-	-
Less: Income tax effect	12	(141)	-	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net income tax		566	-	-	-
Other comprehensive income for the period		(18,475)	(106,382)	-	-
Total comprehensive income for the period		111,430	(119,365)	19,136	(23,860)

The accompanying notes are an integral part of the interim financial statements.

..... Director
(Mr. Anavin Jiratomsiri)

..... Director
(Ms. Koo Man Wai)

(Unaudited but reviewed)

Chow Steel Industries Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the six-month period ended 30 June 2024

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Profit (loss) attributable to:				
Equity holders of the Company	115,912	(14,901)	<u>19,136</u>	<u>(23,860)</u>
Non-controlling interests of the subsidiaries	<u>13,993</u>	<u>1,918</u>		
	<u>129,905</u>	<u>(12,983)</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	99,772	(107,836)	<u>19,136</u>	<u>(23,860)</u>
Non-controlling interests of the subsidiaries	<u>11,658</u>	<u>(11,529)</u>		
	<u>111,430</u>	<u>(119,365)</u>		
Earnings per share				
Basic earnings per share				
Profit (loss) attributable to equity holders of the Company	<u>0.14</u>	<u>(0.02)</u>	<u>0.02</u>	<u>(0.03)</u>

The accompanying notes are an integral part of the interim financial statements.

..... Director
(Mr. Anavin Jiratomsiri)

..... Director
(Ms. Koo Man Wai)

(Unaudited but reviewed)

Chow Steel Industries Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2024

(Unit: Thousand Baht)

Consolidated financial statements									
Equity attributable to owners of the Company									
	Issued and paid-up share capital	Share premium	Differences from changes in the ownership interests in subsidiaries	Retained earnings		Other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
				Appropriated	Unappropriated				
Balance as at 1 January 2023	800,000	380,845	(5,517)	15,400	633,055	(129,486)	1,694,297	241,782	1,936,079
Profit (loss) for the period	-	-	-	-	(14,901)	-	(14,901)	1,918	(12,983)
Other comprehensive income for the period	-	-	-	-	-	(92,935)	(92,935)	(13,447)	(106,382)
Total comprehensive income for the period	-	-	-	-	(14,901)	(92,935)	(107,836)	(11,529)	(119,365)
Balance as at 30 June 2023	<u>800,000</u>	<u>380,845</u>	<u>(5,517)</u>	<u>15,400</u>	<u>618,154</u>	<u>(222,421)</u>	<u>1,586,461</u>	<u>230,253</u>	<u>1,816,714</u>
Balance as at 1 January 2024	800,000	380,845	(5,517)	15,400	1,041,500	(239,530)	1,992,698	251,962	2,244,660
Profit for the period	-	-	-	-	115,912	-	115,912	13,993	129,905
Other comprehensive income for the period	-	-	-	-	494	(16,634)	(16,140)	(2,335)	(18,475)
Total comprehensive income for the period	-	-	-	-	116,406	(16,634)	99,772	11,658	111,430
Balance as at 30 June 2024	<u>800,000</u>	<u>380,845</u>	<u>(5,517)</u>	<u>15,400</u>	<u>1,157,906</u>	<u>(256,164)</u>	<u>2,092,470</u>	<u>263,620</u>	<u>2,356,090</u>

The accompanying notes are an integral part of the interim financial statements.

..... Director Director
(Mr. Anavin Jiratomsiri) (Ms. Koo Man Wai)

(Unaudited but reviewed)

Chow Steel Industries Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2024

Details of other components of shareholders' equity:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Equity attributable to owners of the Company				
	Other components of shareholders' equity				
	Other comprehensive income				
	Exchange differences on	Surplus on	Cash flow	Share of other	Total other components
	translation of financial	revaluation of assets	hedge reserve	comprehensive income	of shareholders' equity
	statements in foreign currencies			from joint ventures	
Balance as at 1 January 2023	(203,108)	73,622	-	-	(129,486)
Other comprehensive income for the period	(90,786)	-	(2,149)	-	(92,935)
Total comprehensive income for the period	(90,786)	-	(2,149)	-	(92,935)
Balance as at 30 June 2023	<u>(293,894)</u>	<u>73,622</u>	<u>(2,149)</u>	<u>-</u>	<u>(222,421)</u>
Balance as at 1 January 2024	(311,939)	73,622	-	(1,213)	(239,530)
Other comprehensive income for the period	(16,959)	-	-	325	(16,634)
Total comprehensive income for the period	(16,959)	-	-	325	(16,634)
Balance as at 30 June 2024	<u>(328,898)</u>	<u>73,622</u>	<u>-</u>	<u>(888)</u>	<u>(256,164)</u>

The accompanying notes are an integral part of the interim financial statements.

