

Lohakit Metal Public Company Limited
and its subsidiaries
Report and interim financial information
For the three-month and six-month periods ended
30 September 2021

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Lohakit Metal Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Lohakit Metal Public Company Limited and its subsidiaries (The Group) as at 30 September 2021, and the related consolidated statements of income and 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 Lohakit Metal Public Company Limited for the same period (collectively "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.


Gingkarn Atsawarangsalit

Certified Public Accountant (Thailand) No. 4496

EY Office Limited

Bangkok: 11 November 2021

Lohakit Metal Public Company Limited and its subsidiaries

Statement of financial position

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 September 2021	31 March 2021	30 September 2021	31 March 2021
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	3	343,080	317,825	202,639	160,233
Trade and other receivables	4	552,191	556,308	244,986	243,730
Inventories	5	581,541	506,045	329,936	266,016
Other current financial assets	6	73,673	73,875	-	-
Other current assets		5,970	4,185	4,357	3,186
Total current assets		1,556,455	1,458,238	781,918	673,165
Non-current assets					
Restricted bank deposits	7	46,180	46,180	6,080	6,080
Other non-current financial assets	8	3,175	3,303	-	-
Investment in associate	9	13,801	12,968	4,900	4,900
Investments in subsidiaries	10	-	-	405,815	405,955
Property, plant and equipment	11	537,302	551,655	283,096	290,409
Intangible assets		3,056	3,252	1,629	1,727
Deferred tax assets	15	13,716	14,295	7,472	7,472
Other non-current assets		3,269	3,317	2,526	2,526
Total non-current assets		620,499	634,970	711,518	719,069
Total assets		2,176,954	2,093,208	1,493,436	1,392,234

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

Lohakit Metal Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 September 2021	31 March 2021	30 September 2021	31 March 2021
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	12	25,489	42,513	2,730	6,454
Trade and other payables	13	426,527	349,356	229,373	159,840
Current portion of lease liabilities		3,034	3,261	3,034	3,261
Income tax payable		27,622	16,232	11,205	-
Other current liabilities		4,104	10,016	1,948	4,992
Total current liabilities		486,776	421,378	248,290	174,547
Non-current liabilities					
Lease liabilities, net of current portion		-	1,390	-	1,390
Provision for long-term employee benefits		40,150	38,336	17,905	16,981
Deferred tax liabilities	15	14	14	-	-
Other non-current liabilities		1	1	-	-
Total non-current liabilities		40,165	39,741	17,905	18,371
Total liabilities		526,941	461,119	266,195	192,918

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

Lohakit Metal Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2021	31 March 2021	30 September 2021	31 March 2021
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
383,000,000 ordinary shares of Baht 1 each	383,000	383,000	383,000	383,000
Issued and fully paid-up				
383,000,000 ordinary shares of Baht 1 each	383,000	383,000	383,000	383,000
Share premium	519,673	519,673	519,673	519,673
Retained earnings				
Appropriated - statutory reserve	77,400	76,400	38,300	38,300
Unappropriated	479,327	455,347	286,268	258,343
Other components of shareholders' equity	-	-	-	-
Equity attributable to owners of the Company	1,459,400	1,434,420	1,227,241	1,199,316
Non-controlling interests of the subsidiary	190,613	197,669	-	-
Total shareholders' equity	1,650,013	1,632,089	1,227,241	1,199,316
Total liabilities and shareholders' equity	2,176,954	2,093,208	1,493,436	1,392,234

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

Directors

(Unaudited but reviewed)

Lohakit Metal Public Company Limited and its subsidiaries

Statement of income

For the three-month period ended 30 September 2021

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Revenues					
Sales and service income		637,439	518,911	264,258	251,369
Dividend income		43	43	-	-
Other income		10,381	3,235	8,774	6,122
Total revenues		647,863	522,189	273,032	257,491
Expenses					
Cost of sales and services		534,920	454,429	218,442	231,689
Selling and distribution expenses		12,789	12,869	7,398	8,236
Administrative expenses		27,669	28,153	13,699	15,325
Total expenses		575,378	495,451	239,539	255,250
Profit before operating activities		72,485	26,738	33,493	2,241
Share of profit from investment in associate	9.2	412	300	-	-
Finance cost		(350)	(424)	(97)	(147)
Profit before income tax expenses		72,547	26,614	33,396	2,094
Income tax expenses	15	(16,243)	(5,312)	(8,488)	(437)
Profit for the period		56,304	21,302	24,908	1,657
Profit attributable to:					
Equity holders of the Company		46,795	15,028	24,908	1,657
Non-controlling interests of the subsidiary		9,509	6,274		
		<u>56,304</u>	<u>21,302</u>		
Earnings per share					
16					
Basic earnings per share					
Profit attributable to equity holders of the Company (Baht)		<u>0.12</u>	<u>0.04</u>	<u>0.065</u>	<u>0.004</u>
Weighted average number of ordinary shares (shares)		383,000,000	383,000,000	383,000,000	383,000,000

