

PSG Corporation Public Company Limited
and its subsidiary
Report and consolidated financial statements
31 December 2023

Independent Auditor's Report

To the Shareholders of PSG Corporation Public Company Limited

Opinion

I have audited the accompanying consolidated statement of financial position of PSG Corporation Public Company Limited and its subsidiary (the Group) which comprise the consolidated statement of financial position as at 31 December 2023, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of PSG Corporation Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of PSG Corporation Public Company Limited and its subsidiary and of PSG Corporation Public Company Limited as at 31 December 2023, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matter

Key audit matters are those matters that, in my professional judgement, was of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond to the matter are described below.

Recognition of revenue from construction contracts

The Group disclosed its policies on recognition of revenue from construction contracts and estimation of construction project costs in Note 4 and Note 5 to the financial statements.

I identified the recognition of revenue from construction contracts to be area of significant risk in audit. This is because the amount of revenue from construction contracts that the Group recognises in each period forms a significant portion of the Group's total revenue.

In addition, the process of measurement and the determination of appropriate timing of recognition are areas requiring management to exercise significant judgement to assess the percentage of completion of construction work. There are therefore risks with respect to the amount and timing of the recognition of revenue from construction contracts.

I examined the recognition of revenue from construction contracts by made enquiry of responsible person and gained an understanding of the operational procedure for the procurement process, the estimation of project costs and revisions thereto, the recognition of revenue and the estimation of percentage of work completion and possible losses from construction projects. I also read the construction contracts to consider the conditions relating to revenue recognition, made enquiry of responsible executives, gained an understanding of the Group's process to assess the percentage of completion and cost estimates for projects, checked estimates of project costs to the project budgets. I checked actual costs against supporting documents, tested the calculation of the percentage of completion based on actual construction costs incurred, performed analytical procedures on gross margins of construction projects and compared the percentage of completion as evaluated by the project engineer to the percentage of completion based on actual construction costs incurred.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Chatchai Kasemsrithanawat
Certified Public Accountant (Thailand) No. 5813

EY Office Limited
Bangkok: 27 February 2024

PSG Corporation Public Company Limited and its subsidiary

Statement of financial position

As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Assets					
Current assets					
Cash and cash equivalents	7	1,298,379,785	616,022,046	1,007,406,045	528,359,726
Trade and other receivables	6, 8	614,674,184	77,749,150	614,415,033	74,392,343
Contract assets	10	1,141,205,775	76,008,612	1,141,205,775	76,008,612
Current tax assets		-	43,967,467	-	43,967,467
Other current financial assets	11	450,757,573	802,727,760	450,757,573	802,727,760
Other current assets		3,399,100	4,136,678	681,143	4,118,671
Total current assets		3,508,416,417	1,620,611,713	3,214,465,569	1,529,574,579
Non-current assets					
Restricted bank deposits	9	15,501,500	15,501,500	15,501,500	15,501,500
Other non-current financial assets	11	26,159,268	23,211,477	26,159,268	23,211,477
Investments in subsidiary	12	-	-	45,000,000	45,000,000
Investment properties	13	66,876,000	66,876,000	66,876,000	66,876,000
Property, plant and equipment	14	24,957,613	26,904,044	21,548,944	25,139,569
Right-of-use assets	18	41,776,816	51,473,275	28,007,723	40,630,538
Retention receivables	10	95,907,582	46,312,991	95,907,582	46,312,991
Intangible assets		40,033	615,101	12,804	598,356
Deferred tax assets	25	-	93,689	-	50,310
Other non-current assets	15	153,718,594	96,283,588	153,718,594	96,283,588
Total non-current assets		424,937,406	327,271,665	452,732,415	359,604,329
Total assets		3,933,353,823	1,947,883,378	3,667,197,984	1,889,178,908

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

PSG Corporation Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	6, 16	472,367,587	95,802,596	327,435,428	66,374,512
Contract liabilities	10	100,201,947	-	100,201,947	-
Current portion of lease liabilities	18	15,602,228	13,231,740	11,225,766	10,574,661
Other short-term borrowing	17	-	12,235,690	-	12,235,690
Income tax payable		195,153,347	2,640,747	187,632,936	-
Retention payables		36,183,525	22,881,440	44,744,360	26,078,078
Other current provisions		6,002,408	800,334	6,002,408	800,334
Other current liabilities		15,558,451	11,899,447	14,098,195	11,899,447
Total current liabilities		841,069,493	159,491,994	691,341,040	127,962,722
Non-current liabilities					
Lease liabilities, net of current portion	18	20,326,467	31,925,809	16,261,826	27,487,592
Provision for decommissioning		4,959,630	4,671,967	4,959,630	4,671,967
Provision for long-term employee benefits	19	6,149,003	6,489,467	5,507,416	6,272,574
Deferred tax liabilities	25	3,842,948	-	1,744,132	-
Provisions for loss on litigations	29.2	-	7,139,661	-	7,139,661
Total non-current liabilities		35,278,048	50,226,904	28,473,004	45,571,794
Total liabilities		876,347,541	209,718,898	719,814,044	173,534,516

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

PSG Corporation Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Shareholders' equity				
Share capital				
Registered				
64,992,438,156 ordinary shares of Baht 1 each	<u>64,992,438,156</u>	<u>64,992,438,156</u>	<u>64,992,438,156</u>	<u>64,992,438,156</u>
Issued and fully paid				
64,992,438,156 ordinary shares of Baht 1 each	64,992,438,156	64,992,438,156	64,992,438,156	64,992,438,156
Share discount	22 (62,272,362,796)	(62,272,362,796)	(62,272,362,796)	(62,272,362,796)
Expired warrant surplus	23 7,859,252	7,859,252	7,859,252	7,859,252
Retained earnings (Deficit)				
Appropriated - statutory reserve	21 15,795,942	5,526,839	15,795,942	5,526,839
Unappropriated (Deficit)	299,532,470	(1,006,614,297)	195,112,956	(1,023,999,256)
Other components of shareholders' equity	<u>13,743,258</u>	<u>11,317,326</u>	<u>8,540,430</u>	<u>6,182,197</u>
Total shareholders' equity	<u>3,057,006,282</u>	<u>1,738,164,480</u>	<u>2,947,383,940</u>	<u>1,715,644,392</u>
Total liabilities and shareholders' equity	<u>3,933,353,823</u>	<u>1,947,883,378</u>	<u>3,667,197,984</u>	<u>1,889,178,908</u>
	-	-	-	-