..... Director
(Mr. Anavin Jiratomsiri)

..... Director
(Ms. Koo Man Wai)

(Unaudited but reviewed)

Chow Steel Industries Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2024

(Unit: Thousand Baht)

Separate financial statements

	Issued and paid-up share capital	Share premium	Retained earnings		Other components of shareholders' equity		Total shareholders' equity
			Appropriated	Deficit	Other comprehensive income Surplus on revaluation of assets	Total other components of shareholders' equity	
Balance as at 1 January 2023	800,000	380,845	15,400	(696,770)	66,096	66,096	565,571
Loss for the period	-	-	-	(23,860)	-	-	(23,860)
Total comprehensive income for the period	-	-	-	(23,860)	-	-	(23,860)
Balance as at 30 June 2023	<u>800,000</u>	<u>380,845</u>	<u>15,400</u>	<u>(720,630)</u>	<u>66,096</u>	<u>66,096</u>	<u>541,711</u>
Balance as at 1 January 2024	800,000	380,845	15,400	(476,756)	66,096	66,096	785,585
Profit for the period	-	-	-	19,136	-	-	19,136
Total comprehensive income for the period	-	-	-	19,136	-	-	19,136
Balance as at 30 June 2024	<u>800,000</u>	<u>380,845</u>	<u>15,400</u>	<u>(457,620)</u>	<u>66,096</u>	<u>66,096</u>	<u>804,721</u>

The accompanying notes are an integral part of the interim financial statements.

..... Director
(Mr. Anavin Jiratomsiri)

..... Director
(Ms. Koo Man Wai)

(Unaudited but reviewed)

Chow Steel Industries Public Company Limited and its subsidiaries**Cash flow statement****For the six-month period ended 30 June 2024**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Cash flows from operating activities				
Profit (loss) before tax	129,515	(7,060)	19,340	(22,366)
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	34,220	58,120	31,471	27,482
Expected credit loss (reversal)	(722)	137	(947)	-
Loss on disposals of other assets	495	10,507	280	893
Gain on sales of investments in subsidiaries	(6,268)	-	-	-
Share of loss (gain) from investments in joint ventures	(5,467)	571	-	-
Provision for long-term employee benefits	2,070	2,113	1,799	1,810
Unrealised loss (gain) on exchange	-	(13,578)	-	2,001
Gain on change in lease agreement	(265)	-	(265)	-
Reduction of digital asset to net realisable value (reversal)	-	(4,093)	-	(4,093)
Loss from derivative contracts	-	3,914	-	3,054
Interest income	(9,822)	(702)	(3,136)	(4,491)
Interest expenses	14,506	53,898	7,832	34,035
Profit from operating activities before changes in operating assets and liabilities	158,262	103,827	56,374	38,325
Operating assets decrease (increase)				
Trade and other receivables	33,463	(110,306)	12,355	(80,075)
Loan receivables - personal loans	1,258	15	-	-
Contract assets	(190,568)	1,559	(7,650)	-
Inventories	9,321	1,135	-	1,135
Digital asset	-	12,750	-	12,750
Account receivable - Revenue Department	18,105	3,952	17,343	8,966
Other assets	(7,483)	18,434	(2,392)	1,516
Operating liabilities increase (decrease)				
Trade and other payables	276,271	35,288	76,167	70,496
Account payable - Revenue Department	(276)	(1,441)	-	-
Other liabilities	(16,232)	16,674	(5,376)	32,600
Cash flows from operating activities	282,121	81,887	146,821	85,713
Cash received from interest income	1,684	630	-	8,228
Cash paid for interest expenses	(11,410)	(49,230)	(7,880)	(31,779)
Cash received from income tax refund	-	21	-	-
Cash paid for corporate income tax	(24,319)	(24,442)	(17,735)	(13,193)
Net cash flows from operating activities	248,076	8,866	121,206	48,969

The accompanying notes are an integral part of the interim financial statements.

