

THAI STEEL CABLE PUBLIC COMPANY LIMITED

INTERIM FINANCIAL INFORMATION (UNAUDITED)

30 JUNE 2024

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

To the Board of Directors of Thai Steel Cable Public Company Limited

I have reviewed the interim financial information of Thai Steel Cable Public Company Limited, which comprises the statement of financial position as at 30 June 2024, the related statements of comprehensive income for the three-month and nine-month period then ended, and the related statements of changes in equity and cash flows for the nine-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard (TAS) no. 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 we 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 (TAS) no. 34, Interim Financial Reporting.

PricewaterhouseCoopers ABAS Ltd.

Pongthavee Ratanakoses

Certified Public Accountant (Thailand) No. 7795

Bangkok, Thailand

6 August 2024

Thai Steel Cable Public Company Limited
Statement of Financial Position
As at 30 June 2024

		Unaudited	Audited
		30 June	30 September
		2024	2023
	Notes	Thousand Baht	Thousand Baht
Assets			
Current assets			
Cash and cash equivalents		269,557	234,174
Trade and other current receivables	6	439,164	536,785
Inventories, net	7	178,631	202,072
Short-term fixed deposit		137,125	185,345
Other current assets		1,606	9,876
Total current assets		1,026,083	1,168,252
Non-current assets			
Financial assets measured at fair value through other comprehensive income	8	29,682	29,682
Investment properties, net	9	181,500	182,329
Property, plant and equipment, net	10	847,244	883,840
Intangible assets, net		5,510	6,856
Deferred tax assets, net		9,449	9,523
Other non-current assets		2,495	8,705
Total non-current assets		1,075,880	1,120,935
Total assets		2,101,963	2,289,187

Director _____ Director _____

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

Thai Steel Cable Public Company Limited
Statement of Financial Position
As at 30 June 2024

		Unaudited	Audited
		30 June	30 September
		2024	2023
	Notes	Thousand Baht	Thousand Baht
Liabilities and equity			
Current liabilities			
Trade and other current payables	11	444,876	570,666
Current portion of lease liabilities, net		1,253	1,492
Income tax payable		165	3,815
Other current liabilities		10,817	9,257
Total current liabilities		457,111	585,230
Non-current liabilities			
Lease liabilities, net		1,827	1,687
Employee benefit obligations		58,238	56,841
Provision for product warranty and sales promotion	12	80,771	85,726
Other non-current liabilities		123	513
Total non-current liabilities		140,959	144,767
Total liabilities		598,070	729,997

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

Thai Steel Cable Public Company Limited
Statement of Financial Position
As at 30 June 2024

	Unaudited	Audited
	30 June	30 September
	2024	2023
	Thousand Baht	Thousand Baht
Liabilities and equity (Cont'd)		
Equity		
Share capital		
Authorised share capital		
268,500,000 ordinary shares of par Baht 1 each	268,500	268,500
Issued and paid-up share capital		
259,800,000 ordinary shares of paid-up Baht 1 each	259,800	259,800
Premium on paid-up capital	464,870	464,870
Retained earnings		
Appropriated - Legal reserve	26,850	26,850
Unappropriated	749,191	804,488
Other components of equity	3,182	3,182
Total equity	1,503,893	1,559,190
Total liabilities and equity	2,101,963	2,289,187

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

Thai Steel Cable Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the three-month period ended 30 June 2024

		2024	2023
	Note	Thousand Baht	Thousand Baht
Revenues from sales		625,491	656,716
Costs of sales		(489,618)	(533,045)
Gross profit		135,873	123,671
Other income		8,726	3,989
Selling and distribution expenses		(7,566)	(7,139)
Administrative expenses		(54,089)	(52,271)
Gain on exchange rate, net		1,947	2,146
Profit before finance costs and income tax expense		84,891	70,396
Finance costs		(40)	(46)
Profit before income tax expense		84,851	70,350
Income tax expense	13	(930)	(1,312)
Profit for the period		83,921	69,038
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax		-	369
Remeasurements of employee benefit obligations		-	(474)
Total items that will not be reclassified to profit or loss		-	(105)
Total comprehensive income for the period		83,921	68,933
Earnings per share - owners of the Company			
Basic earnings per share (Baht per share)		0.32	0.27