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

Directors

PSG Corporation Public Company Limited and its subsidiary

Statement of comprehensive income

For the year ended 31 December 2023

(Unit: Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Profit or loss:					
Revenues					
Revenues from construction contracts	6	2,734,572,751	1,029,748,212	2,734,572,751	1,029,748,212
Other income		16,177,097	20,550,445	16,169,947	20,550,269
Total revenues		<u>2,750,749,848</u>	<u>1,050,298,657</u>	<u>2,750,742,698</u>	<u>1,050,298,481</u>
Expenses					
Cost of construction contracts	6	862,803,686	336,619,984	990,203,524	377,898,880
Administrative expenses		217,746,789	122,983,679	204,729,380	113,149,499
Exchange losses		10,820,810	27,741,302	15,267,213	16,850,435
Total expenses		<u>1,091,371,285</u>	<u>487,344,965</u>	<u>1,210,200,117</u>	<u>507,898,814</u>
Operating profit		<u>1,659,378,563</u>	<u>562,953,692</u>	<u>1,540,542,581</u>	<u>542,399,667</u>
Finance costs		(4,183,410)	(3,433,702)	(3,288,860)	(2,890,422)
Profit before income tax expenses		<u>1,655,195,153</u>	<u>559,519,990</u>	<u>1,537,253,721</u>	<u>539,509,245</u>
Income tax expenses	25	(338,779,283)	(19,063,516)	(307,872,406)	(16,437,730)
Profit for the year		<u>1,316,415,870</u>	<u>540,456,474</u>	<u>1,229,381,315</u>	<u>523,071,515</u>
Other comprehensive income:					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements					
in foreign currency		67,699	5,135,129	-	-
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Gain (loss) on changes in value of equity instruments designated					
at fair value through other comprehensive income		2,947,791	(9,599,054)	2,947,791	(9,599,054)
Add (less): Income tax effect		(589,558)	2,152,785	(589,558)	2,152,785
Actuarial gain		-	121,645	-	121,645
Less: Income tax effect		-	(443,947)	-	(443,947)
Other comprehensive income for the year		<u>2,425,932</u>	<u>(2,633,442)</u>	<u>2,358,233</u>	<u>(7,768,571)</u>
Total comprehensive income for the year		<u>1,318,841,802</u>	<u>537,823,032</u>	<u>1,231,739,548</u>	<u>515,302,944</u>
Earnings per share					
	26				
Basic earnings per share		<u>0.0203</u>	<u>0.0083</u>	<u>0.0189</u>	<u>0.0080</u>

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

PSG Corporation Public Company Limited and its subsidiary

Statement of changes in shareholders' equity

For the year ended 31 December 2023

(Unit: Baht)

Consolidated financial statements										
Other components of shareholders' equity										
Other comprehensive income										
Gain (loss) on										
Exchange differences on translation of financial statements in foreign currency										
Surplus on revaluation of assets										
Gain (loss) on investment in equity instruments designated at fair value through other comprehensive income										
Total other components of shareholders' equity										
Total shareholders' equity										
Note	Issued and fully paid		Expired warrant surplus	Retained earnings (Deficit)		Exchange differences on translation of financial statements in foreign currency	Surplus on revaluation of assets	Gain (loss) on investment in equity instruments designated at fair value through other comprehensive income	Total other components of shareholders' equity	Total shareholders' equity
	share capital	Share discount		Appropriated - statutory reserve	Unappropriated					
Balance as at 1 January 2022	64,992,438,156	(62,272,362,796)	7,859,252	5,526,839	(1,546,748,469)	-	14,793,339	(1,164,873)	13,628,466	1,200,341,448
Profit for the year	-	-	-	-	540,456,474	-	-	-	-	540,456,474
Other comprehensive income for the year	-	-	-	-	(322,302)	5,135,129	-	(7,446,269)	(2,311,140)	(2,633,442)
Total comprehensive income for the year	-	-	-	-	540,134,172	5,135,129	-	(7,446,269)	(2,311,140)	537,823,032
Balance as at 31 December 2022	<u>64,992,438,156</u>	<u>(62,272,362,796)</u>	<u>7,859,252</u>	<u>5,526,839</u>	<u>(1,006,614,297)</u>	<u>5,135,129</u>	<u>14,793,339</u>	<u>(8,611,142)</u>	<u>11,317,326</u>	<u>1,738,164,480</u>
Balance as at 1 January 2023	64,992,438,156	(62,272,362,796)	7,859,252	5,526,839	(1,006,614,297)	5,135,129	14,793,339	(8,611,142)	11,317,326	1,738,164,480
Profit for the year	-	-	-	-	1,316,415,870	-	-	-	-	1,316,415,870
Other comprehensive income for the year	-	-	-	-	-	67,699	-	2,358,233	2,425,932	2,425,932
Total comprehensive income for the year	-	-	-	-	1,316,415,870	67,699	-	2,358,233	2,425,932	1,318,841,802
Transfer to appropriated statutory reserve 21	-	-	-	10,269,103	(10,269,103)	-	-	-	-	-
Balance as at 31 December 2023	<u>64,992,438,156</u>	<u>(62,272,362,796)</u>	<u>7,859,252</u>	<u>15,795,942</u>	<u>299,532,470</u>	<u>5,202,828</u>	<u>14,793,339</u>	<u>(6,252,909)</u>	<u>13,743,258</u>	<u>3,057,006,282</u>

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

PSG Corporation Public Company Limited and its subsidiary

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2023

(Unit: Baht)

Separate financial statements

	Separate financial statements								
						Other components of shareholders' equity			
						Other comprehensive income			Total shareholders' equity
						Surplus on revaluation of assets	Gain (loss) on investment in equity instruments designated at fair value through other comprehensive income	Total other components of shareholders' equity	
Note	Issued and fully paid share capital	Share discount	Expired warrant surplus	Retained earnings (Deficit)					
				Appropriated - statutory reserve	Unappropriated				
Balance as at 1 January 2022	64,992,438,156	(62,272,362,796)	7,859,252	5,526,839	(1,546,748,469)	14,793,339	(1,164,873)	13,628,466	1,200,341,448
Profit for the year	-	-	-	-	523,071,515	-	-	-	523,071,515
Other comprehensive income for the year	-	-	-	-	(322,302)	-	(7,446,269)	(7,446,269)	(7,768,571)
Total comprehensive income for the year	-	-	-	-	522,749,213	-	(7,446,269)	(7,446,269)	515,302,944
Balance as at 31 December 2022	<u>64,992,438,156</u>	<u>(62,272,362,796)</u>	<u>7,859,252</u>	<u>5,526,839</u>	<u>(1,023,999,256)</u>	<u>14,793,339</u>	<u>(8,611,142)</u>	<u>6,182,197</u>	<u>1,715,644,392</u>
Balance as at 1 January 2023	64,992,438,156	(62,272,362,796)	7,859,252	5,526,839	(1,023,999,256)	14,793,339	(8,611,142)	6,182,197	1,715,644,392
Profit for the year	-	-	-	-	1,229,381,315	-	-	-	1,229,381,315
Other comprehensive income for the year	-	-	-	-	-	-	2,358,233	2,358,233	2,358,233
Total comprehensive income for the year	-	-	-	-	1,229,381,315	-	2,358,233	2,358,233	1,231,739,548
Transfer to appropriated statutory reserve	21	-	-	10,269,103	(10,269,103)	-	-	-	-
Balance as at 31 December 2023	<u>64,992,438,156</u>	<u>(62,272,362,796)</u>	<u>7,859,252</u>	<u>15,795,942</u>	<u>195,112,956</u>	<u>14,793,339</u>	<u>(6,252,909)</u>	<u>8,540,430</u>	<u>2,947,383,940</u>

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

PSG Corporation Public Company Limited and its subsidiary

Cash flow statement

For the year ended 31 December 2023

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash flows from operating activities				
Profit before income tax	1,655,195,153	559,519,990	1,537,253,721	539,509,245
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	21,169,196	15,393,360	17,624,863	14,032,469
Allowance for impairment of loss on asset	-	108,000	-	108,000
Provision for long-term employee benefits	1,224,869	1,123,174	800,175	906,281
Reversal of trade and other payables	(1,133,825)	(119,171)	(1,133,825)	(119,171)
Other current provisions	5,296,225	82,573	5,296,225	82,573
Reversal of provision for expected loss on construction contract	-	(482,579)	-	(482,579)
Reversal of provision for penalty arising from expected delay on construction contract	-	(837,000)	-	(837,000)
Reversal of retention payables	-	(183,619)	-	(183,619)
Reversal of provisions for loss on litigations	(7,139,661)	(463,569)	(7,139,661)	(463,569)
Gain on disposal of equipments	(21,015)	(6,198,422)	(21,015)	(6,198,422)
Unrealised loss on exchange	50,231,382	37,905,172	50,231,382	37,905,172
Unrealised gain on changes in value of other current financial assets	(4,673,606)	(2,727,760)	(4,673,606)	(2,727,760)
Interest income	(752,991)	(436,190)	(752,991)	(436,190)
Bank fees	1,008,454	860,609	1,008,454	860,609
Interest expenses	3,174,956	2,573,093	2,280,406	2,029,813
Profit from operating activities before changes in operating assets and liabilities	1,723,579,137	606,117,661	1,600,774,128	583,985,852