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

(Unaudited but reviewed)

Lohakit Metal Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 September 2021

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Profit for the period	56,304	21,302	24,908	1,657
Other comprehensive income:				
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	56,304	21,302	24,908	1,657
Total comprehensive income attributable to:				
Equity holders of the Company	46,795	15,028	24,908	1,657
Non-controlling interests of the subsidiary	9,509	6,274		
Total comprehensive income for the period	56,304	21,302		

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

(Unaudited but reviewed)

Lohakit Metal Public Company Limited and its subsidiaries

Statement of income

For the six-month period ended 30 September 2021

(Unit: Thousand Baht)					
		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Revenues					
Sales and service income		1,295,452	930,491	534,406	465,203
Dividend income	10.2	86	86	52,036	74,162
Other income		13,344	8,051	13,022	12,921
Total revenues		1,308,882	938,628	599,464	552,286
Expenses					
Cost of sales and services		1,085,372	837,563	447,200	434,023
Selling and distribution expenses		25,758	23,831	14,743	15,687
Administrative expenses		54,313	55,153	26,808	30,439
Total expenses		1,165,443	916,547	488,751	480,149
Profit before operating activities		143,439	22,081	110,713	72,137
Share of profit from investment in associate	9.2	833	390	-	-
Finance cost		(1,047)	(1,085)	(412)	(429)
Profit before income tax income (expenses)		143,225	21,386	110,301	71,708
Income tax income (expenses)	15	(30,441)	(4,484)	(13,436)	555
Profit for the period		112,784	16,902	96,865	72,263
Profit attributable to:					
Equity holders of the Company		93,920	12,397	96,865	72,263
Non-controlling interests of the subsidiary		18,864	4,505		
		<u>112,784</u>	<u>16,902</u>		
Earnings per share					
16					
Basic earnings per share					
Profit attributable to equity holders of the Company (Baht)		0.25	0.03	0.25	0.19
Weighted average number of ordinary shares (shares)					
		383,000,000	383,000,000	383,000,000	383,000,000

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

(Unaudited but reviewed)

Lohakit Metal Public Company Limited and its subsidiaries

Statement of comprehensive income

For the six-month period ended 30 September 2021

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Profit for the period	112,784	16,902	96,865	72,263
Other comprehensive income:				
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	112,784	16,902	96,865	72,263
Total comprehensive income attributable to:				
Equity holders of the Company	93,920	12,397	96,865	72,263
Non-controlling interests of the subsidiary	18,864	4,505		
Total comprehensive income for the period	112,784	16,902		

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

(Unaudited but reviewed)

Lohakit Metal Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the six-month period ended 30 September 2021

(Unit: Thousand Baht)

Consolidated financial statements									
	Note	Equity attributable to owners of the Company				Total equity attributable to owners of the Company	Equity attributable		
		Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Retained earnings		to non-controlling interests of the subsidiary	shareholders' equity	Total
Balance as at 1 April 2020		383,000	519,673	75,250	437,757	1,415,680	218,201	1,633,881	
Profit for the period		-	-	-	12,397	12,397	4,505	16,902	
Other comprehensive income for the period		-	-	-	-	-	-	-	
Total comprehensive income for the period		-	-	-	12,397	12,397	4,505	16,902	
Dividends paid	18	-	-	-	(38,300)	(38,300)	-	(38,300)	
Transferred to appropriated retained earnings		-	-	-	-	-	-	-	
statutory reserve	14	-	-	350	(350)	-	-	-	
Dividends paid of subsidiary		-	-	-	-	-	(48,000)	(48,000)	
Balance as at 30 September 2020		383,000	519,673	75,600	411,504	1,389,777	174,706	1,564,483	
Balance as at 1 April 2021		383,000	519,673	76,400	455,347	1,434,420	197,669	1,632,089	
Profit for the period		-	-	-	93,920	93,920	18,864	112,784	
Other comprehensive income for the period		-	-	-	-	-	-	-	
Total comprehensive income for the period		-	-	-	93,920	93,920	18,864	112,784	
Dividends paid	18	-	-	-	(68,940)	(68,940)	-	(68,940)	
Transferred to appropriated retained earnings		-	-	-	-	-	-	-	
statutory reserve	14	-	-	1,000	(1,000)	-	-	-	
Dividends paid of subsidiary		-	-	-	-	-	(25,920)	(25,920)	
Balance as at 30 September 2021		383,000	519,673	77,400	479,327	1,459,400	190,613	1,650,013	