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

Thai Steel Cable Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the nine-month period ended 30 June 2024

		2024	2023
	Note	Thousand Baht	Thousand Baht
Revenues from sales		2,039,762	2,166,225
Costs of sales		<u>(1,611,504)</u>	<u>(1,784,539)</u>
Gross profit		428,258	381,686
Other income		27,205	9,173
Selling and distribution expenses		(25,479)	(27,149)
Administrative expenses		(173,203)	(149,690)
Gain on exchange rate, net		<u>4,398</u>	<u>5,014</u>
Profit before finance costs and income tax expense		261,179	219,034
Finance costs		<u>(122)</u>	<u>(664)</u>
Profit before income tax expense		261,057	218,370
Income tax expense	13	<u>(4,594)</u>	<u>(2,105)</u>
Profit for the period		<u><u>256,463</u></u>	<u><u>216,265</u></u>
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax		-	(3,820)
Remeasurements of employee benefit obligations		-	(474)
Total items that will not be reclassified to profit or loss		<u>-</u>	<u>(4,294)</u>
Total comprehensive income for the period		<u><u>256,463</u></u>	<u><u>211,971</u></u>
Earnings per share - owners of the Company			
Basic earnings per share (Baht per share)		<u>0.99</u>	<u>0.83</u>

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

Thai Steel Cable Public Company Limited
Statement of Changes in Equity (Unaudited)
For the nine-month period ended 30 June 2024

	Note	Issued and paid-up share capital Thousand Baht	Share premium Thousand Baht	Retained earnings		Other comprehensive income	Equity attributable to owners of the Company Thousand Baht
				Appropriated - Legal reserve Thousand Baht	Unappropriated Thousand Baht	Measurement of equity investments at fair value through other comprehensive income Thousand Baht	
Opening balance as at 1 October 2022		259,800	464,870	26,850	786,065	8,029	1,545,614
Change in equity for the year							
Profit for the period		-	-	-	216,265	-	216,265
Other comprehensive expenses for the period		-	-	-	(474)	(3,820)	(4,294)
Dividend payment		-	-	-	(259,796)	-	(259,796)
Closing balance as at 30 June 2023		<u>259,800</u>	<u>464,870</u>	<u>26,850</u>	<u>742,060</u>	<u>4,209</u>	<u>1,497,789</u>
Opening balance as at 1 October 2023		259,800	464,870	26,850	804,488	3,182	1,559,190
Change in equity for the year							
Profit for the period		-	-	-	256,463	-	256,463
Dividend payment	14	-	-	-	(311,760)	-	(311,760)
Closing balance as at 30 June 2024		<u>259,800</u>	<u>464,870</u>	<u>26,850</u>	<u>749,191</u>	<u>3,182</u>	<u>1,503,893</u>

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

Thai Steel Cable Public Company Limited
Statement of Cash Flows (Unaudited)
For the nine-month period ended 30 June 2024

	2024	2023
	Thousand Baht	Thousand Baht
Cash flows from operating activities		
Profit before income tax expense	261,057	218,370
Adjustments for:		
Depreciation and amortisation	86,566	82,530
Reversal reduction of inventory to net realisable value	(307)	(293)
(Gains) losses on disposal of assets	(3,146)	68
Increase in employee benefit obligations	5,646	5,746
Cash paid for employee benefit obligations	(4,249)	(491)
Unrealised foreign exchange (gains) losses	(165)	251
Interest income	(5,073)	(2,247)
Interest expenses	122	664
Profit from operating activities before changes in operating assets and liabilities	340,451	304,598
Changes in operating assets and liabilities:		
- Trade and other receivables	98,161	74,960
- Inventories	23,748	(13,382)
- Other current assets	8,270	(788)
- Other non-current assets	6,210	5,170
- Trade and other payables	(119,577)	(72,312)
- Other current liabilities	1,560	(1,528)
- Provision for product warranty and sales promotion	(4,955)	(296)
- Other non-current liabilities	(389)	(7)
Cash generated from operating activities	353,479	296,415
Interest paid	(122)	(667)
Income tax paid	(8,170)	(7,937)
Net cash generated from operating activities	345,187	287,811