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

PSG Corporation Public Company Limited and its subsidiary

Cash flow statement (continued)

For the year ended 31 December 2023

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Operating assets (increase) decrease				
Trade and other receivables	(558,879,140)	(72,063,547)	(561,976,798)	(68,706,740)
Contract assets	(1,065,197,163)	(64,268,438)	(1,065,197,163)	(64,268,438)
Other current financial assets	356,643,793	(800,000,000)	356,643,793	(800,000,000)
Other current assets	737,578	(3,051,379)	3,437,528	(3,033,372)
Retention receivables	(51,997,932)	(35,394,498)	(51,997,932)	(35,394,498)
Other non-current assets	12,082,461	(15,338,632)	12,082,461	(15,338,632)
Operating liabilities increase (decrease)				
Trade and other payables	378,144,293	70,164,587	262,640,219	40,271,412
Contract liabilities	100,201,947	-	100,201,947	-
Retention payables	13,755,305	4,430,547	19,119,501	7,627,185
Other current provisions	(86,750)	(54,259)	(86,750)	(54,259)
Other current liabilities	3,659,004	1,303,812	2,198,748	1,303,812
Cash paid for long-term employee benefits	(1,565,333)	-	(1,565,333)	-
Cash flows from (used in) operating activities	911,077,200	(308,154,146)	676,274,349	(353,607,678)
Interest received	696,829	475,583	696,829	475,583
Bank fees paid	(1,008,454)	(861,034)	(1,008,454)	(861,034)
Cash paid for income tax	(142,276,408)	(65,361,717)	(119,034,586)	(65,361,717)
Net cash flows from (used in) operating activities	768,489,167	(373,901,314)	556,928,138	(419,354,846)

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

PSG Corporation Public Company Limited and its subsidiary

Cash flow statement (continued)

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Decrease in restricted bank deposits	-	2,690,000	-	2,690,000
Cash paid for advances for future projects	(25,550,000)	(25,550,000)	(25,550,000)	(25,550,000)
Proceed from sales of equipments	21,016	10,169,873	21,016	10,169,873
Cash paid for acquisitions of building improvement and equipment	(2,959,521)	(14,894,880)	(810,030)	(12,987,214)
Cash paid for acquisitions of intangible assets	(31,629)	(18,835)	(15,842)	-
Cash paid for purchases of investment in subsidiary (Note 12)	-	-	-	(45,000,000)
Net cash flows used in investing activities	(28,520,134)	(27,603,842)	(26,354,856)	(70,677,341)
Cash flows from financing activities				
Cash paid from other short-term borrowing	(12,235,690)	-	(12,235,690)	-
Cash paid under lease liabilities	(15,129,514)	(12,426,901)	(10,574,661)	(7,327,007)
Interest paid	(2,887,292)	(2,368,349)	(1,992,742)	(1,825,069)
Net cash flows used in financing activities	(30,252,496)	(14,795,250)	(24,803,093)	(9,152,076)
Increase (decrease) in translation adjustments	(634,928)	4,778,463	-	-
Net increase (decrease) in cash and cash equivalents	709,081,609	(411,521,943)	505,770,189	(499,184,263)
Effects of exchange rate changes on cash and cash equivalents	(26,723,870)	(33,548,040)	(26,723,870)	(33,548,040)
Cash and cash equivalents at the beginning of the year	616,022,046	1,061,092,029	528,359,726	1,061,092,029
Cash and cash equivalents at the end of the year	1,298,379,785	616,022,046	1,007,406,045	528,359,726
	-	-	-	-
Supplemental cash flow information:				
Non-cash transactions				
Acquisitions of equipment for which no cash has been paid	-	41,150	-	41,150
Increase in right-of-use assets from lease liabilities	6,218,932	55,288,992	-	42,979,972
Increase in right-of-use assets from provision for decommissioning	-	4,467,223	-	4,467,223

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

PSG Corporation Public Company Limited and its subsidiary
Notes to consolidated financial statements
For the year ended 31 December 2023

1. General information

PSG Corporation Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is engaged in turnkey Engineering Procurement Construction (“EPC”) and large-scale construction projects. The Company office location and the registered office located at 11/1 AIA Sathorn Tower Building, 21st Floor, South Sathorn Road, Yannawa, Sathorn, Bangkok.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements included the financial statements of PSG Corporation Public Company Limited (“the Company”) and its subsidiary (“the subsidiary”) (collectively as “the Group”) as follows:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2023</u>	<u>2022</u>
			Percent	Percent
<u>Subsidiary held directly by the Company</u>				
PSGC (Lao) Sole Company Limited	A plant and building construction and other related services	Lao People's Democratic Republic	100	100

b) The Company is deemed to have control over an investee or a subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

- c) The subsidiary is fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
 - d) The financial statements of the subsidiary is prepared using the same significant accounting policies as the Company.
 - e) The assets and liabilities in the financial statements of overseas subsidiary company is translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
 - f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- 2.3 The separate financial statements present investments in subsidiary and associate under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. 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.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024

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 2024. 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 management of the Group believes that adoption of these amendments will not have any significant impact on the Group’s financial statements.

4. Significant accounting policies

4.1 Revenue and expense recognition

Revenues from construction contracts

The Group has determined that its construction contracts generally have one performance obligation. The Group recognises construction revenue over time where the stage of completion is measured using an input method, based on comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs at completion.

The likelihood of contract variations, claims and liquidated damages, delays in delivery or contractual penalties is taken into account in determining revenue to be recognised, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the value and stage of completion of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Contract assets/Contract liabilities and Retention receivables

Contract assets

A contract asset is the excess of cumulative revenue earned over the billings to date. Contract assets are transferred to receivables when the rights become unconditional (i.e. services are completed and delivered to the customer).

Contract liabilities

A contract liability is recognised when the billings to date exceed the cumulative revenue earned and the Group has an obligation to transfer goods or services to a customer. Contract liabilities are recognised as revenue when the Group fulfils its performance obligations under the contracts.

Retention receivables are non-interest bearing, unsecured and relate to construction contracts and classified as non-current asset based on the contractual terms of respective contract. Retention receivables were derived from the amount deducted at the agreed rate from the service fees paid to the Group by its customers for each payment. These retention receivables shall be returned when the Group meets obligations and conditions stipulated in service contracts.

4.4 Investments in subsidiary

Investments in subsidiary are accounted for in the separate financial statements using the cost method net of allowance for impairment on investments (if any).

4.5 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Any gains or losses arising from changes in the value of investment properties are recognised in profit or loss when incurred.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.6 Property, plant and equipment and depreciation

Land is stated at revalued amount. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Land is initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Group's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of "Revaluation surplus". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Group's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Revaluation surplus" in respect of the same asset.

Depreciation of building and equipment is calculated by reference to their cost on the straight-line basis over the following estimated useful lives:

Buildings and building improvement	5 - 20 years
Machinery and equipment	3 - 20 years
Furniture, fixtures and office equipment	5 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on land.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.7 Intangible assets

The intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

Intangible assets of the Group with finite useful lives is computer software, and have useful lives of 5 years.