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

(Unaudited but reviewed)

Lohakit Metal Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (continued)
For the six-month period ended 30 September 2021

(Unit: Thousand Baht)

Separate financial statements						
	Note	Issued and fully paid-up share capital	Share premium	Retained earnings		Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated	
Balance as at 1 April 2020		383,000	519,673	38,300	223,592	1,164,565
Profit for the period		-	-	-	72,263	72,263
Other comprehensive income for the period		-	-	-	-	-
Total comprehensive income for the period		-	-	-	72,263	72,263
Dividend paid	18	-	-	-	(38,300)	(38,300)
Balance as at 30 September 2020		383,000	519,673	38,300	257,555	1,198,528
Balance as at 1 April 2021		383,000	519,673	38,300	258,343	1,199,316
Profit for the period		-	-	-	96,865	96,865
Other comprehensive income for the period		-	-	-	-	-
Total comprehensive income for the period		-	-	-	96,865	96,865
Dividend paid	18	-	-	-	(68,940)	(68,940)
Balance as at 30 September 2021		383,000	519,673	38,300	286,268	1,227,241

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

(Unaudited but reviewed)

Lohakit Metal Public Company Limited and its subsidiaries

Cash flow statement

For the six-month period ended 30 September 2021

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit before tax	143,225	21,386	110,301	71,708
Adjustments to reconcile profit before tax to net cash provided by (used in) operating activities:				
Depreciation	23,514	27,358	13,250	16,347
Amortisation	210	164	112	105
Allowance for expected credit loss (reversal)	(18)	(330)	13	(225)
Reversal of reduction of inventories to net realisable value	(5,047)	(5,732)	(1,080)	(7,139)
Allowance for impairment of investment in subsidiary	-	-	140	467
Gain on sales of investments	(46)	(108)	-	-
Unrealised gain from fair value measurement of the other current financial assets	(5)	(66)	-	-
Unrealised loss (gain) from fair value measurement of other non-current financial assets	128	(205)	-	-
Gain on sales of fixed assets	(1,030)	(1,009)	(374)	(28)
Provision for long-term employee benefits	1,814	2,020	924	1,174
Unrealised loss (gain) on foreign exchange	228	(112)	201	(110)
Share of profit from investment in associate	(833)	(390)	-	-
Dividend income	(86)	(86)	(52,036)	(74,162)
Interest income	(66)	(128)	(2)	(6)
Interest expenses	534	581	72	211
Income from operating activities before changes in operating assets and liabilities	162,522	43,343	71,521	8,342
Decrease (increase) in operating assets				
Trade and other receivables	4,131	82,517	(1,269)	51,571
Inventories	(70,449)	101,249	(62,840)	72,042
Other current assets	(2,328)	666	(1,714)	(422)
Other non-current assets	48	(473)	-	(132)
Increase (decrease) in operating liabilities				
Trade and other payables	76,832	(67,174)	69,221	(32,257)
Other current liabilities	(5,912)	(4,128)	(3,044)	(1,481)
Cash flows from operating activities	164,844	156,000	71,875	97,663
Interest paid	(471)	(638)	(9)	(269)
Corporate income tax paid	(17,929)	(6,851)	(1,688)	(193)
Net cash from operating activities	146,444	148,511	70,178	97,201

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

Lohakit Metal Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the six-month period ended 30 September 2021

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from investing activities				
Cash paid for acquisition of fixed assets	(10,234)	(5,527)	(5,937)	(1,596)
Cash paid for acquisition of intangible assets	(14)	-	(14)	-
Cash paid for acquisition of investment in open-end fund	(40,000)	(27,000)	-	-
Cash received from sales of investment in open-end fund	40,253	50,500	-	-
Cash received from dividends	86	86	52,036	74,162
Cash received from sales of fixed assets	2,103	1,009	374	28
Cash received from interest income	70	164	2	6
Net cash from (used in) investing activities	(7,736)	19,232	46,461	72,600
Cash flows from financing activities				
Decrease in short-term loans from banks	(17,024)	(28,984)	(3,724)	(29,141)
Cash received from long-term loan from bank	-	8,000	-	-
Cash paid for lease liabilities	(1,682)	(1,566)	(1,682)	(1,566)
Dividend paid	(94,860)	(86,300)	(68,940)	(38,300)
Net cash used in financing activities	(113,566)	(108,850)	(74,346)	(69,007)
Effect of exchange rate to cash and cash equivalents	113	(56)	113	(56)
Net increase in cash and cash equivalents	25,255	58,837	42,406	100,738
Cash and cash equivalents at beginning of period	317,825	211,323	160,233	69,422
Cash and cash equivalents at end of period (Note 3)	343,080	270,160	202,639	170,160

