

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF THE INTERIM FINANCIAL INFORMATION

To the Board of Directors and Shareholders of 2S Metal Public Company Limited

I have reviewed the interim consolidated and separate financial information of 2S Metal Public Company Limited and its subsidiaries (The Group). These comprise the consolidated and separate statements of financial position as at 30 June 2024, the related consolidated and separate statements of comprehensive income for the three-month and six-month periods ended 30 June 2024, statements of changes in equity, and cash flows for the six-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

Scope of Review

I conducted my review in accordance with the 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 consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

Luxsamee Deetrakulwattanapol

Certified Public Accountant

Registration No. 9056

Grant Thornton Limited

Bangkok

14 August 2024

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2024 AND 31 DECEMBER 2023

(Unit : Thousand Baht)

	Notes	Consolidated financial information		Separate financial information	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
		(Unaudited but Reviewed)	(Audited)	(Unaudited but Reviewed)	(Audited)
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents		181,960	341,893	160,434	320,720
Trade and other accounts receivable - general customers	6	476,016	335,995	468,774	331,202
- related companies	5, 6	34,165	2,796	51,047	19,214
Inventories - net		873,290	809,676	853,238	790,088
Deposits for purchase of goods		17,966	18,580	44,098	28,129
Short-term loans and accrued interest receivable					
- subsidiaries	5	-	-	79,422	69,421
Refundable value added tax		5,748	4,722	3,101	4,722
Refundable income tax		4,087	4,908	-	1,751
Other current assets		7,879	15,874	5,369	3,524
Total current assets		1,601,111	1,534,444	1,665,483	1,568,771
NON-CURRENT ASSETS					
Investments in subsidiaries	7	-	-	216,770	216,770
Long-term loans receivable - subsidiary	5	-	-	9,400	9,400
Property, plant and equipment - net	8	658,885	629,332	267,037	274,968
Rights-of-use assets - net	9	14,210	11,793	62,999	71,402
Investment property - net		428	596	-	-
Intangible assets - net		277	443	228	371
Deferred tax assets - net		1,411	1,389	-	-
Other non-current assets		2,288	2,288	1,484	1,484
Total non-current assets		677,499	645,841	557,918	574,395
TOTAL ASSETS		2,278,610	2,180,285	2,223,401	2,143,166

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2024 AND 31 DECEMBER 2023

(Unit : Thousand Baht)

	Note	Consolidated financial information		Separate financial information			
		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							
Trade and other accounts payable							
		- general customers	124,309	65,306	119,353	61,463	
		- related companies	5	15,761	13,215	29,756	23,378
Current portion of liabilities liabilities			2,148	1,581	6,732	5,828	
Current portion of employee benefits obligation			290	2,544	227	2,544	
Accrued income tax			18,666	6,880	18,667	6,880	
Accrued expenses			37,853	36,473	30,408	28,911	
Other current liabilities			11,797	8,026	7,468	5,156	
Total current liabilities			210,824	134,025	212,611	134,160	
NON-CURRENT LIABILITIES							
Employee benefits obligation			20,172	18,243	15,562	13,842	
Long-term lease liabilities - net			8,058	5,950	62,197	70,988	
Deferred tax liabilities - net			9,448	9,961	2,052	2,175	
Total non-current liabilities			37,678	34,154	79,811	87,005	
TOTAL LIABILITIES			248,502	168,179	292,422	221,165	

The accompanying notes form an integral part of these interim financial statements.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2024 AND 31 DECEMBER 2023

(Unit : Thousand Baht)

	Consolidated financial information		Separate financial information	
	30 June 2024 (Unaudited but Reviewed)	31 December 2023 (Audited)	30 June 2024 (Unaudited but Reviewed)	31 December 2023 (Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)				
SHAREHOLDERS' EQUITY				
Share capital - common share at Baht 1 par value				
- Registered 549,997,741 shares	549,998	549,998	549,998	549,998
- Issued and paid - up 549,995,954 shares	549,996	549,996	549,996	549,996
Premium on share capital	121,762	121,762	121,762	121,762
Retained earnings				
- Appropriated for legal reserve	55,000	55,000	55,000	55,000
- Unappropriated	1,286,936	1,268,184	1,159,839	1,150,861
Other components of shareholder's equity	19,158	19,799	44,382	44,382
Equity attributable to the Company's shareholders	2,032,852	2,014,741	1,930,979	1,922,001
Non-controlling interests	(2,744)	(2,635)	-	-
Shareholders' equity	2,030,108	2,012,106	1,930,979	1,922,001
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,278,610	2,180,285	2,223,401	2,143,166

STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIODS ENDED 30 JUNE

(Unit : Thousand Baht)