4.8 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Buildings	4 years
Motor vehicles	3 - 4 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

4.9 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and direction of the operations of the Group.

4.10 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.11 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investments in subsidiary, investment properties and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss. However, in cases where land were previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

4.12 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

4.13 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provision for losses on projects is made in the accounts in full when the possibility of loss is ascertained.

4.14 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.15 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (“FVOCI”), or fair value through profit or loss (“FVTPL”). The classification of financial assets at initial recognition is driven by the Group’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include security investments held for trading and equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

Classification and measurement of financial liabilities

At initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Regular way purchases and sales of financial assets

Regular way purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognised on the trade date, i.e., the date on which the Group commits to purchase or sell the asset.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 120 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Revenue from construction contracts

The Group recognises revenue from construction contracts over time. To reflect the satisfaction of the performance obligation, the management determines the stage of completion using an input method, based on comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs at completion of the construction. Significant judgements is required in determining the contract costs incurred for work performed to date, estimated total contract revenue and construction costs, and the recoverability of the contract costs to complete, as well as assessing potential deductions from revenue due to delays in delivery or contractual penalties. In making these judgements, management relies past experience, historical information and information from the project engineers or the work of specialists (if any).

Estimated construction project costs

The Group estimates costs of construction projects based on details of the construction work, taking into account the volume and value of construction materials to be used in the project, labour costs and other miscellaneous costs to be incurred to completion of service, taking into account the direction of the movement in these costs. Estimates are reviewed regularly or whenever actual costs differ significantly from the figures used in the original estimates.

Provision for losses on projects

Management applied judgement in estimating the loss they expect to be realised on each project, based on estimates of anticipated costs, taking into account the progress of the project and actual costs incurred to date, together with fluctuations in cost of labour and the current situation.

Allowance for expected credit losses of trade receivables and contract assets

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Investment properties

The Group presents investment properties at the fair value estimated by an independent appraiser, and recognises changes in the fair value in profit or loss. The independent appraiser valued the investment properties using the market approach for land. The valuation involves certain estimates.

Property plant and equipment and depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

The Group measures land at revalued amounts. Such amounts are determined by the independent appraiser using the market approach. The valuation involves certain estimates.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

6. Related party transactions

During the years, 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 Group and those related parties.

(Unit: Million Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
<u>Transactions with subsidiary</u>					
(eliminated from the consolidated financial statements)					
Subcontractor cost	-	-	738	334	Contract price
<u>Transactions with related parties</u>					
Revenues from construction contracts	2,598	1,024	2,598	1,024	Contract price
Other income	2	-	2	-	Contract price
Subcontractor cost	1	1	1	1	Agreed price
Other expenses	1	1	-	1	Contract price or agreed price
Interest expenses	1	-	-	-	Contract rate

As at 31 December 2023 and 2022, the balances of the accounts between the Group and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade receivables - related party (Note 8)</u>				
Related party (the Company's related persons)	603,151	71,797	603,151	71,797
Total trade receivables - related party	603,151	71,797	603,151	71,797
<u>Other receivables - related parties (Note 8)</u>				
Subsidiary	-	-	1	-
Related party (the Company's related persons)	2,043	-	2,043	-
Total other receivables - related parties	2,043	-	2,044	-

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Unbilled receivables - related party (Note 10)</u>				
Related party (the Company's related persons)	1,108,885	76,009	1,108,885	76,009
Total unbilled receivables - related party	1,108,885	76,009	1,108,885	76,009
<u>Trade payables - related party (Note 16)</u>				
Subsidiary	-	-	243,793	44,088
Total Trade payables - related party	-	-	243,793	44,088
<u>Other payables - related parties (Note 16)</u>				
Subsidiary	-	-	298	95
Related parties (the Company's related persons)	206	179	189	179
Total other payables - related parties	206	179	487	274
<u>Unearned payables - related party (Note 10)</u>				
Related party (the Company's related persons)	79,523	-	79,523	-
Total unearned payables - related party	79,523	-	79,523	-
<u>Lease liabilities - related parties (Note 18)</u>				
Related parties (the Company's related persons)	893	-	-	-
Total lease liabilities - related parties	893	-	-	-

Directors and management's benefits

During the years ended 31 December 2023 and 2022, the Group had employee benefit expenses payable to their directors and management as below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	25,052	21,253	23,799	18,533
Post-employment benefits	502	602	237	454
Directors remuneration	2,229	2,858	2,229	2,858
Total	27,783	24,713	26,265	21,845

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash	242	271	58	185
Bank deposits	1,298,138	615,751	1,007,348	528,175
Total	<u>1,298,380</u>	<u>616,022</u>	<u>1,007,406</u>	<u>528,360</u>

As at 31 December 2023, bank deposits in saving accounts and fixed deposits carried interests between 0.15 to 1.03 percent per annum (2022: between 0.15 to 0.53 percent per annum) (the Company only: between 0.15 to 0.60 percent per annum (2022: between 0.15 to 0.53 percent per annum)).

8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade receivables - related parties (Note 6)</u>				
Aged on the basis of due dates				
Not yet due	397,197	71,797	397,197	71,797
Past due				
Up to 3 months	205,954	-	205,954	-
3 - 6 months	-	-	-	-
6 - 12 months	-	-	-	-
Over 12 months	-	-	-	-
Total trade receivables - related parties	<u>603,151</u>	<u>71,797</u>	<u>603,151</u>	<u>71,797</u>
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	-	-	-	-
Past due				
Up to 3 months	-	-	-	-
3 - 6 months	-	-	-	-
6 - 12 months	-	-	-	-
Over 12 months	144,532	144,532	144,532	144,532
Total	<u>144,532</u>	<u>144,532</u>	<u>144,532</u>	<u>144,532</u>
Less: Allowance for expected credit losses	<u>(144,532)</u>	<u>(144,532)</u>	<u>(144,532)</u>	<u>(144,532)</u>
Total trade receivables - unrelated parties, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total trade receivables, net	<u>603,151</u>	<u>71,797</u>	<u>603,151</u>	<u>71,797</u>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Other receivables</u>				
Other receivables - related party (Note 6)	2,043	-	2,044	-
Other receivables - unrelated parties	5,492	5,435	5,491	5,435
The Revenue Department receivable	8,938	5,716	8,938	2,371
Prepaid expenses	464	215	205	203
Total other receivables	16,937	11,366	16,678	8,009
Less: Allowance for expected credit losses	(5,414)	(5,414)	(5,414)	(5,414)
Total other receivables, net	11,523	5,952	11,264	2,595
Total trade and other receivable, net	614,674	77,749	614,415	74,392

The normal credit term is 30 days.

9. Restricted bank deposits

The outstanding balances represent bank deposit accounts which have been pledged with banks to secure the issuance of bank guarantees for construction contracts and credit facilities of the Group.

10. Contract assets / Retention receivables / Contract liabilities

10.1 Contract balances

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Contract assets				
Unbilled receivables	1,179,524	114,327	1,179,524	114,327
Less: Allowance for expected credit losses	(38,318)	(38,318)	(38,318)	(38,318)
Contract assets, net	1,141,206	76,009	1,141,206	76,009
Retention receivables				
Retention receivables	143,944	94,349	143,944	94,349
Less: Allowance for expected credit losses	(48,036)	(48,036)	(48,036)	(48,036)
Retention receivables, net	95,908	46,313	95,908	46,313
Contract liabilities				
Service income received in advance	100,202	-	100,202	-
Total contract liabilities	100,202	-	100,202	-

As at 31 December 2023, the Company has the balances of unbilled receivables amounted to approximately Baht 1,141.2 million (2022: Baht 76.0 million) is expected to bill with customers within 1 year.