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

Lohakit Metal Public Company Limited and its subsidiaries

Notes to interim consolidated financial statements

For the three-month and six-month period ended 30 September 2021

1. General information

1.1 General information of the Company

Lohakit Metal Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the processing, distribution and shearing of stainless steel, steel and metal products. The subsidiaries are principally engaged in the production and distributing stainless steel pipe for automotive industry, the importer and distributor of stainless steel, aluminium, brass, copper, zinc and galvanized steel products. The registered office of the Company is at 66/1 Moo 6 Suksawad Road, Bangjak, Prapradaeng, Samutprakarn.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

1.3 Basis for the preparation of the interim financial information

This interim financial information is prepared in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting", with the Company choosing to present condensed interim financial information. However, the Company has presented the statements of financial position, income statement, comprehensive income, changes in shareholders' equity and cash flows in the same format as that used for the annual financial statements.

This interim financial information is 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. This interim financial information should therefore be read in conjunction with the latest annual financial statements.

The interim financial information in Thai language is the official statutory financial information of the Company. The interim financial information in English language has been translated from Thai language interim financial information.

1.4 Basis of consolidation

This interim financial information includes the financial statements of Lohakit Metal Public Company Limited and its subsidiaries ("the Group") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 March 2021. During the current period, there was no change in the structure of the Group.

1.5 New financial reporting standards

a) New financial standards that became effective in the current period

During the period, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

1.6 Significant accounting policies

The interim financial information is prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 March 2021.

2. Related party transactions

During the period, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Thousand Baht)

	For the three-month periods ended 30 September				
	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2021	2020	2021	2020	
<u>Transactions with subsidiaries</u>					
(Eliminate from the consolidated financial statements)					
Sales of goods and service income	-	-	7,364	6,048	Sale of goods: Market price and cost plus a margin at rate of 5% Service income: Closed to the market price
Rental income	-	-	600	600	Contract price close to the market price
Other service income	-	-	3,405	3,651	Accordance with the negotiation price
<u>Transactions with related companies</u>					
Commission fee	1,328	1,064	-	-	Not over 2% of sales

For the six-month periods ended 30 September					(Unit: Thousand Baht)
Consolidated financial statements		Separate financial statements		Transfer Pricing Policy	
2021	2020	2021	2020		
<u>Transactions with subsidiaries</u>					
(Eliminate from the consolidated financial statements)					
Sales of goods and service income	-	-	13,298	12,129	Sale of goods: Market price and cost plus a margin at rate of 5% Service income: Closed to the market price
Rental income	-	-	1,200	1,200	Contract price close to the market price
Other service income	-	-	6,810	7,452	Accordance with the negotiation price

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the six-month periods ended 30 September				
	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2021	2020	2021	2020	
Dividend income	-	-	52,036	74,162	As approved by shareholders' meeting
<u>Transactions with related companies</u>					
Commission fee	2,709	1,564	-	-	Not over 2% of sales

As at 30 September 2021 and 31 March 2021, the balances of the accounts between the Company and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	March	September	March
	2021	2021	2021	2021
<u>Trade receivable - related parties (Note 4)</u>				
Subsidiaries	-	-	5,905	3,368
<u>Other payables - related party (Note 13)</u>				
Associated company	1,276	1,504	-	-

Directors and management's benefits

During the three-month and six-month periods ended 30 September 2021 and 2020, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Short-term employee benefits	10,449	12,958	4,857	7,514
Post-employment benefits	294	834	117	558
Total	10,743	13,792	4,974	8,072

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the six-month periods ended 30 September

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Short-term employee benefits	20,532	25,352	9,420	14,573
Post-employment benefits	588	1,745	178	1,192
Total	21,120	27,097	9,598	15,765

3. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 March	30 September	31 March
	2021	2021	2021	2021
Cash	140	140	70	70
Bank deposits	342,940	317,685	202,569	160,163
Total	343,080	317,825	202,639	160,233

4. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	March	September	March
	2021	2021	2021	2021
<u>Trade receivables - related parties</u> (Note 2)				
Aged on the basis of due dates				
Not yet due	-	-	5,736	3,343
Past due				
Not over 3 months	-	-	169	25
Total trade receivables - related parties	-	-	5,905	3,368