	Notes	Consolidated financial information		Separate financial information	
		2024	2023	2024	2023
REVENUES					
Revenue from sales		1,963,542	1,494,186	1,919,680	1,457,567
Revenue from sales of by-product		40,928	29,538	37,478	27,828
Total revenues	12	<u>2,004,470</u>	<u>1,523,724</u>	<u>1,957,158</u>	<u>1,485,395</u>
COSTS OF SALES					
Costs of sales		(1,884,687)	(1,456,497)	(1,855,629)	(1,425,691)
Gross profit		<u>119,783</u>	<u>67,227</u>	<u>101,529</u>	<u>59,704</u>
Interest income	12	1,381	1,126	2,711	2,103
Other income		9,844	10,454	12,000	11,508
Profit before expenses		<u>131,008</u>	<u>78,807</u>	<u>116,240</u>	<u>73,315</u>
Selling expenses		(54,119)	(37,612)	(52,161)	(34,204)
Administrative expenses		(30,251)	(27,730)	(26,163)	(23,689)
Loss on exchange rate		(3,503)	(7,410)	(946)	(2,079)
Total expenses		<u>(87,873)</u>	<u>(72,752)</u>	<u>(79,270)</u>	<u>(59,972)</u>
Profit before finance cost		<u>43,135</u>	<u>6,055</u>	<u>36,970</u>	<u>13,343</u>
Finance cost		(224)	(88)	(1,041)	(974)
Profit before income tax		<u>42,911</u>	<u>5,967</u>	<u>35,929</u>	<u>12,369</u>
Income tax expense		(7,200)	18,959	(7,051)	18,303
Net profit for the period		<u>35,711</u>	<u>24,926</u>	<u>28,878</u>	<u>30,672</u>
OTHER COMPREHENSIVE INCOME					
Items to be reclassified subsequently to profit or loss					
Translation adjustment for foreign currency financial statements		(466)	1,088	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>35,245</u>	<u>26,014</u>	<u>28,878</u>	<u>30,672</u>

STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIODS ENDED 30 JUNE

(Unit : Thousand Baht)

	Consolidated financial information		Separate financial information	
	2024	2023	2024	2023
PROFIT ATTRIBUTABLE TO				
Owners of the parent	35,742	25,089	28,878	30,672
Non-controlling interests	(31)	(163)	-	-
	<u>35,711</u>	<u>24,926</u>	<u>28,878</u>	<u>30,672</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO				
FOR THE PERIOD				
Owners of the parent	35,290	26,146	28,878	30,672
Non-controlling interests	(45)	(132)	-	-
	<u>35,245</u>	<u>26,014</u>	<u>28,878</u>	<u>30,672</u>
BASIC EARNINGS PER SHARE				
Profit of the Company's shareholders (Baht : Share)	<u>0.065</u>	<u>0.045</u>	<u>0.053</u>	<u>0.056</u>
Weighted average number of common shares				
(Unit : Thousand Shares)	<u>549,996</u>	<u>549,996</u>	<u>549,996</u>	<u>549,996</u>

STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE

(Unit : Thousand Baht)

	Notes	Consolidated financial information		Separate financial information	
		2024	2023	2024	2023
REVENUES					
Revenue from sales		3,924,221	3,334,667	3,838,603	3,280,554
Revenue from sales of by-product		85,462	70,437	80,182	67,374
Total revenues	12	<u>4,009,683</u>	<u>3,405,104</u>	<u>3,918,785</u>	<u>3,347,928</u>
COSTS OF SALES					
Costs of sales		(3,759,841)	(3,168,223)	(3,697,669)	(3,124,301)
Gross profit		<u>249,842</u>	<u>236,881</u>	<u>221,116</u>	<u>223,627</u>
Interest income	12	2,820	1,619	5,501	3,548
Other income		21,781	21,529	25,142	24,600
Profit before expenses		<u>274,443</u>	<u>260,029</u>	<u>251,759</u>	<u>251,775</u>
Selling expenses		(104,801)	(79,957)	(101,809)	(75,022)
Administrative expenses		(58,146)	(58,166)	(50,753)	(49,855)
Loss on exchange rate		(7,957)	(11,592)	(3,588)	(6,647)
Total expenses		<u>(170,904)</u>	<u>(149,715)</u>	<u>(156,150)</u>	<u>(131,524)</u>
Profit before finance cost		<u>103,539</u>	<u>110,314</u>	<u>95,609</u>	<u>120,251</u>
Finance cost		(246)	(133)	(1,935)	(1,923)
Profit before income tax		<u>103,293</u>	<u>110,181</u>	<u>93,674</u>	<u>118,328</u>
Income tax expense	10	(18,631)	(1,853)	(18,697)	(2,686)
Net profit for the period		<u>84,662</u>	<u>108,328</u>	<u>74,977</u>	<u>115,642</u>
OTHER COMPREHENSIVE INCOME					
Items to be not reclassified subsequently to profit or loss					
Actuarial gain from remeasurments of post-employment					
benefit obligation - net of tax		-	638	-	1,961
Items to be reclassified subsequently to profit or loss					
Translation adjustment for foreign currency financial statements					
		(661)	1,760	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>84,001</u>	<u>110,726</u>	<u>74,977</u>	<u>117,603</u>

STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE

(Unit : Thousand Baht)