..... Director
(Mr. Anavin Jiratomsiri)

..... Director
(Ms. Koo Man Wai)

(Unaudited but reviewed)

Chow Steel Industries Public Company Limited and its subsidiaries**Cash flow statement (continued)**

For the six-month period ended 30 June 2024

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Cash flows from investing activities				
Cash paid for investment in a joint venture (Note 7)	(224,400)	(3,250)	-	-
Decrease in short-term loans to related parties	-	-	-	168,200
Increase in restricted bank deposits	-	(84,068)	-	-
Decrease in bank deposits pledged as collateral	13,334	124,401	-	30,147
Acquisition of equipment	(5,644)	(68,372)	(353)	(7,097)
Acquisition of intangible assets	(741)	(176)	-	-
Proceeds from sales of equipment	444	1,700	444	1,700
Net decrease in cash from sales of investments in subsidiaries	(1,932)	-	-	-
Net cash flows from (used in) investing activities	<u>(218,939)</u>	<u>(29,765)</u>	<u>91</u>	<u>192,950</u>
Cash flows from financing activities				
Increase (decrease) in short-term loans from a financial institution	57,060	(182,900)	6,319	113,994
Decrease in short-term loans from a related party	-	-	(79,703)	-
Increase in short-term loans from unrelated parties	-	203,508	-	97,500
Cash received from long-term loans from a financial institution	-	474,667	-	-
Repayment of debentures	-	(433,200)	-	(433,200)
Payment of principal portion of lease liabilities	(2,159)	(6,479)	(986)	(1,779)
Net cash flows from (used in) financing activities	<u>54,901</u>	<u>55,596</u>	<u>(74,370)</u>	<u>(223,485)</u>
Decrease in translation adjustments	<u>(10,150)</u>	<u>(58,202)</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	73,888	(23,505)	46,927	18,434
Cash and cash equivalents at beginning of period	90,584	67,681	17,061	2,410
Cash and cash equivalents at the end of period	<u>164,472</u>	<u>44,176</u>	<u>63,988</u>	<u>20,844</u>
	-			

Supplemental cash flows information

Non-cash transactions:

Payables of acquisition of equipment	6	107,554	-	70,436
Decrease in right-of-use assets from lease agreement cancellation	5,131	-	5,131	-

The accompanying notes are an integral part of the interim financial statements.

..... Director
(Mr. Anavin Jiratomsiri)..... Director
(Ms. Koo Man Wai)

Chow Steel Industries Public Company Limited and its subsidiaries
Condensed notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2024

1. General information

1.1 Basis for the preparation of interim financial statements

These interim financial statements have been prepared in accordance with Thai Accounting Standard No. 34 *Interim Financial Reporting*, with the Company presenting condensed interim financial statements. The Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements and has presented notes to the interim financial statements on a condensed basis.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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 interim financial statements.

1.2 Basis of consolidation

These interim consolidated financial statements include the financial statements of Chow Steel Industries Public Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2023. There were no significant changes in structure of subsidiaries and joint ventures during the period except as described in Note 6 and Note 7 to the interim consolidated financial statements, respectively.

1.3 Accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2023.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2024, do not have any significant impact on the Group's financial statements.

2. Related party transactions

During the periods, the Group had significant business transactions with its related parties. Such transactions arose in the ordinary course of business and were concluded on commercial terms and based agreed upon between the Group and those related parties. There were no significant changes in the Group's pricing policy of transactions with related parties.

The total amount of significant business transactions with related parties are as follows.