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30	31	30	31
	September	March	September	March
	2021	2021	2021	2021
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	413,339	430,068	182,016	196,166
Past due				
Not over 3 months	137,801	127,043	56,525	44,549
Over 3 months but less than 12 months	804	-	440	-
Over 12 months	5,722	5,722	3,412	3,412
Total	557,666	562,833	242,393	244,127
Less: Allowance for expected credit losses	(6,760)	(6,778)	(3,864)	(3,851)
Total trade receivables - unrelated parties - net	550,906	556,055	238,529	240,276
Total trade receivables - net	550,906	556,055	244,434	243,644
<u>Other receivables</u>				
Other receivables	1,278	242	552	86
Interest receivables	7	11	-	-
Total other receivables	1,285	253	552	86
Total trade and other receivables - net	552,191	556,308	244,986	243,730

5. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30	31	30	31
	September	March	September	March
	2021	2021	2021	2021
Inventories	607,336	536,887	346,942	284,102
Less: Reduce cost to net realisable value	(25,795)	(30,842)	(17,006)	(18,086)
Inventories - net	581,541	506,045	329,936	266,016

During the current period, the Group recorded reversal the reduction of cost of inventories by Baht 5 million (Separate financial statements: recorded reversal the reduction of Baht 1 million). This was presented as cost of sales.

6. Other current financial assets

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	30 September	31 March
	2021	2021
<u>Investment in debt instruments designated at fair value through profit or loss</u>		
Investment units in open-end fund	73,673	73,821
Forward contract	-	54
Total other current financial assets	<u>73,673</u>	<u>73,875</u>

Its subsidiaries have investments in open-end fund. The funds focuses on investing in bonds issued by the government or corporate, money market instrument and deposit.

7. Restricted bank deposits

As at 30 September 2021, the Group have deposits with banks of Baht 46 million (31 March 2021: Baht 46 million) which are pledged with the banks to secure credit facilities as described in Note 19.4 to the interim consolidated financial statements.

8. Other non-current financial assets

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	30 September	31 March
	2021	2021
<u>Other non-current financial assets designated at fair value through profit or loss</u>		
Industrial freehold and leasehold real estate investment trust	<u>3,175</u>	<u>3,303</u>

9. Investment in associated company

9.1 Details of associate

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Separate financial statements		Consolidated financial statements	
					Cost method		Carrying amount based on equity method	
			30	31	30	31	30	31
			September 2021	March 2021	September 2021	March 2021	September 2021	March 2021
			(%)	(%)				
Mory Lohakit (Thailand) Co., Ltd.	Agent	Thailand	49	49	4,900	4,900	13,801	12,968

9.2 Share of profit and dividend received

(Unit: Thousand Baht)

Company's name	For the three-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	Share of profit from investment in associate		Dividend received	
	2021	2020	2021	2020
Mory Lohakit (Thailand) Co., Ltd.	412	300	-	-

(Unit: Thousand Baht)

Company's name	For the six-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	Share of profit from investment in associate		Dividend received	
	2021	2020	2021	2020
Mory Lohakit (Thailand) Co., Ltd.	833	390	-	-

10. Investments in subsidiaries

10.1 Details of subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	(Unit: Thousand Baht)									
	Paid-up capital		Shareholding percentage		Cost method		Allowance for impairment of investment		Carrying amount based on cost method	
	30	31	30	31	30	31	30	31	30	31
	September	March	September	March	September	March	September	March	September	March
	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021
	(Million Baht)	(Million Baht)	(%)	(%)						
Auto Metal Company Limited	240	240	60	60	144,000	144,000	-	-	144,000	144,000
Alternative EnMat Company Limited	6	6	100	100	5,499	5,499	(1,922)	(1,782)	3,577	3,717
NSC Metal Company Limited	230	230	100	100	258,238	258,238	-	-	258,238	258,238
Total					407,737	407,737	(1,922)	(1,782)	405,815	405,955

10.2 Dividend income

Company's name	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September		For the six-month periods ended 30 September	
	2021	2020	2021	2020
Auto Metal Company Limited	-	-	38,880	72,000
NSC Metal Company Limited	-	-	13,156	2,162
Total	-	-	52,036	74,162

Auto Metal Company Limited

On 18 June 2021, the Annual General Meeting of the shareholders of Auto Metal Company Limited passed a resolution to approve the payment of a dividend of Baht 31.50 per share from the operating profit for the year ended 31 March 2021, the subsidiary had paid out the interim dividend of Baht 4.50 per share. The remaining dividend was Baht 27.00 per share and was paid on 25 June 2021.