	Consolidated financial information		Separate financial information	
	2024	2023	2024	2023
PROFIT ATTRIBUTABLE TO				
Owners of the parent	84,751	108,501	74,977	115,642
Non-controlling interests	(89)	(173)	-	-
	<u>84,662</u>	<u>108,328</u>	<u>74,977</u>	<u>115,642</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO				
FOR THE PERIOD				
Owners of the parent	84,110	110,848	74,977	117,603
Non-controlling interests	(109)	(122)	-	-
	<u>84,001</u>	<u>110,726</u>	<u>74,977</u>	<u>117,603</u>
BASIC EARNINGS PER SHARE				
Profit of the Company's shareholders (Baht : Share)	<u>0.154</u>	<u>0.197</u>	<u>0.136</u>	<u>0.210</u>
Weighted average number of common shares				
(Unit : Thousand Shares)	<u>549,996</u>	<u>549,996</u>	<u>549,996</u>	<u>549,996</u>

STATEMENTS OF CHANGES IN EQUITY

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE

(Unit : Thousand Baht)

	Consolidated financial information											
	Retained earnings				Other components of equity							
	Paid - up Share Capital	Premium on Share capital	Legal Reserve	Unappropriated	Other comprehensive income			Discount on dilution of investment in subsidiaries company	Total other components of equity	Shareholders' equity of the Company	Non-controlling interests	Total
					Surplus on revaluation of land - net of tax	Remeasurements of post-employment benefit obligarion	Transtation adjustment for foreign currency financial statement					
Consolidated F/S												
Balance as at 1 January 2023	549,996	121,762	55,000	1,272,462	59,322	-	(10,892)	(29,817)	18,613	2,017,833	(2,399)	2,015,434
Dividend payment	-	-	-	(110,000)	-	-	-	-	-	(110,000)	-	(110,000)
Total transactions with shareholders	-	-	-	(110,000)	-	-	-	-	-	(110,000)	-	(110,000)
Comprehensive income for the period	-	-	-	108,501	-	638	1,709	-	2,347	110,848	(122)	110,726
Transfer from gain on remeasurement of post - employment benefit obligation	-	-	-	638	-	(638)	-	-	(638)	-	-	-
Total comprehensive income for the period	-	-	-	109,139	-	-	1,709	-	1,709	110,848	(122)	110,726
Balance as at 30 June 2023	549,996	121,762	55,000	1,271,601	59,322	-	(9,183)	(29,817)	20,322	2,018,681	(2,521)	2,016,160
Balance as at 1 January 2024	549,996	121,762	55,000	1,268,184	59,322	-	(9,706)	(29,817)	19,799	2,014,741	(2,635)	2,012,106
Dividend payment	-	-	-	(65,999)	-	-	-	-	-	(65,999)	-	(65,999)
Total transactions with shareholders	-	-	-	(65,999)	-	-	-	-	-	(65,999)	-	(65,999)
Comprehensive income for the period	-	-	-	84,751	-	-	(641)	-	(641)	84,110	(109)	84,001
Total comprehensive income for the period	-	-	-	84,751	-	-	(641)	-	(641)	84,110	(109)	84,001
Balance as at 30 June 2024	549,996	121,762	55,000	1,286,936	59,322	-	(10,347)	(29,817)	19,158	2,032,852	(2,744)	2,030,108

STATEMENTS OF CHANGES IN EQUITY

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE

(Unit : Thousand Baht)

	Separate financial information						Total
	Paid - up Share Capital	Premium on Share capital	Retained earnings		Other components of equity		
			Legal Reserve	Unappropriated	Other comprehensive income		
					Surplus on reveluation of land - net of tax	Remeasurements of post-employment benefit obligarion	
Separate financial statements							
Balance as at 1 January 2023	549,996	121,762	55,000	1,150,309	44,382	-	1,921,449
Dividend payment	-	-	-	(110,000)	-	-	(110,000)
Total transactions with shareholders	-	-	-	(110,000)	-	-	-
Comprehensive income for the period	-	-	-	115,642	-	1,961	117,603
Transfer from gain on remeasurement of post - employment benefit obligation	-	-	-	1,961	-	(1,961)	-
Total comprehensive income for the period	-	-	-	117,603	-	-	117,603
Balance as at 30 June 2023	549,996	121,762	55,000	1,157,912	44,382	-	1,929,052
Balance as at 1 January 2024	549,996	121,762	55,000	1,150,861	44,382	-	1,922,001
Dividend payment	-	-	-	(65,999)	-	-	(65,999)
Total transactions with shareholders	-	-	-	(65,999)	-	-	(65,999)
Comprehensive income for the period	-	-	-	74,977	-	-	74,977
Total comprehensive income for the period	-	-	-	74,977	-	-	74,977
Balance as at 30 June 2024	549,996	121,762	55,000	1,159,839	44,382	-	1,930,979

The accompanying notes form an integral part of these interim financial statements.

STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE

(Unit : Thousand Baht)

Notes	Consolidated financial information		Separate financial information	
	2024	2023	2024	2023
Cash flows from operating activities				
Profit before income tax	103,293	110,181	93,674	118,328
Adjustments to reconcile profit before income tax to net cash provided from operating activities:				
Provision for expected credit losses	6	1,191	1,191	1,483
Provision (reversal) of allowance for decline value of inventories		2,957	2,941	(2,763)
Depreciation□		27,394	12,384	12,477
Unrealized (gain) loss on exchange rate		(702)	-	-
Loss (gain) on disposal fixed assets		19	37	(20)
Amortization		166	143	959
Interest income		(2,820)	(5,501)	(3,548)
Interest expense		246	1,935	1,923
Provision for employee benefits obligation		964	692	922
Cash flows provided from operations before changes in operating assets and liabilities				
	132,708	138,679	107,496	129,761
Decrease (increase) in operating assets:				
Trade and other accounts receivable	(172,581)	(27,583)	(170,596)	(33,901)
Inventories	(66,571)	59,067	(66,091)	59,862
Deposits for purchase of goods	614	7,308	(15,969)	7,308
Refundable value added tax	(1,026)	7,283	1,621	7,621
Refundable income tax	821	5,053	1,751	-
Other current assets	8,990	(11,275)	(1,845)	(2,283)
Other non-current assets	-	12	-	10
Increase (decrease) in operating liabilities:				
Trade and other accounts payable	61,549	191,944	64,268	193,637
Accrued expenses	1,380	(7,902)	1,497	(6,223)
Value added tax payable	-	10,886	-	11,092
Other current liabilities	3,771	3,298	2,312	3,120
Employee benefit paid	(1,289)	-	(1,289)	-
Cash received from operating activities				
	(31,634)	376,770	(76,845)	370,004
Interest payment	(246)	(155)	(1,935)	(1,945)
Income tax paid	(8,374)	(2,028)	(7,033)	(79)
Net cash received from (used in) operating activities				
	(40,254)	374,587	(85,813)	367,980

STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE SIX-MONTH PERIODS ENDED 30 JUNE

(Unit : Thousand Baht)

	Notes	Consolidated financial information		Separate financial information	
		2024	2023	2024	2023
Cash flows from investing activities					
Interest received		2,819	1,619	5,500	3,548
Acquisition of machine and equipment	8	(55,732)	(16,183)	(922)	(5,660)
Proceeds from sale of equipment		18	227	-	226
Proceeds from short-term loans to subsidiary		-	-	8,000	-
Payment short-term loans to subsidiary		-	-	(18,000)	(11,500)
Net cash used in investing activities		(52,895)	(14,337)	(5,422)	(13,386)
Cash flows from financing activities					
Repayment for short-term loans from financial institutions		-	(150,000)	-	(150,000)
Repayment of short-term loans to subsidiary		-	-	-	5,000
Repayment for liabilities under finance lease agreement		(826)	(1,608)	(3,052)	(3,607)
Cash dividend payment		(65,999)	(110,000)	(65,999)	(110,000)
Net cash used in financing activities		(66,825)	(261,608)	(69,051)	(258,607)
Exchange rate gain (loss) on cash and cash equivalents		41	(430)	-	-
Net decrease in cash and cash equivalents		(159,933)	98,212	(160,286)	95,987
Cash and cash equivalents at beginning of period		341,893	595,294	320,720	587,359
Cash and cash equivalents at end of period		181,960	693,506	160,434	683,346
Supplemental disclosure for cash flows information					
Non - cash transactions :					
Account payable for purchase asset		-	925	-	588
Recognition right-of-use asset with lease liabilities	9	3,501	5,689	7,263	5,689

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO INTERIM FINANCIAL INFORMATION (Unaudited but reviewed)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2024

1. BASIS OF PREPARATION

The interim consolidated and separated financial information has been prepared in accordance with Thai Accounting Standard (TAS) no. 34, Interim Financial Reporting and other financial reporting requirements issued under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2023.

An English version of these interim financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

2. ACCOUNTING POLICIES

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2023, except for the adoption of the new and amended financial reporting standards as described in Note 3.

3. NEW AND AMENDED FINANCIAL REPORTING STANDARDS AND CHANGES IN ACCOUNTING POLICIES

3.1 Amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2024 and the Group has not early adopted these standards.

- a) **Amendment to TAS 1 - Presentation of financial statements** revises the disclosure from 'significant accounting policies' to 'material accounting policies'. The amendment also provides guidelines on identifying when the accounting policy information is material. Consequently, immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO INTERIM FINANCIAL INFORMATION (Unaudited but reviewed)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2024

- b) **Amendment to TAS 8 - Accounting policies, changes in accounting estimates and errors** revises to the definition of 'accounting estimates' to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates. The distinction is important because changes in accounting estimates are applied prospectively to transactions, other events and conditions from the date of that change. Whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period as if the new accounting policy had always been applied.
- c) **Amendment to TAS 12 - Income taxes** requires companies to recognise deferred tax related to assets and liabilities arising from a single transaction that, on initial recognition, gives rise to equal amounts of taxable and deductible temporary differences. Example transactions are leases and decommissioning obligations.

The amendment should be applied to transactions on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that they can probably be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of this adjustment is recognized in retained earnings carried forward or in another component of equity, as appropriate.