(Unit: Million Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Transactions with subsidiaries				
(eliminated from the consolidated financial statements)				
Management income	-	-	5	5
Interest income	-	-	-	2
Interest expenses	-	-	4	-
Rental expenses	-	-	1	1
Transactions with joint ventures				
Revenue from installation service	175	10	-	-
Revenue from sales of equipment	23	-	-	-
Revenue from operation and maintenance and asset management service	4	-	-	-
Interest income	3	-	-	-

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Transactions with subsidiaries				
(eliminated from the consolidated financial statements)				
Management income	-	-	10	10
Interest income	-	-	-	5
Interest expenses	-	-	9	-
Rental expenses	-	-	1	1
Transactions with joint ventures				
Revenue from installation service	356	10	-	-
Revenue from sales of equipment	36	-	-	-
Revenue from operation and maintenance and asset management service	10	-	-	-
Interest income	6	-	-	-

(Unaudited but reviewed)

The balances of the accounts between the Group and those related individuals or companies are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate financial statements	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
		(Audited)		(Audited)
Trade and other receivables				
Subsidiaries	-	-	53	53
Joint ventures	377,055	290,570	547	-
Related individuals (shareholders and/or directors of the Group)	2,800	2,800	2,800	2,800
	<u>379,855</u>	<u>293,370</u>	<u>3,400</u>	<u>2,853</u>
Contract assets				
Subsidiary	-	-	39,410	31,760
Joint ventures	488,511	301,644	-	-
	<u>488,511</u>	<u>301,644</u>	<u>39,410</u>	<u>31,760</u>
Trade and other payables (Note 11)				
Subsidiaries	-	-	6,871	6,935
Joint ventures	40,014	2,281	-	-
Related company (related by common directors)	-	2,834	-	-
Related individuals (shareholders and directors of the Group)	88	278	79	34
	<u>40,102</u>	<u>5,393</u>	<u>6,950</u>	<u>6,969</u>
Lease liabilities				
Subsidiary	-	-	370	860
Contract liabilities				
Joint ventures	1,852	-	-	-
Advance deposits				
Joint ventures	-	14,140	-	-

(Unaudited but reviewed)

Loans from related parties

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance as at 31 December 2023 (Audited)	Increase during the period	Decrease during the period	Balance as at 30 June 2024
Short-term loan from Chow and CKE Renewable Company Limited	9,500	-	-	9,500

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at 31 December 2023 (Audited)	Increase during the period	Decrease during the period	Balance as at 30 June 2024
Short-term loans from Captain Cash Holding Company Limited	40,190	-	-	40,190
Chow Energy Public Company Limited	1,031,703	-	(79,703)	952,000
Total	1,071,893	-	(79,703)	992,190

Directors and management's remuneration

(Unit: Million Baht)

	For the three-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Short-term employee benefits	8	8	5	5

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Short-term employee benefits	16	15	10	9
Post-employment benefits	1	1	1	-
Total	17	16	11	9

3. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	(Audited)		(Audited)	
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due	14,512	12,997	-	-
Past due				
Up to 3 months	70,750	30,787	-	-
3 - 6 months	4,162	485	-	-
6 - 12 months	27,173	25,019	-	-
Over 12 months	25,019	-	-	-
Total trade receivables - related parties	141,616	69,288	-	-
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	280,917	301,791	277,765	192,824
Past due				
Up to 3 months	66,547	89,973	65,708	84,826
3 - 6 months	118	97,825	17	97,051
6 - 12 months	64,224	158	63,628	-
Over 12 months	3,813	48,915	2,099	47,339
Total	415,619	538,662	409,217	422,040
Less: Allowance for expected credit losses	(4,647)	(8,651)	(3,423)	(7,427)
Total trade receivables - unrelated parties - net	410,972	530,011	405,794	414,613
Total trade receivables - net	552,588	599,299	405,794	414,613
Other receivables	271,987	259,207	9,448	8,901
Less: Allowance for expected credit losses	(11,709)	(12,387)	-	-
Other receivables - net	260,278	246,820	9,448	8,901
Total trade and other receivables - net	812,866	846,119	415,242	423,514

4. Loan receivables - personal loans

4.1 Loan receivables - personal loans classified by contractual due date were as follows.

(Unit: Thousand Baht)

	Consolidated financial statements					
	The receipt amount of installments under the agreements					
	Less than 1 year		1 - 5 years		Total	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023	30 June 2024	31 December 2023
		(Audited)		(Audited)		(Audited)
Loan receivables - personal loans	4,134	4,933	2,455	3,390	6,589	8,323
Less: Deferred income	(288)	(383)	(1,134)	(1,515)	(1,422)	(1,898)
Loan receivables - personal loans - after deferred income	3,846	4,550	1,321	1,875	5,167	6,425
Less: Allowance for expected credit losses	(505)	(310)	(172)	(141)	(677)	(451)
Loan receivables - personal loans - net	3,341	4,240	1,149	1,734	4,490	5,974

4.2 Loan receivables - personal loans - after deferred income and an allowance for expected credit losses by a general approach classified by the stage of credit risk were as follows.