NSC Metal Company Limited

On 18 June 2021, the Annual General Meeting of the shareholders of NSC Metal Company Limited passed a resolution to approve the payment of a dividend of Baht 8.40 per share from the operating profit for the year ended 31 March 2021, the subsidiary had paid out the interim dividend of Baht 2.68 per share. The remaining dividend was Baht 5.72 per share and was paid on 25 June 2021.

11. Property, plant and equipment

Movements of the property, plant and equipment account during the six-month period ended 30 September 2021 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 April 2021	551,655	290,409
Acquisitions during period - at cost	10,234	5,937
Disposal during period - net book value	(1,073)	-
Depreciation for the period	(23,514)	(13,250)
Net book value as at 30 September 2021	537,302	283,096

The Company and a subsidiary have mortgaged a part of their land with structures thereon and pledged a part of machinery with banks, and another subsidiary has mortgaged unit of condominium with bank, to secure loans and other credit facilities granted to the Group by the banks as described in Note 19.4 to the interim consolidated financial statements.

The book value of machinery of the Company and a subsidiary pledged with banks are summarised below:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	30 September 2021	31 March 2021	30 September 2021	31 March 2021
Cost	253	253	153	153
Net book value	-	-	-	-

12. Short-term loans from banks

	Interest rate		Consolidated		Separate	
	(percent per annum)		financial statements		financial statements	
	30	31	30	31	30	31
	September	March	September	March	September	March
	2021	2021	2021	2021	2021	2021
Trust receipts	2.80 - 3.10	2.80 - 3.10	25,489	42,513	2,730	6,454

Bank overdrafts, short-term loans and trust receipts facilities are secured by the Group's land with structures thereon, unit of condominium, machinery and fixed deposit accounts and guarantees provided by the Company as described in Note 19.4 to the interim consolidated financial statements.

13. Trade and other payables

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 March	30 September	31 March
	2021	2021	2021	2021
Trade payable - unrelated parties	392,932	325,199	213,856	147,480
Other payables - unrelated parties	20,702	21,297	9,971	11,659
Other payables - related party (Note 2)	1,276	1,504	-	-
Accrued commission expenses - unrelated parties	8	6	8	6
Accrued expenses	11,609	1,350	5,538	695
Total	426,527	349,356	229,373	159,840

14. Statutory reserve of its subsidiaries

According to Section 1202 of the Civil and Commercial Code, the subsidiaries are required to set aside to a statutory reserve at least 5 percent of its net income each time the subsidiaries pay a dividend, until such reserve reaches 10 percent of its registered share capital. The statutory reserve can neither be used to offset with deficit nor be used for dividend payment.

15. Income tax

Income tax expenses (income) for the three-month and six-month periods ended 30 September 2021 and 2020 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Current income tax:				
Interim corporate income tax charge	15,734	4,145	8,108	-
Deferred tax:				
Relating to origination and reversal of temporary differences	509	1,167	380	437
Income tax expenses reported in profit or loss	16,243	5,312	8,488	437

(Unit: Thousand Baht)

	For the six-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Current income tax:				
Interim corporate income tax charge	29,862	5,028	13,436	-
Deferred tax:				
Relating to origination and reversal of temporary differences	579	(544)	-	(555)
Income tax expenses (income) reported in profit or loss	30,441	4,484	13,436	(555)

As at 30 September 2021 and 31 March 2021, the components of deferred tax assets are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	March	September	March
	2021	2021	2021	2021
Deferred tax assets				
Allowance for impairment of investment in subsidiary	-	-	385	356
Allowance for expected credit losses	670	673	90	88
Allowance for diminution in value of inventories	5,159	6,169	3,401	3,617
Provision for long-term employee benefits	8,031	7,667	3,581	3,396
Lease liabilities	15	15	15	15
Total	13,875	14,524	7,472	7,472
Deferred tax liabilities				
Unrealised gain from fair value measurement of other current financial assets	(26)	(60)	-	-
Unrealised gain from fair value measurement of other non-current financial assets	(147)	(172)	-	-
Unrealised gain from fair value measurement of forward contract	-	(11)	-	-
Total	(173)	(243)	-	-
Deferred tax assets – net	13,716	14,295	7,472	7,472
Deferred tax liabilities	14	14	-	-

16. Earnings per share

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

17. Segment information

The Group is organised into business units based on its products and services. During the current period, the Group have not changed the organisation of their reportable segments.