Amended Thai Financial Reporting Standards effective for the accounting periods beginning on or after 1 January 2024 do not have material impact on the Group.

3.2 New Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

On 19 August 2022, Thai Financial Reporting Standard No.17 "Insurance Contracts" has been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after 1 January 2025 onwards.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO INTERIM FINANCIAL INFORMATION (Unaudited but reviewed)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2024

The Group did not early adopt this standard. The Group's management is currently assessing the impact of adoption of this standard.

4. ESTIMATES AND JUDGEMENT

When preparing the interim financial statements, management undertakes judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income, and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

The judgments, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty, are the same as those applied in the annual financial statements for the year ended 31 December 2023.

5. RELATED PARTY TRANSACTIONS

The Company has transactions with its related parties. These related parties are related through common shareholding and/or directorship or where, direct or indirect, control or significance influence exists. Thus, interim financial information reflect the effects of these transactions on the basis agreed upon between the Company and the related parties, where the basis might be different from the basis used for transactions with unrelated parties.

Related parties also include individuals 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.

Relationships with subsidiaries are described in notes 7. Other related parties that the Group had significant transactions with during the period were as follow:

Name of entities	Country of incorporation/ nationality	Nature of relationship
<i>Related parties</i>		
Nana Watsadu Furniture Co., Ltd.	Thailand	Co-shareholders
Panichsawad Co., Ltd.	Thailand	Co-related party
United Steel Pipe Co., Ltd.	Thailand	Co-shareholders
City Metal Co., Ltd.	Thailand	Co-shareholders
Kwangfha Lohakit	Thailand	Co-shareholders
<i>Key management</i>	Thailand	Directors and managements
<i>Related person</i>	Laos	Person who is a close member of the family of a director and management of a subsidiary

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO INTERIM FINANCIAL INFORMATION (Unaudited but reviewed)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2024

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Revenue from sales, purchase of goods, and transportation service	Agree-upon basis based on market price
Rental of assets and other service income and expenses	Mutually agreed
Interest income and expenses	As specified in agreement
Manufacturing cost	Cost plus margin
Management compensation	According to the shareholders' meeting

Significant balances with related parties as of 30 June 2024 and 31 December 2023 are as follows:

	(Unit : Thousand Baht)			
	Consolidated financial information		Separate financial information	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Trade and other accounts receivable				
Subsidiary companies	-	-	16,882	16,418
Related companies	34,165	2,796	34,165	2,796
Total	34,165	2,796	51,047	19,214
Deposits for purchase of goods				
Subsidiary companies	-	-	26,132	9,549
Short-term loans and Interest receivable				
Subsidiary companies	-	-	79,422	69,421
Long-term loans receivable				
Subsidiary company	-	-	9,400	9,400
Total loans and interest receivable	-	-	88,822	78,821

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO INTERIM FINANCIAL INFORMATION (Unaudited but reviewed)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2024

Significant movements in loans to subsidiary and accrued interest receivable for the six-month period ended 30 June 2024 are as follows:

	(Unit : Thousand Baht)			
	1 January	During the period		30 June
	2024	Increase	Decrease	2024
Subsidiary companies	78,821	18,048	(8,047)	88,822

Short-term loans to subsidiaries in Thailand have been granted without collateral and bear interest at MRR per annum and are repayable on demand.

Long-term loans to the subsidiary in Thailand have been granted without collateral and bear interest at 4% per annum. The interest is payable monthly while the principal amount is due at the end of year 2026.

	(Unit : Thousand Baht)			
	Consolidated financial information		Separate financial information	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Trade and other accounts payable				
Subsidiary companies	-	-	13,995	10,163
Related companies	15,761	13,215	15,761	13,215
Total	15,761	13,215	29,756	23,378
Long-term lease liabilities				
Subsidiary companies	-	-	58,723	69,285
Related company	1,737	2,291	1,737	2,291
Total	1,737	2,291	60,460	71,576
Employee benefits obligation				
Key management personnel				
- Post-employment benefits	16,267	15,896	13,365	13,080

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO INTERIM FINANCIAL INFORMATION (Unaudited but reviewed)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2024

Significant transactions with related parties for the three-month and six-month periods ended 30 June 2024 and 2023 are as follows:

Transaction with related parties	(Unit : Thousand Baht)			
	Consolidated financial information		Separate financial information	
	For the three-month period ended 30 June			
	2024	2023	2024	2023
Sales				
Related companies	162,437	67,866	162,437	67,866
Subsidiary companies	-	-	2,959	2,861
Total	<u>162,437</u>	<u>67,866</u>	<u>165,396</u>	<u>70,727</u>
Asset rental and other service income				
Subsidiary company	-	-	95	65
Interest income				
Subsidiary company	-	-	1,360	977
Purchase of goods and service				
Related parties	165,627	179,854	165,627	179,854
Subsidiary companies	-	-	30,724	-
Total	<u>165,627</u>	<u>179,854</u>	<u>196,351</u>	<u>179,854</u>
Manufacturing costs				
Subsidiary company	-	-	36,139	24,313
Transportation service				
Subsidiary company	-	-	17,760	16,898
Assets rental and other service expense				
Related company	300	300	300	300
Subsidiary companies	-	-	2,321	2,422
Total	<u>300</u>	<u>300</u>	<u>2,621</u>	<u>2,722</u>