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

Thai Steel Cable Public Company Limited
Statement of Cash Flows (Unaudited)
For the nine-month period ended 30 June 2024

	2024	2023
Note	Thousand Baht	Thousand Baht
Cash flows from investing activities		
	48,220	160,822
	(47,008)	(53,866)
	(5,824)	(40,390)
	(948)	(5,081)
	4,159	3,933
	4,589	2,524
Net cash generated from investing activities	3,188	67,942
Cash flows from financing activities		
	-	(100,000)
	(1,232)	(1,694)
14	(311,760)	(259,796)
Net cash used in financing activities	(312,992)	(361,490)
Net increase (decrease) in cash and cash equivalents	35,383	(5,737)
Cash and cash equivalents at the beginning of the period	234,174	197,930
Cash and cash equivalents at the end of the period	269,557	192,193
Non-cash transactions		
- Payable for purchase of assets	5,009	30,871
- Equipment increased from transfer of non-current assets	5,277	31,093
- Property, plant and equipment increased from lease liabilities	1,133	3,682

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

Thai Steel Cable Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For nine-month period ended 30 June 2024

1 General information

Thai Steel Cable Public Company Limited (the Company) is a public company limited incorporated in Thailand. The address of its registered office is located at 700/737, Moo 1, Panthong, Panthong, Chonburi, Thailand.

The principal business of the Company is to engage in the manufacture and distribution of control cable of automobiles and motorcycles and window regulator of automobiles.

This interim financial information was authorised for issue by the Board of Directors on 6 August 2024.

This interim financial information is presented in Thai Baht, unless otherwise stated.

2 Basis of preparation accounting policies

The interim 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 30 September 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.

The Company reclassified comparative figures to conform with the current period presentation as described below.

Statement of comprehensive income for the nine-month period ended 30 June 2024.

	Financial information		
	Previously reported Thousand Baht	Reclassified Thousand Baht	As reclassified Thousand Baht
Other income	9,472	(299)	9,173
Selling and distribution expenses	(27,448)	299	(27,149)

3 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 30 September 2023.

New and amended Thai Financial Reporting Standards effective for the accounting periods beginning on or after 1 January 2024 do not have material impact on the Company.

4 Segment and revenue information

The Company is principally engaged in the manufacture and distribution of control cable of automobiles and motorcycles and window regulator of automobiles. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

The timing of revenue recognition is at a point in time for all revenues.

Major customers

For the nine-month period ended 30 June 2024, the Company had revenues from 4 major customers with revenues of 10% or more, totalling of Baht 1,055 million, equivalent to 52% of the total revenue (For the nine-month period ended 30 June 2023, the Company had revenues from 4 major customers with revenues of 10% or more, totalling of Baht 1,156 million, equivalent to 53% of the total revenue).

5 Fair value

The following table presents financial assets and liabilities that are measured at fair value, excluding where its fair value is approximating the carrying amount.

	Level 3	
	30 June 2024 Thousand Baht	30 September 2023 Thousand Baht
Financial assets measured at fair value through other comprehensive income (FVOCI)		
Financial assets measured at fair value through other comprehensive income (Note 8)	29,682	29,682

The Company applied adjusted net book value to measure fair value level 3. There were no changes in valuation techniques and no transfers between fair value level during the period.

The Company's valuation processes

The Company's finance department includes a team that performs the valuations of financial assets required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO). Discussions of valuation processes are held between the Chief Financial Officer and the valuation team at least once every quarter, in line with the Company's quarterly reporting dates.

Thai Steel Cable Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For nine-month period ended 30 June 2024

The following table shows classification of the financial assets and liabilities by category.