The following tables present revenue and profit information regarding the Group's operating segments for the three-month and six-month periods ended 30 September 2021 and 2020, respectively.

(Unit: Million Baht)

	For the three-month period ended 30 September 2021				
	Production and distribution	Procurement and distribution	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue					
Revenue from external customers	434	203	637	-	637
Inter-segment revenue	7	-	7	(7)	-
Total revenues	441	203	644	(7)	637
Operating results					
Segment profit	84	18	102	-	102
Other income					10
Selling and distribution expenses					(13)
Administrative expenses					(27)
Profit before income tax expenses					72
Income tax expenses					(16)
Profit for the period					56

(Unit: Million Baht)

	For the three-month period ended 30 September 2020				
	Production and distribution	Procurement and distribution	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue					
Revenue from external customers	387	132	519	-	519
Inter-segment revenue	6	-	6	(6)	-
Total revenues	393	132	525	(6)	519
Operating results					
Segment profit	50	14	64	-	64
Other income					3
Selling and distribution expenses					(13)
Administrative expenses					(28)
Profit before income tax expenses					26
Income tax expenses					(5)
Profit for the period					21

(Unaudited but reviewed)

(Unit: Million Baht)

For the six-month period ended 30 September 2021

	Production and distribution	Procurement and distribution	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue					
Revenue from external customers	882	413	1,295	-	1,295
Inter-segment revenue	13	-	13	(13)	-
Total revenues	895	413	1,308	(13)	1,295
Operating results					
Segment profit	167	43	210	-	210
Other income					13
Selling and distribution expenses					(26)
Administrative expenses					(54)
Share of profit from investment in associate accounted for by the equity method					1
Finance cost					(1)
Profit before income tax expense					143
Income tax expenses					(30)
Profit for the period					113

(Unit: Million Baht)

For the six-month period ended 30 September 2020

	Production and distribution	Procurement and distribution	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue					
Revenue from external customers	661	269	930	-	930
Inter-segment revenue	12	-	12	(12)	-
Total revenues	673	269	942	(12)	930
Operating results					
Segment profit	67	26	93	-	93
Other income					8
Selling and distribution expenses					(24)
Administrative expenses					(55)
Finance cost					(1)
Profit before income tax expenses					21
Income tax expenses					(4)
Profit for the period					17

18. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Dividends for the year ended 31 March 2021 (net of interim dividend payment)	Annual General Meeting of the shareholders on 22 July 2021	68.94	0.18
Dividends for the year ended 31 March 2020 (net of interim dividend payment)	Annual General Meeting of the shareholders on 24 July 2020	38.30	0.10

19. Commitments and contingent liabilities**19.1 Other service commitment**

As at 30 September 2021, the Company and a subsidiary had commitments of approximately Baht 2 million relating to a technical assistance service agreement and other agreements (31 March 2021: Baht 4 million).

19.2 Other commitments

As at 30 September 2021, the Company had outstanding commitments of Baht 4.5 million (31 March 2021: Baht 4.5 million) in respect of uncalled portion of investment in a subsidiary.

19.3 Guarantees

As at 30 September 2021, the Company has guaranteed bank credit facilities for a subsidiary amounting to Baht 350 million (31 March 2021: Baht 350 million).

19.4 Credit facilities

As at 30 September 2021, the Group have been granted credit facilities by various banks for which they have placed collaterals, as follows:-

The Company

- Letters of credit, trust receipts, guarantees and short-term loan facilities totaling Baht 1,461 million, of which totaling Baht 5 million (31 March 2021: Baht 9 million) of the utilised amount are outstanding. These credit facilities are secured by the mortgage of the Company's land with structures thereon and machinery.

- Overdraft facilities of Baht 30 million, have not yet been utilised (31 March 2021: have not yet been utilised). These credit facilities are secured by the mortgage of the Company's land with structures thereon, machinery and the fixed deposits account.
- Forward foreign exchange contract facilities of Baht 1,000 million, have not yet been utilised (31 March 2021: have not yet been utilised). These credit facilities are secured by the mortgage of the Company's land with structures thereon and machinery.

A subsidiary

- Letters of credit, trust receipts, guarantees and short-term loan facilities totaling Baht 300 million, have not yet been utilised (31 March 2021: have not yet been utilised). These credit facilities are secured by the mortgage of the subsidiary's land with structures thereon and machinery.
- Overdraft facilities of Baht 10 million, have not yet been utilised (31 March 2021: have not yet been utilised). These credit facilities are secured by the mortgage of the subsidiary's land with structures thereon.
- Forward foreign exchange contract facilities of Baht 200 million, have not yet been utilised (31 March 2021: have not yet been utilised). These credit facilities are secured by the mortgage of the subsidiary's land with structures thereon and machinery.