(Unit: Thousand Baht)

General approach	Consolidated financial statements			
	Loan receivables - personal loans - after deferred income		Allowance for expected credit losses	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
		(Audited)		(Audited)
Stage 1	4,535	6,034	(45)	(60)
Stage 2	632	391	(632)	(391)
Total	5,167	6,425	(677)	(451)

5. Contract assets/Contract liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2024	2023	2024	2023
		(Audited)		(Audited)
Contract assets				
Unbilled receivables				
Expected to be billed				
Up to 3 months	410,854	140,620	-	-
3 - 12 months	77,925	163,258	39,410	31,760
Total contract assets	<u>488,779</u>	<u>303,878</u>	<u>39,410</u>	<u>31,760</u>
Contract liabilities				
Construction revenue				
received in advance	<u>1,954</u>	<u>4,929</u>	<u>-</u>	<u>-</u>

6. Investments in subsidiaries

On 23 February 2024, a meeting the Board of Directors of Chow Energy Public Company Limited (“CE”) passed a resolution to approve a Baht 1,155 million decrease in its registered share capital of Chow International Company Limited (“CI”) from Baht 1,540 million (15,400,000 ordinary shares with a par value of Baht 100 each) to Baht 385 million (3,850,000 ordinary shares with a par value of Baht 100 each), through the decrease of 11,550,000 ordinary shares with a par value of Baht 100 each. CI registered the decrease in its share capital with the Ministry of Commerce on 22 April 2024. The decrease in share capital did not have any impact on the Group’s interest.

On 9 August 2023, CE entered into Shining Solution Company Limited (“SS”)’s share sale and purchase agreement with an unrelated foreign company (the buyer) and transferred 49 percent interest in SS's ordinary shares to the purchaser on 2 May 2024, pursuant to a resolution passed by CE's Extraordinary General Meeting of Shareholders as of 24 August 2023, resulting in a reduction of CE's shareholding in SS from 100 percent to 51 percent. The change in ownership structure enabled CE and the buyer to jointly control SS, as specified in the conditions under the shareholder agreement. The Group has, therefore, reclassified its investment in SS from investment in a subsidiary to investment in a joint venture from 2 May 2024 and recognised a gain of Baht 5 million from the sale of the investment included in “Other income” in the consolidated statement of comprehensive income for the three-month and six-month periods ended 30 June 2024.

(Unaudited but reviewed)

The Group estimated the fair value of the identifiable assets acquired and liabilities assumed of the joint venture as at 2 May 2024, to be closely approximate to the book value of the net assets in SS as of the date of loss of control as detailed below:

	(Unit: Thousand Baht)
	Consolidated financial statement
Cash and cash equivalents	1,522
Trade and other receivables	9,875
Property, plant and equipment	1,284
Other assets	15,876
Trade and other payables	(31,437)
Other liabilities	(2,043)
Net assets	(4,923)
Value of the remaining investment	-
	(4,923)
Gain on sale of investment in SS	5,413
Cash received from sale of investment in SS	490
Less: Cash and cash equivalents of SS	(1,522)
Net decrease in cash from sale of investment in SS (included in "Net decrease in cash from sales of investments in subsidiaries" in the consolidated statement of cash flow)	(1,032)

On 15 May 2024, CE transferred its ordinary shares invested in Shining SPV 2 Company Limited ("SSPV 2") with a net asset value of Baht 0.1 million to a joint venture at a price of Baht 1 million in order to restructure the Group's investment. As a result, the Group reclassified its investment in SSPV2 from investment in a subsidiary to investment in a joint venture from that date onwards and recognised a gain on the sale of the investment in a subsidiary amounting to Baht 0.9 million, included in "Other income" in the consolidated statement of comprehensive income for the three-month and six-month periods ended 30 June 2024. The reclassification of the investment did not have any significant impact on the Group's consolidated financial statements.