	FVOCI	Amortised cost	Total
	Thousand Baht	Thousand Baht	Thousand Baht
As at 30 June 2024			
Financial assets			
Cash and cash equivalents	-	269,557	269,557
Trade and other current receivables	-	439,164	439,164
Short-term fixed deposit	-	137,125	137,125
Financial assets measured at fair value through other comprehensive income	29,682	-	29,682
	29,682	845,846	875,528
Financial liabilities			
Trade and other current payables	-	444,876	444,876
Lease liabilities	-	3,080	3,080
	-	447,956	447,956
As at 30 September 2023			
Financial assets			
Cash and cash equivalents	-	234,174	234,174
Trade and other current receivables	-	536,785	536,785
Short-term fixed deposit	-	185,345	185,345
Financial assets measured at fair value through other comprehensive income	29,682	-	29,682
	29,682	956,304	985,986
Financial liabilities			
Trade and other current payables	-	570,666	570,666
Lease liabilities	-	3,179	3,179
	-	573,845	573,845

Since the majority of the Company's financial instruments are short-term in nature, loans borrowings carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

Thai Steel Cable Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For nine-month period ended 30 June 2024

6 Trade and other current receivables

As at	30 June 2024	30 September 2023
	Thousand Baht	Thousand Baht
Trade receivables - related parties		
Not yet due	44,904	61,684
Within 3 months	14,093	2,954
3 - 6 months	-	35
	58,997	64,673
<u>Less</u> Allowance for doubtful accounts	-	-
Total trade receivables - related parties (Note 16 b)	58,997	64,673
Trade receivables - third parties		
Not yet due	374,428	466,451
Within 3 months	1,975	3,112
3 - 6 months	-	336
6 - 12 months	-	10
	376,403	469,909
<u>Less</u> Allowance for doubtful accounts	-	-
Total trade receivables - third parties	376,403	469,909
Other receivables - related parties (Note 16 b)	215	92
Other receivables - third parties	3,549	2,111
Total trade and other current receivables	439,164	536,785

7 Inventories, net

As at	30 June 2024	30 September 2023
	Thousand Baht	Thousand Baht
Finished goods	45,320	49,633
Work in process	32,245	35,057
Raw materials	81,466	87,093
Goods in transit	18,489	29,293
Spare parts and factory supplies	4,209	4,401
	181,729	205,477
<u>Less</u> Allowance for obsolescence	(3,098)	(3,405)
Total inventories, net	178,631	202,072

Thai Steel Cable Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For nine-month period ended 30 June 2024

8 Financial assets measured at fair value through other comprehensive income

Details of financial assets measured at fair value through other comprehensive income (FVOCI) are as follows:

Company's name	Country of incorporation	Shareholding percentage		Cost		Carrying amount at fair value	
		30 June 2024	30 September 2023	30 June 2024	30 September 2023	30 June 2024	30 September 2023
		%	%	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
HI-LEX Vietnam Co., Ltd.	Vietnam	6.28	6.28	25,704	25,704	29,682	29,682

The movements of financial assets measured at FVOCI during the period are as follows:

For the nine-month period ended 30 June 2024	Thousand Baht
Opening net book value	29,682
Remeasurement at FVOCI	-
Closing net book value	29,682

9 Investment properties

Movement of investment properties for the nine-month period ended 30 June 2024 are as follows:

	Thousand Baht
Opening net book value	182,329
Additions	5,799
Depreciation	(6,628)
Closing net book value	181,500

10 Property, plant and equipment, net

Movements of property, plant, equipment for the nine-month period ended 30 June 2024 are as follows:

	Right-of-use assets Thousand Baht	Property, plant and equipment Thousand Baht	Total Thousand Baht
Opening net book value	3,059	880,781	883,840
Additions	1,133	41,065	42,198
Disposal, net	-	(1,013)	(1,013)
Depreciation	(1,228)	(76,553)	(77,781)
Closing net book value	2,964	844,280	847,244