A subsidiary

- Letters of credit, trust receipts, guarantees and short-term loan facilities totaling Baht 506 million, of which Baht 51 million (31 March 2021: Baht 60 million) of the utilised amount are outstanding. These credit facilities are secured by the mortgage of the subsidiary's unit of condominium which is the subsidiary's office, the subsidiary's fixed deposit accounts and a guarantee provided by the Company.
- Overdraft facilities of Baht 60 million, have not yet been utilised (31 March 2021: have not been utilised). These credit facilities are secured by the subsidiary's fixed deposit accounts and a guarantee provided by the Company.
- Forward foreign exchange contract facilities, comprising USD 11.7 million (equivalent to Baht 398 million) and Baht 115 million, or a total approximately Baht 513 million, have not yet been utilized (31 March 2021: USD 0.1 million of the utilised amount outstanding (equivalent to Baht 2.7 million).

A subsidiary

- Letters of credit, trust receipts, guarantees and short-term loan facilities totaling Baht 22 million, have not yet been utilised (31 March 2021: have not yet been utilised). These credit facilities are secured by the Company.
- Overdraft facilities of Baht 5 million have not yet been utilised (31 March 2021: have not yet been utilised). These credit facilities are secured by the Company.
- Forward foreign exchange contract facilities of Baht 30 million, have not yet been utilised (31 March 2021: have not yet been utilised). These credit facilities are secured by the Company.

20. Fair value hierarchy

the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Million Baht)

Consolidated Financial Statements as at
30 September 2021

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Other current financial assets	-	73.6	-	73.6
Other non-current financial assets	3.2	-	-	3.2

(Unit: Million Baht)

Consolidated Financial Statements as at
31 March 2021

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Other current financial assets	-	73.9	-	73.9
Other non-current financial assets	3.3	-	-	3.3

During the current period, there were no transfers within the fair value hierarchy.

21. Financial instruments

21.1 Derivatives not designated as hedging instruments

		(Unit: Thousand Baht)	
Consolidated		Separate	
financial statements		financial statements	
30	31	30	31
September	March	September	March
2021	2021	2021	2021
Derivative assets			
Derivative assets not designated as hedging			
instruments			
	-	54	-

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 1 to 3 months.

As at 31 March 2021, its subsidiary has outstanding balance of forward foreign exchange contracts which to reduce the exchange rate risk arising from their financial liabilities dominated in foreign currency with the mature within one year. The details are summarised below.

Foreign currency	Bought amount	Sold amount	Contractual exchange rate	
			Bought	Sold
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
<u>As at 31 March 2021</u>				
US Dollar	0.10	-	30.38 - 30.88	-

As at 30 September 2021, the group have no outstanding balance of forward foreign exchange contracts.

The Group have to the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets as at		Financial liabilities as at		Average exchange rate as at	
	30	31	30	31	30	31
	September	March	September	March	September	March
	2021	2021	2021	2021	2021	2021
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	0.03	0.04	0.25	0.14	33.87	31.29
Japanese Yen	0.49	0.5	-	2.33	0.2987	0.2828
SG Dollar	-	-	-	0.01	-	23.56

21.2 Fair values of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or 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.

22 Events after the reporting period

- 22.1 On 5 November 2021, a meeting of Board of Directors of NSC Metal Company Limited (a subsidiary) approved the payment of an interim dividend of Baht 7.95 per share to the subsidiary's ordinary shareholders for the subsidiary's operations from 1 April 2021 to 30 September 2021. This constitutes a total dividend of Baht 18.29 million.
- 22.2 On 10 November 2021, a meeting of Board of Directors of Auto Metal Company Limited (a subsidiary) passed a resolution to propose to the Extraordinary General Meeting of its shareholders to approve the interim dividend payment of Baht 59 per share or total of Baht 141.6 Million from the subsidiary's operating results from 1 April 2021 to 30 September 2021 and from retained earnings as at 31 March 2021 to the subsidiary's shareholders.
- 22.3 On 11 November 2021, the Company's Board of Directors Meeting approved the payment of an interim dividend of Baht 0.20 per share to the Company's ordinary shareholders for the Company's operations from 1 April 2021 to 30 September 2021. This constitutes a total dividend of Baht 76.6 million.

23. Approval of consolidated financial statements

This interim financial information was authorised for issue by the Company's Board of Directors on 11 November 2021.