10.2 Revenue recognised in relation to contract balances

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue recognised from changes in variable considerations of performance obligations satisfied in previous years	-	691	-	691

10.3 Revenue to be recognised for the remaining performance obligations

As at 31 December 2023, revenue totaling Baht 4,863.1 million and USD 135.7 million or Baht 4,632.1 million is expected to be recognised in the future in respect of performance obligations under contracts with customers that are unsatisfied (or partially unsatisfied) (2022: totaling USD 211.1 million or Baht 7,347.7 million) (the Company only: totaling Baht 4,863.1 million and totaling USD 135.7 million or Baht 4,632.1 million (2022: totaling USD 211.1 million or Baht 7,347.7 million)).

The Group expects to satisfy these performance obligations within 5 years (2022: 2 years) (the Company only: 5 years (2022: 2 years)).

11. Other financial assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Other current financial assets</u>				
Debt instruments at fair value through profit or loss				
Investment in fixed income open-ended funds	450,758	802,728	450,758	802,728
Total other current financial assets	450,758	802,728	450,758	802,728
<u>Other non-current financial assets</u>				
Equity instruments designated at fair value through other comprehensive income				
Equity instruments of listed companies	26,159	23,211	26,159	23,211
Total other non-current financial assets	26,159	23,211	26,159	23,211

12. Investments in a subsidiary

Detail of investments in a subsidiary as presented in the separate financial statements is as follow:

Company's name	Paid-up capital		Shareholding percentage		(Unit: Thousand Baht) Cost	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
			(Percent)	(Percent)		
PSGC (Lao) Sole Company Limited	45,000	45,000	100	100	45,000	45,000
Total					<u>45,000</u>	<u>45,000</u>

On 23 February 2022, the Company's Board of Directors' Meeting No. 3/2022 passed a resolution approving the registration of PSGC (Lao) Sole Company Limited, which is engaged in a plant and building construction and other related services, as a juristic entity in the Lao People's Democratic Republic with a registered capital of LAK 16,000 million or Baht 45 million. The Company already paid for the shares on 11 May 2022.

13. Investment properties

A reconciliation of the net book value of investment properties for the years 2023 and 2022 is presented below.

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Net book value at beginning of year	66,876	66,876	66,876	66,876
Net gain (loss) from a fair value adjustment	-	-	-	-
Net book value at end of year*	<u>66,876</u>	<u>66,876</u>	<u>66,876</u>	<u>66,876</u>

* Fair values of investment properties as at 31 December 2023 and 2022 were not significantly different. The Group, therefore, considered not to recognise changes in such fair values.

The investment properties of the Group is land not being used in operations.

Its fair value has been determined based on the valuation performed by an accredited independent valuer, using the market approach.

14. Property, plant and equipment

Movements of the property, plant and equipment account during the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					Total
	Revaluation	Cost basis				
	basis	Buildings and building improvement	Machinery and equipment	Furniture and office equipment	Motor vehicles	
	Land					
Cost/ Revalued amount:						
1 January 2022	12,190	4,734	32,893	13,505	13,593	76,915
Additions	-	2,909	8,064	3,963	-	14,936
Disposals/write-off	-	-	(31,364)	(2,982)	(10,305)	(44,651)
Translation adjustment	-	-	-	(58)	-	(58)
31 December 2022	12,190	7,643	9,593	14,428	3,288	47,142
Additions	-	807	-	2,153	-	2,960
Disposals/write-off	-	-	-	(58)	-	(58)
Translation adjustment	-	(1)	-	(61)	-	(62)
31 December 2023	12,190	8,449	9,593	16,462	3,288	49,982
Accumulated depreciation:						
1 January 2022	-	2,953	29,147	11,783	12,823	56,706
Depreciation for the year	-	871	2,340	893	2	4,106
Depreciation on disposals/write-off	-	-	(27,710)	(2,929)	(10,041)	(40,680)
Translation adjustment	-	-	-	(2)	-	(2)
31 December 2022	-	3,824	3,777	9,745	2,784	20,130
Depreciation for the year	-	1,121	2,364	1,368	-	4,853
Depreciation on disposals/write-off	-	-	-	(58)	-	(58)
Translation adjustment	-	(2)	-	(7)	-	(9)
31 December 2023	-	4,943	6,141	11,048	2,784	24,916
Allowance for impairment loss:						
31 December 2022	-	-	-	-	108	108
31 December 2023	-	-	-	-	108	108
Net book value:						
31 December 2022	12,190	3,819	5,816	4,683	396	26,904
31 December 2023	12,190	3,506	3,452	5,414	396	24,958
Depreciation for the year						
2022 (Baht 2.5 million included in cost of construction contracts, and the balance in administrative expenses)						4,106
2023 (Baht 2.6 million included in cost of construction contracts, and the balance in administrative expenses)						4,853

(Unit: Thousand Baht)

	Separate financial statements					Total
	Revaluation basis	Cost basis				
		Land	Buildings and building improvement	Machinery and equipment	Furniture and office equipment	
Cost/ Revalued amount:						
1 January 2022	12,190	4,734	32,893	13,505	13,593	76,915
Additions	-	2,257	8,063	2,708	-	13,028
Disposals/write-off	-	-	(31,364)	(2,982)	(10,305)	(44,651)
31 December 2022	12,190	6,991	9,592	13,231	3,288	45,292
Additions	-	-	-	810	-	810
Disposals/write-off	-	-	-	(58)	-	(58)
31 December 2023	12,190	6,991	9,592	13,983	3,288	46,044
Accumulated depreciation:						
1 January 2022	-	2,953	29,147	11,783	12,823	56,706
Depreciation for the year	-	870	2,340	806	2	4,018
Depreciation on disposals/write-off	-	-	(27,710)	(2,929)	(10,041)	(40,680)
31 December 2022	-	3,823	3,777	9,660	2,784	20,044
Depreciation for the year	-	992	2,364	1,045	-	4,401
Depreciation on disposals/write-off	-	-	-	(58)	-	(58)
31 December 2023	-	4,815	6,141	10,647	2,784	24,387
Allowance for impairment loss:						
31 December 2022	-	-	-	-	108	108
31 December 2023	-	-	-	-	108	108
Net book value:						
31 December 2022	12,190	3,168	5,815	3,571	396	25,140
31 December 2023	12,190	2,176	3,451	3,336	396	21,549
Depreciation for the year						
2022 (Baht 2.5 million included in cost of construction contracts, and the balance in administrative expenses)						4,018
2023 (Baht 2.6 million included in cost of construction contracts, and the balance in administrative expenses)						4,401

The Group arranged for an independent professional valuer to appraise the value of land in 2022.

The revaluation was based on market approach.

Had the land been carried in the financial statements on a historical cost basis, their net book value as of 31 December 2023 and 2022 would have been as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Land	3,984	3,984	3,984	3,984

As at 31 December 2023, certain plant, equipment and vehicle items of the Group have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to approximately Baht 16.1 million (2022: Baht 13.8 million) (the Company only: Baht 16.1 million (2022: Baht 13.8 million)).

As at 31 December 2022, the Company has pledged land and buildings in net book value approximately Baht 13.5 million, as collateral for the bail contract to suspend the execution under the judgment of the Appeal Court. On 1 September 2023, the Company already reclaimed the collateral described in Note 29.2 to the financial statements.