In addition, during the first quarter of the current year, a subsidiary recognised revenue of Baht 95 million derived from the complete fulfilment of obligations under the contractual terms with an unrelated party, which was included in "Other income" in the consolidated statement of comprehensive income for the six-month period ended 30 June 2024.

7. Investments in joint ventures

	(Unit: Thousand Baht)
	Consolidated financial statements
Carrying amount based on equity method as at 1 January 2024	381,631
Share of gain from investments in joint ventures	5,467
Share of other comprehensive income from investments in joint ventures	372
Share of total comprehensive income from investments in joint ventures	5,839
Increase in share capital	224,400
Elimination	(14,861)
Carrying amount based on equity method as at 30 June 2024	597,009

Shining Sky Holding Company Limited (“SSH”)

On 7 December 2023, the Extraordinary General Meeting of SSH’s shareholders passed a resolution approving an increase of Baht 440 million in its registered share capital. CE, a joint venturer of SSH, received a transfer of newly issued ordinary shares and made full payment for the shares in proportion to its existing shareholding, totaling Baht 224 million, in January 2024. SSH registered its share capital increase with the Ministry of Commerce on 5 January 2024. The increase in the share capital did not have any impact on the Group’s shareholding percentage.

8. Property, plant and equipment

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2024	1,214,272	1,186,396
Acquisitions during the period - at cost	5,650	353
Transfer	7,663	-
Disposals during the period - net book value at disposal date	(724)	(724)
Depreciation for the period	(31,368)	(30,336)
Decrease in changes of the classification of investments	(2,657)	-
Translation adjustment	793	-
Net book value as at 30 June 2024	1,193,629	1,155,689
Net book value as at 30 June 2024 of land and structures pledged as collateral for credit facilities granted by a financial institution (Note 10)	460,936	460,936

(Unaudited but reviewed)

9. Intangible assets

	(Unit: Thousand Baht)
	Consolidated
	<u>financial statements</u>
Net book value as at 1 January 2024	5,105
Acquisitions during the period - at cost	741
Disposals during the period - net book value at disposal date	(215)
Amortisation for the period	(718)
Decrease in changes of the classification of investments	(205)
Net book value as at 30 June 2024	<u>4,708</u>

10. Short-term loans from a financial institution

Short-term loans from a financial institution, represent trust receipts, on which interests are charged at fixed rates as stipulated in the agreements, and collaterals are the mortgage of the Company and a related company's land and structures thereon, the registration of claim rights in joint ventures' power purchase agreements and the Company's inventories and an account receivable, corporate guarantees provided by subsidiaries and a joint venture and mortgage of the joint ventures' shares as described in Note 14.2 to the interim consolidated financial statements.

11. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	<u>financial statements</u>		<u>financial statements</u>	
	30 June	31 December	30 June	31 December
	2024	2023	2024	2023
		(Audited)		(Audited)
Trade and other payable - unrelated parties				
Trade payables	563,419	345,469	188,139	109,788
Other payables for purchases of assets	6	-	-	-
Other payables	5,929	9,527	1,246	1,711
Accrued interest expenses	5,485	2,400	557	767
Accrued expenses	47,926	52,929	9,193	10,732
Advances	25,272	26,765	-	-
Total trade and other payables - unrelated parties	<u>648,037</u>	<u>437,090</u>	<u>199,135</u>	<u>122,998</u>
Trade and other payable - related parties				
Other payables	14,666	400	187	368
Accrued interest expenses	55	43	6,403	6,241
Accrued expenses	4,511	2,950	-	-
Advances	20,870	2,000	360	360
Total trade and other payables - related parties	<u>40,102</u>	<u>5,393</u>	<u>6,950</u>	<u>6,969</u>
Total trade and other payables	<u>688,139</u>	<u>442,483</u>	<u>206,085</u>	<u>129,967</u>

12. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Current income tax:				
Interim corporate income tax	(860)	2,202	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	119	939	185	832
Income tax expenses (income) reported in profit or loss	<u>(741)</u>	<u>3,141</u>	<u>185</u>	<u>832</u>

	(Unit: Thousand Baht)			
	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Current income tax:				
Interim corporate income tax	8,561	4,352	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(8,951)	1,571	204	1,494
Income tax expenses (income) reported in profit or loss	<u>(390)</u>	<u>5,923</u>	<u>204</u>	<u>1,494</u>
Income tax reported in other comprehensive income	<u>141</u>	<u>-</u>	<u>-</u>	<u>-</u>

13. Segment information

The following table presents revenue and profit information regarding the Group's operating segments which organised into business units based on its products and services.