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO INTERIM FINANCIAL INFORMATION (Unaudited but reviewed)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2024

Transaction with related parties	(Unit : Thousand Baht)			
	Consolidated financial information		Separate financial information	
	For the three-month period ended 30 June			
	2024	2023	2024	2023
Key management personnel compensation				
Short-term employee benefits	6,516	6,322	4,571	4,441
Post-employment benefits	186	322	143	268
Total	<u>6,702</u>	<u>6,644</u>	<u>4,714</u>	<u>4,709</u>
	(Unit : Thousand Baht)			
	Consolidated financial information		Separate financial information	
	For the six-month period ended 30 June			
Transaction with related parties	2024	2023	2024	2023
Sales				
Related companies	267,918	180,070	267,918	180,070
Subsidiary companies	-	-	6,328	17,479
Total	<u>267,918</u>	<u>180,070</u>	<u>274,246</u>	<u>197,549</u>
Asset rental and other service income				
Subsidiary company	-	-	189	620
Interest income				
Subsidiary company	-	-	2,710	1,929
Purchase of goods and service				
Related parties	349,502	424,732	349,502	424,732
Subsidiary companies	-	-	52,417	-
Total	<u>349,502</u>	<u>424,732</u>	<u>401,919</u>	<u>424,732</u>
Manufacturing costs				
Subsidiary company	-	-	72,766	52,390

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO INTERIM FINANCIAL INFORMATION (Unaudited but reviewed)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2024

Transaction with related parties	(Unit : Thousand Baht)			
	Consolidated financial information		Separate financial information	
	For the six-month period ended 30 June			
	2024	2023	2024	2023
Transportation service				
Subsidiary company	-	-	37,792	37,415
Assets rental and other service expense				
Related company	600	600	600	600
Subsidiary companies	-	-	4,751	4,867
Total	600	600	5,351	5,467
Key management personnel compensation				
Short-term employee benefits	12,895	12,531	9,057	8,792
Post-employment benefits	372	644	286	537
Total	13,267	13,175	9,343	9,329

As of 30 June 2024 and 31 December 2023, the Company's credit facilities granted by a financial institution totaling Baht 690 million has been jointly guaranteed by a subsidiary company by mortgaging land valuing Baht 6 million as a secondary guarantee.

6. TRADE AND OTHER ACCOUNTS RECEIVABLE – NET

	(Unit : Thousand Baht)			
	Consolidated financial information		Separate financial information	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Trade accounts receivable - general customers	476,016	335,987	468,774	331,202
Trade accounts receivable - subsidiary companies	-	-	16,882	16,418
Trade accounts receivable - related companies	34,165	2,796	34,165	2,796
Total	510,181	338,783	519,821	350,416
Other accounts receivable – general customers	-	8	-	-
Total trade and other accounts receivable	510,181	338,791	519,821	350,416

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO INTERIM FINANCIAL INFORMATION (Unaudited but reviewed)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2024

Aging analysis of the trade accounts receivable - general customers and related companies as of 30 June 2024 and 31 December 2023 are as follow:

	(Unit : Thousand Baht)			
	Consolidated financial information		Separate financial information	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
<u>Trade accounts receivable - general customers and related companies</u>				
Not yet due	414,532	285,730	411,138	283,589
Past due:				
Less than 3 months	89,919	50,957	87,645	50,002
More than 3 months – 6 months	4,680	2,099	4,680	14,679
More than 6 months – 12 months	3,737	917	17,291	3,634
Over 12 months	12,566	13,142	28,476	26,730
Total	525,434	352,845	549,230	378,634
<u>Less</u> Allowance for expected credit losses	(15,253)	(14,062)	(29,409)	(28,218)
Trade accounts receivable - general customers and related companies – net	510,181	338,783	519,821	350,416

The movements in allowance for expected credit losses during the period are as follows:

	(Unit : Thousand Baht)	
	Consolidated financial information	Separate financial information
Balance as of 1 January 2024	(14,062)	(28,218)
<u>Add</u> Allowance for expected credit losses	(2,554)	(2,554)
<u>Less</u> Reversal of allowance for expected credit losses	1,363	1,363
Balance as of 30 June 2024	(15,253)	(29,409)

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO INTERIM FINANCIAL INFORMATION (Unaudited but reviewed)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2024

7. INVESTMENTS IN SUBSIDIARIES

(Unit : Thousand Baht)

	Paid-up capital		Percentage of shareholding		Separate financial information			
					30 June 2024		31 December 2023	
					Investment		Investment	
	2024	2023	2024	2023	At cost	Dividend income	At cost	Dividend income
Neastern Steel Co., Ltd.	90,000	90,000	99.99	99.99	99,000	-	99,000	-
Mega Trans and Logis Co., Ltd.	30,000	30,000	99.99	99.99	30,000	-	30,000	-
Grand Steel Pipe Industry Co., Ltd.	121,970	121,970	97.11	97.11	87,770	-	87,770	-
Total					216,770	-	216,770	-