15. Other non-current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Advances for future projects	51,100	25,550	51,100	25,550
Guarantees and deposits	3,068	18,376	3,068	18,376
Withholding tax	99,550	52,358	99,550	52,358
Total	153,718	96,284	153,718	96,284

16. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade payables - related parties (Note 6)	-	-	243,793	44,088
Trade payables - unrelated parties	451,195	82,430	62,210	9,330
Other payables - related parties (Note 6)	206	179	487	274
Other payables - unrelated parties	6,405	8,113	6,383	7,640
Accrued expenses	14,562	5,081	14,562	5,043
Total	472,368	95,803	327,435	66,375

17. Other short-term borrowing

Other short-term borrowing is a borrowing from the Company's former director without a written agreement and no collateral, and is repayable at call with the interest rate of minimum loan rate (MLR). Subsequently, on 23 March 2023, The Company already paid such other short-term borrowing.

18. Leases

The Group as a lessee

The Group has lease contracts for used in its operations. Leases generally have lease terms between 3 - 4 years.

a) Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2023 and 2022 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		
	Building and improvement	Motor vehicles	Total
As at 1 January 2022	-	2,346	2,346
Additions	47,447	12,309	59,756
Depreciation for the year	(8,402)	(2,032)	(10,434)
Translation adjustment	-	(195)	(195)
As at 31 December 2022	39,045	12,428	51,473
Additions	1,155	5,064	6,219
Depreciation for the year	(12,080)	(3,629)	(15,709)
Translation adjustment	(64)	(142)	(206)
As at 31 December 2023	28,056	13,721	41,777

(Unit: Thousand Baht)

	Separate financial statements		
	Building and improvement	Motor vehicles	Total
As at 1 January 2022	-	2,346	2,346
Additions	47,447	-	47,447
Depreciation for the year	(8,402)	(761)	(9,163)
As at 31 December 2022	39,045	1,585	40,630
Depreciation for the year	(11,861)	(761)	(12,622)
As at 31 December 2023	27,184	824	28,008

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Lease payments	39,006	50,293	29,520	42,088
Less: Deferred interest expenses	(3,078)	(5,135)	(2,033)	(4,026)
Total	35,928	45,158	27,487	38,062
Less: Portion due within one year	(15,602)	(13,232)	(11,225)	(10,575)
Lease liabilities - net of current portion	<u>20,326</u>	<u>31,926</u>	<u>16,262</u>	<u>27,487</u>

Movements of the lease liability account during the years ended 31 December 2023 and 2022 are summarised below:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Balance at beginning of year	45,158	2,409	38,062	2,409
Additions	6,219	55,289	-	42,980
Accretion of interest	2,887	2,368	1,993	1,825
Repayments	(18,018)	(14,795)	(12,568)	(9,152)
Translation adjustment	(318)	(113)	-	-
Balance at end of year	<u>35,928</u>	<u>45,158</u>	<u>27,487</u>	<u>38,062</u>

A maturity analysis of lease payments is disclosed in Note 31.1 to the consolidated financial statements under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Depreciation expense of right-of-use assets	15,709	10,434	12,622	9,163
Interest expense on lease liabilities	2,887	2,368	1,993	1,825
Expense relating to short-term leases	243	356	1,138	956
Expense relating to leases of low-value assets	138	165	128	165

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 18.3 million (2022: Baht 12.0 million) (the Company only: Baht 13.8 million (2022: Baht 10.2 million)) including the cash outflow related to short-term lease, leases of low-value assets.

19. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Provision for long-term employee				
benefits at beginning of year	6,490	5,488	6,273	5,488
Included in profit or loss:				
Current service cost	1,079	1,018	662	801
Interest cost	145	105	138	105
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Financial assumptions changes	-	(206)	-	(206)
Experience adjustments	-	85	-	85
Benefits paid during the year	<u>(1,565)</u>	<u>-</u>	<u>(1,565)</u>	<u>-</u>
Provisions for long-term employee				
benefits at end of year	<u>6,149</u>	<u>6,490</u>	<u>5,508</u>	<u>6,273</u>

The Group is not expected to pay long-term employee benefits during the next year (2022: Baht 1.7 million) (the Company only: Nil (2022: Baht 1.7 million)).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefits is 9 - 16 years (2022: 9 - 16 years) (the Company only: 9 years (2022: 9 years)).

Significant actuarial assumptions are summarised below.

(Unit: % per annum)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Discount rate	2.5 - 3.5	2.5 - 3.5	2.5	2.5
Salary increase rate	3.0	3.0	3.0	3.0
Turnover rate	2.9 - 34.4	2.9 - 34.4	10.2 - 34.4	10.2 - 34.4

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2023 and 2022 are summarised below:

(Unit: Million Baht)

As at 31 December 2023

	Consolidated		Separate	
	financial statements		financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(0.10)	0.45	(0.32)	0.36
Salary increase rate	0.53	(0.47)	0.43	(0.38)
	<u>Increase 20%</u>	<u>Decrease 20%</u>	<u>Increase 20%</u>	<u>Decrease 20%</u>
Turnover rate	(0.98)	1.25	(0.90)	1.15

(Unit: Million Baht)

As at 31 December 2022

	Consolidated		Separate	
	financial statements		financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(0.35)	0.39	(0.32)	0.35
Salary increase rate	0.38	(0.35)	0.35	(0.32)
	<u>Increase 20%</u>	<u>Decrease 20%</u>	<u>Increase 20%</u>	<u>Decrease 20%</u>
Turnover rate	(0.77)	0.97	(0.75)	0.94

20. Provident funds

The Company and its employees have jointly established provident funds in accordance with the Provident Fund Act B.E. 2530. The Company and its employees contribute to the funds monthly at the rates of 3 to 10 percent of basic salary and 3 to 15 percent of basic salary, respectively. The funds, which are managed by the provident fund SCBAM Master Fund, will be paid to employees upon termination in accordance with the fund rules. The contribution for the years 2023 were recognised as expenses amounting to Baht 3.0 million (2022: Baht 2.3 million).

21. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve equal to at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any) until the reserve reaches 10 percent of the registered share capital. The statutory reserve is not available for dividend payment.

22. Share discount

Section 52 of the Public Limited Company Act B.E. 2535, requires if the company which has been in operation for not less than one year suffers a loss, it may offer its shares for sale at a price lower than the registered par value, provided; approval is granted at the meeting of shareholders, the fixed discount rate shall be definitely determined and specified in the prospectus.

23. Warrants

The Annual General Meeting of Shareholders held on 25 April 2013, had the resolution to approve the issuance of Warrants No. 1 (TIES-WA) in the number of 22,000,000 units to the management and employees and the Extraordinary General Meeting of Shareholders held on 17 November 2014 has a resolution to approve the allotment and offering of newly issued ordinary shares of the Company to the existing shareholders of the Company in proportion to their respective shareholdings (Right Offering) and adjustment of right which specified that the Company is obliged to adjust the exercise price and exercise ratio.

Holders of warrants are able to exercise the warrants to ordinary shares on the last business day of March, June, September and December throughout the term of the warrants. The unexercised warrants as at 14 May 2018 which was the last exercised date were 8,140,000 units and the Company transferred expired share capital from share-based payment of Baht 7.86 million to be a separate item in the statement of changes in shareholders' equity.

24. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Subcontractor cost	835,794	320,261	953,310	360,979
Salaries and wages and other employee benefits	102,755	85,104	94,271	78,669
Depreciation and amortisation expenses	19,517	15,393	17,625	14,032
Professional fee and consultant expenses	98,171	11,709	97,769	11,709
Loss on litigations	177	7,370	177	7,370

25. Income tax

Income tax expenses for the years ended 31 December 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current income tax:				
Current income tax charge	335,420	22,472	306,669	19,803
Adjustment in respect of income tax of previous year	12	-	-	-
Deferred tax:				
Deferred tax relating to origination and reversal of temporary differences	3,347	(3,408)	1,204	(3,365)
Income tax expense reported in profit or loss	<u>338,779</u>	<u>19,064</u>	<u>307,873</u>	<u>16,438</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax relating to				
Gain (loss) on changes in value of equity investments designated at fair value through other comprehensive income	590	(2,153)	590	(2,153)
Actuarial gain	-	444	-	444
Total	<u>590</u>	<u>(1,709)</u>	<u>590</u>	<u>(1,709)</u>

The reconciliation between accounting profit and income tax expenses is shown below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Accounting profit before tax	1,655,195	559,520	1,537,254	539,509
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	338,791	114,242	307,451	107,902
Adjustment in respect of income tax of previous year	12	-	-	-
Previously unrecognised tax losses that is used to reduce current tax expense	-	(88,105)	-	(88,105)
Recognised deferred tax assets of previous year	-	(2,661)	-	(2,661)
Effects of:				
Non-deductible expenses	673	618	450	322
Exemption of income	(669)	(4,010)	-	-
Additional expense deductions allowed	(28)	(568)	(28)	(568)
Other	-	(452)	-	(452)
Total	(24)	(4,412)	422	(698)
Income tax expenses reported in profit or loss	338,779	19,064	307,873	16,438

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax assets				
Allowance for asset impairment	22	22	22	22
Provision for long-term employee benefits	1,230	1,298	1,102	1,254
Unrealised fair value loss on investments	83	1,607	83	1,607
Other current provisions	1,200	160	1,200	160
Provision for decommissioning	480	399	480	399
Provisions for loss on litigations	-	1,428	-	1,428
Lease liabilities	393	204	393	204
Total	3,408	5,118	3,280	5,074

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax liabilities				
Revaluation surplus of assets	(5,024)	(5,024)	(5,024)	(5,024)
Undued tax remitted	(2,227)	-	-	-
Total	<u>(7,251)</u>	<u>(5,024)</u>	<u>(5,024)</u>	<u>(5,024)</u>
Deferred tax assets (liabilities) - net	<u>(3,843)</u>	<u>94</u>	<u>(1,744)</u>	<u>50</u>

26. Earnings per share

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

	For the year ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Profit for the year (Thousand Baht)	1,316,416	540,456	1,229,381	523,072
Weighted average number of ordinary shares (Thousand shares)	64,992,438	64,992,438	64,992,438	64,992,438
Basic earnings per share (Baht per share)	0.0203	0.0083	0.0189	0.0080

27. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Chief Executive Officer.

The Group is principally engaged in one operating segment which is a plant and building construction, and the two geographic areas in which these activities are carried on are Thailand and the Lao People's Democratic Republic.

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 profit or loss and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment.

Geographic information

	(Unit: Million Baht)	
	<u>Consolidated financial statements</u>	
	<u>2023</u>	<u>2022</u>
Revenue from external customers		
Thailand	-	6
Lao People's Democratic Republic	2,735	1,024
Total	<u>2,735</u>	<u>1,030</u>

	(Unit: Million Baht)	
	<u>Consolidated financial statements</u>	
	<u>2023</u>	<u>2022</u>
Non-current assets*		
Thailand	270	230
Lao People's Democratic Republic	17	12
Total	<u>287</u>	<u>242</u>

*Other than financial instruments and deferred tax assets.

Major customers

For the year 2023, the Group has revenue from one major customer in amount of Baht 2,597.7 million, arising from construction contracts (2022: Baht 1,024.4 million, arising from construction contracts with one major customer).

28. Commitments and contingent liabilities

28.1 Lease commitments

As at 31 December 2023, future minimum lease payments of the Group required under short-term leases and leases of low-value assets contracts are totaling Baht 0.2 million (the Company only: Baht 0.6 million) (2022: Baht 0.3 million (the Company only: Baht 0.7 million)).

28.2 Service commitments

As at 31 December 2023, the Group has the following service commitments:

- (1) The Group has commitments totaling Baht 556.7 million and USD 29.9 million or Baht 1,031.5 million (the Company only: Baht 624.7 million and USD 33.9 million or Baht 1,167.4 million) (2022: USD 12.8 million or Baht 447 million (the Company only: USD 17.3 million or Baht 602 million)) in respect of cost of construction contracts, for which the Group had already entered into agreements.

- (2) The Company has commitments totaling Baht 2.6 million and USD 0.5 million or Baht 17.2 million (2022: USD 0.5 million or Baht 17.4 million), in respect of consulting fees for a feasibility study on project development, which the Company had already entered into agreements.
- (3) The Company has commitments totaling Baht 60.2 million and USD 0.03 million or Baht 0.7 million in respect of other service contracts related to the Company's operations.

28.3 Guarantees and others

- 1) As at 31 December 2023, the Company had outstanding bank guarantees of approximately Baht 13.5 million (2022: Baht 13.5 million) issued by banks as required in the normal course of business.
- 2) During the year 2018, the Company submitted a bid for construction with a local company and was selected as a winning bidder. However, the Company was unable to enter into a construction contract with the local company within a specified date. Subsequently, such local company announced changes to a list of winning bidders, and the construction was already completed in May 2020. Subsequently, the Company received a letter from the Comptroller General's Department, the Ministry of Finance, informing that the Company was on a list of contractors abandoning work. The Company submitted an appeal against the decision on 25 February 2022. The Comptroller General's Department, the Ministry of Finance, provided a written letter dismissing the Company's appeal on 17 May 2022. However, the Company's management believed that there is no material impact to the financial statements.

29. Litigation

- 29.1** On 24 July 2012, the Company sued a company (the "Contractor") for breach of the construction contract with computable monetary value claims of Baht 100.2 million and such company sued a counterclaim against the Company in the same lawsuit with computable monetary value claims of Baht 281.02 million. However, as the Company has disclosed information to the Electronic Listed Companies Information Disclosure (ELCID), the Supreme Court made the final judgment. The Contractor had to pay a net compensation of Baht 65.0 million to the Company plus interest 7.5 percent per annum from the date of prosecution until complete payment, and the Contractor had to return a total of 4 copies of letters of guarantee (contract collateral) and letters for advance guarantee to the Company. Currently, the case is in the process of execution by enforcement officers.

29.2 The Company had been involved in a lawsuit arising out of breach of contract in connection with borrowings, of which the amount in dispute was Baht 17.6 million. The case was under the Supreme Court consideration. The Company provided land and buildings belonging to the Company (Note 14) and Baht 15.3 million in cash as security for stay of execution under the Appeal Court's judgment.

On 15 March 2023, the Supreme Court issued an order rejecting the Company's request for the Company's further appeal, ruling that the case had reached its final conclusion. As per the Court of Appeal's judgement, the Company was required to pay compensation of Baht 19.6 million to a plaintiff. Since the Company had already recorded a provision for losses arising from the litigation amounting to Baht 7.1 million and the liabilities in its accounts amounting to Baht 12.2 million, the Company recorded additional expenses related to losses arising from the litigation amounting to Baht 0.3 million in profit or loss for the first quarter of the current year. The Company already paid compensation to the plaintiff on 23 March 2023 and reclaimed the security on 1 September 2023.