11 Trade and other current payables

As at	30 June 2024 Thousand Baht	30 September 2023 Thousand Baht
Trade payables - related parties (Note 16 b)	82,684	125,864
Trade payables - third parties	268,043	322,158
Other payables - related parties (Note 16 b)	1,486	576
Other payables - third parties	15,003	22,116
Accrued expenses - related parties (Note 16 b)	7,593	3,901
Accrued expenses - third parties	70,067	96,051
Total trade and other current payables	444,876	570,666

12 Provision for product warranty and sales promotion

Movement of provisions for nine-month period ended 30 June 2024 are as follows:

a) Provision for product warranty

	<u>Thousand Baht</u>
Opening balance	75,726
Provisions for product warranty paid	(66)
Closing balance	<u>75,660</u>

Provisions for product warranty is recognised at a percentage of sales which were estimated based on the historical of actual discount given to the customers.

b) Provision for sales promotion

	<u>Thousand Baht</u>
Opening balance	10,000
Reversal of provision for sales promotion	(1,467)
Provisions for sales promotion paid	(3,422)
Closing balance	<u>5,111</u>

Provisions for sales promotion is recognised at a percentage of sales which were estimated based on the historical of actual discount given to the customers.

13 Income tax expenses

The interim income tax is accrued based on management's estimate using the tax rate that would be applicable to the expected total annual earnings. For the nine-month period ended 30 June 2024. The weighted average applicable tax rate of the Company was 1.76% (For the nine-month period ended 30 June 2023: 0.97%).

14 Dividend payment

On 23 January 2024, the Annual General Meeting for 2024 of the Company approved the payment of the dividend to its shareholders from its net operating profit for the year 2023 at the rate of Baht 1.20 per share, totaling of Baht 311.76 million. The Company paid the interim dividend to its shareholders at the rate of Baht 0.40 per share, totaling of Baht 103.92 Baht. Therefore, the remaining dividend was at the rate of Baht 0.80 per share, totaling of Baht 207.84 million. The Company had paid such dividend on 21 February 2024.

On 7 May 2024, the Board of Directors' meeting of the Company approved the payment of an interim dividend from its net operating profit for the period from October 2023 to March 2024 at the rate of Baht 0.40 per share, totaling of Baht 103.92 million. The dividend was paid on 5 June 2024.

15 Commitments and contingent liabilities

a) Capital commitments

As at 30 June 2024 and 30 September 2023, capital expenditure contracted but not recognised as liabilities is as follows:

	30 June 2024	30 September 2023
	Thousand Baht	Thousand Baht
Investment properties and property, plant and equipment	24,918	33,108

b) Short-term Lease and service commitments

The Company had future minimum payments under short-term leases, lease of low-value assets and service agreements as follows:

	30 June 2024	30 September 2023
	Thousand Baht	Thousand Baht
Within a year	9,821	18,940
1 - 5 years	4,273	5,507
Total	14,094	24,447

16 Related parties transactions

a) Transactions with related parties

Transactions with related parties for the nine-month ended 30 June are as follows:

	2024	2023	
	Thousand Baht	Thousand Baht	Pricing policies
Sales of goods and services			
Other related parties - common directors	60,926	51,338	Cost plus margin
Purchases of goods and services			
Other related parties - common directors	111,077	139,676	Cost plus margin
Other transactions - purchase of assets			
Other related parties - common directors	1,484	169	Mutually agreed

b) Outstanding balances arising from sales and purchases of goods and services

The outstanding balances at the end of the reporting period in relation to transactions with related parties are as follows:

	30 June 2024	30 September 2023
	Thousand Baht	Thousand Baht
Receivables		
Trade receivables - other related parties - common directors	58,997	64,673
Other receivables - other related parties - common directors	215	92
Payables		
Trade payables - other related parties - common directors	82,684	125,864
Other payables - other related parties - common directors	1,486	576
Accrued license fee - other related parties - common directors	7,593	3,901

c) Key management compensation

Key management includes directors (executive and non-executive), members of the executive committee. The compensation paid or payable to key management are as follows:

	2024	2023
	Thousand Baht	Thousand Baht
For the nine-month period ended 30 June		
Salaries and other short-term employee benefits	11,141	10,975
Post-employment benefits	461	461
Total	11,602	11,436