(Unit: Million Baht)

	For the three-month periods ended 30 June											
	Original Equipment Manufacturing (OEM) service segment		Trading of steel billets segment		Investment in renewable power plant segment		Consultancy on investments in renewable energy segment		Cryptocurrency segment		Consolidated financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Sales and service income												
Revenue from external customers	230	177	685	573	-	42	125	48	-	-	1,040	840
Segment profit	16	8	7	6	-	26	14	7	-	-	37	47
Share of gain (loss) from investments in joint ventures	-	-	-	-	4	(1)	-	-	-	-	4	(1)
Unallocated income and expenses											(2)	(52)
Profit (loss) before income tax											39	(6)
Income tax											1	(3)
Profit (loss) for the period											40	(9)

(Unaudited but reviewed)

(Unit: Million Baht)

For the six-month periods ended 30 June

	Original Equipment Manufacturing (OEM) service segment		Trading of steel billets segment		Investment in renewable power plant segment		Consultancy on investments in renewable energy segment		Cryptocurrency segment		Consolidated financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Sales and service income												
Revenue from external customers	468	393	1,608	761	-	84	239	69	-	-	2,315	1,307
Segment profit	33	19	15	8	-	52	30	9	-	4	78	92
Share of gain (loss) from investments in joint ventures	-	-	-	-	5	(1)	-	-	-	-	5	(1)
Unallocated income and expenses											47	(98)
Profit (loss) before income tax											130	(7)
Income tax											-	(6)
Profit (loss) for the period											130	(13)

14. Commitments and contingent liabilities**14.1 Long-term commitments**

- a) As at 30 June 2024, the Group had outstanding payment commitments in respect of service agreements amounting to Baht 3 million. (the Company only: Baht 1 million)
- b) Under the conditions of the manufacturing management agreements, the Company is to pay monthly management fees at the rates stipulated in the agreements, or minimum management fees which are to be paid of approximately US Dollar 800,000 and Baht 15,000 per annum.

14.2 Guarantees

	(Unit: Million)		
	As at 30 June 2024		
	Consolidated financial statements	Separate financial statements	Currency
Outstanding bank guarantees			
Electricity use	61	61	Baht
An application for a stay of VAT payment (Note 14.3)	25	25	Baht
Power Purchase Agreements	90	-	Baht
Guarantee for sale of a solar power plant	100	-	Yen
Letters of guarantee issued by subsidiaries and joint ventures			
Guarantees of short-term loans from a financial institution	2,705	453	Baht
Land and structure thereon mortgaged by the Group and a related company			
Guarantees for credit lines	3,162	453	Baht

Guarantee for joint ventures

Certain subsidiaries have guaranteed joint ventures' long-term loans from a financial institution, including the pledge of joint ventures' shares, and entered into an agreement of inter-company loan as a subordinated loan. Under the conditions of the loan agreement with several covenants, the subsidiaries are, among other things, required to maintain their debt-to-equity ratio at the rate prescribed.

14.3 Tax assessment

In 2020, the Company, from the Revenue Department, received notices of the assessment of value-added tax, penalties and surcharges totaling approximately Baht 31 million. The Company has appealed the assessment to the Tax Appeal Committee. The appeal is currently under consideration. The Company's management believes that no significant losses will be resulted as a result of the assessment, and therefore no provision for this assessment has been made in its accounts.

15. Events after the reporting period

On 13 August 2024, a meeting the Board of Directors of the Company passed a resolution to approve the partial business transfer, specific for steel manufacturing and trading unit, from the Company to a newly incorporate subsidiary company in order to restructure the Group's investment structure. Total value of the transaction was not less than Bath 1,200 million. After the completion of business restructuring, the Company will shift to a holding company focusing on investment business, having the new subsidiary as an operating company that will continuously operate the manufacturing and distribution steel business.

16. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 13 August 2024.