30. Fair value hierarchy

As at 31 December 2023 and 2022, 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: Thousand Baht)			
	Consolidated / Separate financial statements			
	As at 31 December 2023			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Investment in fixed income				
open-end funds	-	450,758	-	450,758
Financial assets measured at FVOCI				
Equity instruments of listed				
companies	26,159	-	-	26,159
Land	-	12,190	-	12,190
Investment property	-	66,876	-	66,876

(Unit: Thousand Baht)

	Consolidated / Separate financial statements			
	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Investment in fixed income				
open-end funds	-	802,728	-	802,728
Financial assets measured at FVOCI				
Equity instruments of listed				
companies	23,211	-	-	23,211
Land	-	12,190	-	12,190
Investment property	-	66,876	-	66,876

32. Financial instruments

32.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, other current financial assets, other non-current financial assets, trade and other payables, other short-term borrowing and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade and other receivables, contract assets and cash and cash equivalents. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables and contract assets

The Group manages the credit risk relates to trade receivables and contract assets by most of the Group's construction contracts are with large private companies that are creditworthy and have low credit risk. The Group considers other receivables to be transactions with companies that have low credit risk and the ability to service debt. In addition, the Group regularly monitors their debt service capability; therefore, the Group does not expect to incur any significant losses in respect of these allowance for expected credit losses.

Bank deposits and investments in fixed income open-ended fund

The Group manages the credit risk of bank deposits and investments in fixed income open-ended fund by entering into agreements with counterparties that are banks and financial institutions with high credit ratings assigned by international credit-rating agencies.

Market risk

There are two types of market risk comprising foreign currency risk and interest rate risk as follows.

Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from construction contracts and sub-contractor cost that are denominated in foreign currencies.

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

Foreign currency	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	as at 31 December		as at 31 December		as at 31 December	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
USD	61.8	23.0	21.1	4.4	34.2233	34.5624

Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	as at 31 December		as at 31 December		as at 31 December	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
USD	46.9	19.8	8.8	1.7	34.2233	34.5624

Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in US dollar exchange rate, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities as at 31 December 2023 and 2022.

Currency	Consolidated financial statements			Separate financial statements		
	Change in	Effect on profit before tax		Change in	Effect on profit before tax	
	FX rate	<u>2023</u>	<u>2022</u>	FX rate	<u>2023</u>	<u>2022</u>
	(%)	(Thousand Baht)	(Thousand Baht)	(%)	(Thousand Baht)	(Thousand Baht)
US dollar	+5	90,237	29,414	+5	64,805	28,547
	- 5	(90,237)	(29,414)	- 5	(64,805)	(28,547)

This information is not a forecast or prediction of future market conditions and should be used with care.

Interest rate risk

The Group’s exposure to interest rate risk relates primarily to its cash at banks, other financial assets, restricted bank deposits, other short-term borrowing and lease liabilities. Most of the Group’s financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2023 and 2022, significant financial assets and liabilities classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements							
As at 31 December 2023							
Fixed interest rates							
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
<u>Financial assets</u>							
Cash and cash equivalents	-	-	-	964	334	1,298	0.15 - 1.03
Trade and other receivables	-	-	-	-	615	615	-
Restricted bank deposits	-	16	-	-	-	16	0.50 - 1.02
Other financial assets	-	-	-	-	477	477	-
Retention receivables	-	-	-	-	96	96	-
	-	16	-	964	1,522	2,502	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	472	472	-
Lease liabilities	16	20	-	-	-	36	5.99 - 12.00
Retention payables	-	-	-	-	36	36	-
	16	20	-	-	508	544	

(Unit: Million Baht)

Separate financial statements

As at 31 December 2023

	Fixed interest rates					Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing		
<u>Financial assets</u>							
Cash and cash equivalents	-	-	-	964	43	1,007	0.15 - 0.60
Trade and other receivables	-	-	-	-	614	614	-
Restricted bank deposits	-	16	-	-	-	16	0.50 - 1.02
Other financial assets	-	-	-	-	477	477	-
Retention receivables	-	-	-	-	96	96	-
	-	16	-	964	1,230	2,210	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	327	327	-
Lease liabilities	11	16	-	-	-	27	5.99
Retention payables	-	-	-	-	45	45	-
	11	16	-	-	372	399	

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2022

	Fixed interest rates					Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing		
<u>Financial assets</u>							
Cash and cash equivalents	-	-	-	527	89	616	0.15 - 0.53
Trade and other receivables	-	-	-	-	78	78	-
Restricted bank deposits	-	16	-	-	-	16	0.35 - 0.53
Other financial assets	-	-	-	-	826	826	-
Retention receivables	-	-	-	-	46	46	-
	-	16	-	527	1,039	1,582	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	96	96	-
Other short-term borrowing	-	-	-	12	-	12	MLR
Lease liabilities	13	32	-	-	-	45	5.99 - 12.00
Retention payables	-	-	-	-	23	23	-
	13	32	-	12	119	176	

(Unit: Million Baht)

Separate financial statements							
As at 31 December 2022							
Fixed interest rates							
Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate	
							(% per annum)
<u>Financial assets</u>							
Cash and cash equivalents	-	-	-	527	1	528	0.15 - 0.53
Trade and other receivables	-	-	-	-	74	74	-
Restricted bank deposits	-	16	-	-	-	16	0.35 - 0.53
Other financial assets	-	-	-	-	826	826	-
Retention receivables	-	-	-	-	46	46	-
	-	16	-	527	947	1,490	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	66	66	-
Other short-term borrowing	-	-	-	12	-	12	MLR
Lease liabilities	11	27	-	-	-	38	5.99
Retention payables	-	-	-	-	26	26	-
	11	27	-	12	92	142	

Analysis of interest rate sensitivity

The Group considers that the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of floating rate loans from affected as at 31 December 2023 and 2022 is not material.

Liquidity risk

The Group gives high priority to liquidity management by holding appropriate levels of cash and cash equivalents along with other liquid assets and arranging sufficient credit facilities with financial institutions. In addition, the Group has access to a wide range of funding sources. The Group regularly monitors the adequacy of liquidity and adjusts its liquidity management strategy on a timely basis.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2023 and 2022 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	As at 31 December 2023				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	472,367	-	-	472,367
Lease liabilities	-	17,686	21,320	-	39,006
Retention payables	8,002	-	28,182	-	36,184
Total non-derivatives	8,002	490,053	49,502	-	547,557

(Unit: Thousand Baht)

	Separate financial statements				
	As at 31 December 2023				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	327,435	-	-	327,435
Lease liabilities	-	12,568	16,952	-	29,520
Retention payables	8,002	-	36,742	-	44,744
Total non-derivatives	8,002	340,003	53,694	-	401,699

(Unit: Thousand Baht)

	Consolidated financial statements				
	As at 31 December 2022				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	95,803	-	-	95,803
Other short-term borrowing	19,375	-	-	-	19,375
Lease liabilities	-	15,923	34,370	-	50,293
Retention payables	12,110	-	10,771	-	22,881
Total non-derivatives	31,485	111,726	45,141	-	188,352

(Unit: Thousand Baht)

	Separate financial statements				
	As at 31 December 2022				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	66,375	-	-	66,375
Other short-term borrowing	19,375	-	-	-	19,375
Lease liabilities	-	12,568	29,520	-	42,088
Retention payables	12,110	-	13,968	-	26,078
Total non-derivatives	31,485	78,943	43,488	-	153,916

31.2 Fair values of financial instruments

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

32. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

As at 31 December 2023, the Group's debt-to-equity ratio was 0.29:1 (2022: 0.14:1) and the Company's was 0.24:1 (2022: 0.12:1).

33. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2024.