8. PROPERTY, PLANT AND EQUIPMENT – NET

During the six-month period ended 30 June 2024, the Company and subsidiaries have the following condensed movements in property, plant, and equipment:

(Unit : Thousand Baht)

	Consolidated financial information	Separate financial information
Net book value as of 1 January 2024	629,332	274,968
Addition during the period	55,732	922
Disposal during the period	(871)	(231)
Accumulated depreciation on – disposed items	834	194
Depreciation during the period	(26,142)	(8,816)
Net book value as of 30 June 2024	658,885	267,037

As at 30 June 2024 and 31 December 2023, the Company's and subsidiary's land and construction thereon, and machinery used for manufacturing products with net book values amounting to Baht 45.45 million and Baht 47.23 million, respectively, in the consolidated financial information, and Baht 37.42 million and Baht 38.87 million, respectively, in the separate financial information, are under mortgages as collaterals for bank overdrafts, loans and other credit facilities with financial institutions.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO INTERIM FINANCIAL INFORMATION (Unaudited but reviewed)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2024

9. RIGHTS-OF-USE ASSETS - NET

During the six-month period ended 30 June 2024, the movement in rights-of-use assets are as follows:

	(Unit : Thousand Baht)	
	Consolidated financial information	Separate financial information
Net book value as of 1 January 2024	11,793	71,402
Addition during the period	3,501	7,263
Decrease from remeasurement	-	(12,098)
Amortization during the period	(1,084)	(3,568)
Net book value as of 30 June 2024	<u>14,210</u>	<u>62,999</u>

10. INCOME TAX

For the six-month periods ended 30 June 2024, the interim income tax expense is accrued based on the best estimate using the weighted-average of annual tax rate which is 18.03% per annum for the Group and 19.96% per annum for the Company.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO INTERIM FINANCIAL INFORMATION (Unaudited but reviewed)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2024

11. DIVIDEND PAYMENT

At the Annual General Meeting for the year 2023 on 19 April 2023, the shareholders passed the resolution to propose to for approval to pay dividend from operating results of the year 2022, the Company's financial statements has retained earnings – unappropriated amount of Baht 1,150.31 million, which was considered to pay dividends at the rate of Baht 0.20 per share for 550 million common shares amounting to Baht 110 million. By the list of shareholders to receive the dividend appear on the shareholder register on 9 March 2023. The dividend was paid on 18 May 2023.

At the Board of Director Meeting No. 3/2023 on 8 August 2023, the directors passed a resolution to approve the payment of interim dividends from non-promoted income for the six-month period end 30 June 2023 of Baht 0.10 per share for 550 million common shares totaling Baht 55 million. The dividend was paid on 7 September 2023.

At the Annual General Meeting for the year 2024 held on 23 April 2024, shareholders passed a resolution to pay dividend from income from operations for the year 2023 from non-promoted business by cash dividend of Baht 0.12 per share for 550 million common shares totalling Baht 66 million. By the list of shareholders to receive the dividend appear on the shareholder register on 8 March 2024. The dividend was paid on 21 May 2024.

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO INTERIM FINANCIAL INFORMATION (Unaudited but reviewed)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2024

12. SEGMENT REPORTING

Segment reporting for the three-month and six-month periods ended 30 June 2024 and 2023 are as follows:

(Unit : Million Baht)

	Consolidated financial information							
	For the three-month period ended 30 June							
	Trading (Including raw material)		Manufacture and distribution of steel products		Eliminated		Total	
2024	2023	2024	2023	2024	2023	2024	2023	
Revenues from external customers	819.96	607.69	1,184.51	916.03	-	-	2,004.47	1,523.72
Revenues from inter-segments	0.13	0.05	63.97	25.21	(64.10)	(25.26)	-	-
Total revenues	820.09	607.74	1,248.48	941.24	(64.10)	(25.26)	2,004.47	1,523.72
Interest income	1.08	0.83	1.65	1.28	(1.36)	(0.98)	1.37	1.13
Interest expense	(0.94)	(0.76)	(1.43)	(1.18)	2.15	1.85	(0.22)	(0.09)
Depreciation and amortization expenses	-	-	(15.26)	(15.04)	1.47	1.34	(13.79)	(13.70)
Segment net profits (loss)	20.07	7.02	15.29	17.30	0.35	0.61	35.71	24.93
Segment assets	903.36	919.52	1,375.25	1,424.11	-	-	2,278.61	2,343.63
Increase (Decrease) in segment non-current assets	2.89	(1.12)	4.40	(1.73)	-	-	7.29	(2.85)
Segment liabilities	98.52	128.48	149.98	198.99	-	-	248.50	327.47
At point in time	820.09	607.74	1,248.48	941.24	(64.10)	(25.26)	2,004.47	1,523.72
Over time	-	-	-	-	-	-	-	-
Total	820.09	607.74	1,248.48	941.24	(64.10)	(25.26)	2,004.47	1,523.72

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO INTERIM FINANCIAL INFORMATION (Unaudited but reviewed)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2024

(Unit : Million Baht)

	Consolidated financial information							
	For the six-month period ended 30 June							
	Trading (Including raw material)		Manufacture and distribution of steel products		Eliminated		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Revenues from external customers	1,558.91	1,313.38	2,450.77	2,091.72	-	-	4,009.68	3,405.10
Revenues from inter-segments	1.26	12.33	125.68	53.34	(126.94)	(65.67)	-	-
Total revenues	1,560.17	1,325.71	2,576.45	2,145.06	(126.94)	(65.67)	4,009.68	3,405.10
Interest income	2.09	1.36	3.44	2.19	(2.71)	(1.93)	2.82	1.62
Interest expense	(1.73)	(1.46)	(2.85)	(2.35)	4.33	3.68	(0.25)	(0.13)
Depreciation and amortization expenses	-	-	(30.38)	(29.59)	2.82	2.68	(27.56)	(26.91)
Segment net profits (loss)	44.41	42.60	42.96	65.38	(2.71)	0.35	84.66	108.33
Segment assets	903.36	895.18	1,375.25	1,448.45	-	-	2,278.61	2,343.63
Increase (Decrease) in segment non-current assets	11.94	(1.76)	19.72	(2.84)	-	-	31.66	(4.60)
Segment liabilities	98.52	125.08	149.98	202.39	-	-	248.50	327.47
At point in time	1,560.17	1,325.71	2,576.45	2,145.06	(126.94)	(65.67)	4,009.68	3,405.10
Over time	-	-	-	-	-	-	-	-
Total	1,560.17	1,325.71	2,576.45	2,145.06	(126.94)	(65.67)	4,009.68	3,405.10

The Group discloses the revenue disaggregating by primary geographical area as follows:

(Unit : Million Baht)

	Consolidated financial information							
	For the three-month periods ended 30 June							
	Trading (Include raw materials)		Manufacture and distribution of steel products		Eliminated		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Local	819.98	606.06	1,173.32	903.65	(36.24)	(25.26)	1,957.06	1,484.45
Lao People's Democratic Republic	0.11	1.68	75.16	37.59	(27.86)	-	47.41	39.27
Total	820.09	607.74	1,248.48	941.24	(64.10)	(25.26)	2,004.47	1,523.72

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO INTERIM FINANCIAL INFORMATION (Unaudited but reviewed)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2024

(Unit : Million Baht)

	Consolidated financial information							
	For the six-month periods ended 30 June							
	Trading (Include raw materials)		Manufacture and distribution of steel products		Eliminated		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Local	1,559.98	1,322.53	2,431.58	2,077.78	(74.40)	(65.67)	3,917.16	3,334.64
Lao People's Democratic Republic	0.19	3.18	144.87	67.28	(52.54)	-	92.52	70.46
Total	<u>1,560.17</u>	<u>1,325.71</u>	<u>2,576.45</u>	<u>2,145.06</u>	<u>(126.94)</u>	<u>(65.67)</u>	<u>4,009.68</u>	<u>3,405.10</u>

13. COMMITMENTS AND CONTINGENT LIABILITIES

As of 30 June 2024, the Company has no changes in significant commitments and contingent liabilities that had changed from 31 December 2023, except the following:

13.1 The Company has purchase orders for raw materials and finished goods which products have not yet been received for Baht 762.77 million and Baht 154.81 million, respectively, in the consolidated and separate financial information.

13.2 The letter of guarantee and credit facilities of the Company and subsidiary are as follows:

(Unit : Million Baht)

	Currency	Consolidated financial information					
		30 June 2024			31 December 2023		
		Total	Utilised	Remained	Total	Utilised	Remained
Letters of guarantee	Baht	1.56	1.56	-	1.56	1.56	-
Bank overdrafts	Baht	15.00	-	15.00	15.00	-	15.00
Promissory note and trust receipt agreement	Baht	690.00	457.28	232.72	690.00	321.01	368.99

2S METAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO INTERIM FINANCIAL INFORMATION (Unaudited but reviewed)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2024

(Unit : Million Baht)

	Currency	Separate financial information					
		30 June 2024			31 December 2023		
		Total	Utilised	Remained	Total	Utilised	Remained
Bank overdrafts	Baht	10.00	-	10.00	10.00	-	10.00
Promissory note and trust receipt agreement	Baht	690.00	457.28	232.72	690.00	321.01	368.99

The above obligations are collateralized by same assets as for the credit facilities received from the financial institution as mentioned in Note 8.

14. EVENTS AFTER THE REPORTING PERIOD

At the Board of Director Meeting No. 4/2024 held on 14 August 2024, the directors passed a resolution to approve the payment of interim dividends from income for the six-month period end 30 June 2024 of Baht 0.07 per share for 550 million common shares totalling Baht 38.50 million. The dividend will be paid on 12 September 2024.

15. AUTHORISATION OF FINANCIAL INFORMATION

The interim consolidated and separate financial information were authorized for issue by the Board of Directors on 14 August 2024.