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| **1 General information** |

Twenty-Four Con & Supply Public Company Limited (“the Company”) is a limited company, incorporated in Thailand. The address of the Company’s registered office is as follows:

89, AIA Capital Center, 9th Floor, Unit 901, Ratchadaphisek Road, Din Daeng, Bangkok, 10400.

The principal business operations of the Company and its subsidiaries (together “the Group”) are to sell and install ventilation and air conditioning systems, electricity systems and plumbing systems as well as maintenance services and electrical appliance distributor and provide related services to air conditioning.

These consolidated and separate financial statements were authorised for issue by the Group’s authorised director on 27 February 2024.

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| **2 Significant events during the current year** |

**Establishment of a subsidiary and first-time preparation of consolidated financial statements**

On 24 April 2023, the Group established a new subsidiary, Twenty Four Home Company Limited. The Company acquired 49,997 ordinary shares at a par value of Baht 100 each, totaling Baht 4.99 million, with 99.99% ownership interests. The interim consolidated financial statements has been prepared for the first time.

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| **3 Basis of preparation** |

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except certain items

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 8.

An English version of the financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

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| **4 New and amended financial reporting standards** |

New and amended financial reporting standards effective for the accounting periods beginning on or after 1 January 2023 do not have material impact on the Group.

The Group has not yet early adopted the amended financial reporting standards which are effective beginning on or after   
1 January 2024. The Group’s management is currently assessing the impact of adoption of these standards.

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| **5 Accounting policies** |

**5.1 Principles of consolidation**

1. Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost. Historical cost also includes direct attributable costs of investment.

1. Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group’s interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

**5.2 Foreign currency translation**

1. Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company’s functional and presentation currency.

1. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

**5.3 Cash and cash equivalents**

In the statements of cash flows, cash and cash equivalents includes cash on hand and deposits held at call,   
short-term highly liquid investments with maturities of three months or less from acquisition date

**5.4 Trade accounts receivable**

Trade receivables are amounts due from customers for goods sold and/or services performed in the ordinary course of business. They are generally due for settlement within 30 to 60 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 5.6 (e).

**5.5 Inventories**

Inventories are stated at the lower of cost and net realisable value.

Cost of inventories is determined by the first-in, first-out method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and directly attributable costs in bringing the inventories to their present location and condition.

**5.6 Financial assets**

a) Classification

The Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

* those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
* those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

d) Debt instrument

Subsequent measurement of debt instruments depends on the Group’s business model for managing the asset and the cash flow characteristics of the financial assets. There are two measurement categories into which the Group classifies its debt instruments:

* Amortised cost: Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.
* FVPL: Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

e) Impairment (loss allowance)

The Group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables, retention and contract assets, which applies lifetime expected credit loss, from initial recognition, for all trade receivables and contract assets.

To measure the expected credit losses, receivables have been grouped based on shared credit risk characteristics and the days past due. The retention receivables and contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the retention receivables and contract assets. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

The expected loss rates are based on the payment profiles of sales and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP, the unemployment rate, and consumer price index of the countries in which it sells its goods and services to assess, and accordingly adjusts the historical loss rates based on expected changes in these factors.

For other financial assets carried at amortised cost, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

* probability-weighted estimated uncollectible amounts
* time value of money; and
* supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss and included in administrative expenses.

**5.7 Leasehold improvements and equipment**

All leasehold improvements and equipment are initially recorded at cost. Leasehold improvements and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset’s carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

|  |  |
| --- | --- |
| Leasehold improvements | 5 years |
| Tools and equipment | 5 years |
| Machinery | 5 years |
| Furniture, fixtures and office equipment | 5 years |
| Vehicles | 5 years |

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing the proceeds with carrying amount and are recognised other gains or losses, net.

**5.8 Intangible assets**

Acquired computer software

Acquired computer software is measured at cost. These costs are amortised over their estimated useful lives not over than 3 years.

Cost associated with maintaining computer software are recognised as an expense as incurred.

**5.9 Impairment of assets**

Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment.   
An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

**5.10 Leases**

Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the asset's useful life on a straight-line basis.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

* fixed payments (including in-substance fixed payments), less any lease incentives receivable
* variable lease payment that are based on an index or a rate
* amounts expected to be payable by the lessee under residual value guarantees
* the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
* payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee’s incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

* the amount of the initial measurement of lease liability
* any lease payments made at or before the commencement date less any lease incentives received
* any initial direct costs, and
* restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipment.

**5.11 Financial liabilities**

1. Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

* Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group’s own equity instruments.
* Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

**5.12 Current and deferred income taxes**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

*Current tax*

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

*Deferred income tax*

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised

- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**5.13 Employee benefits**

*Short-term employee benefits*

Liabilities for short-term employee benefits such as commission and bonuses that are expected to be settled wholly within 12 months after the end of the reporting period are recognised in respect of employees’ service up to the end of the reporting period. They are measured at the amount expected to be paid.

*Defined contribution plan*

The Group pays contributions to a separate fund on a voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

*Defined benefit plans - retirement benefit*

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee’s latest compensation at retirement.

The defined benefit obligation is calculated by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

**5.14 Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

**5.15 Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares (net of tax) are shown as a deduction in equity.

**5.16 Revenue recognition**

Revenue includes all revenues from ordinary business activities. All ancillary income in connection with the delivery of goods and rendering of services in the course of the Group’s ordinary activities are also presented as revenue.

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectability of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into individual distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfilment of the obligation to the customer.

1. **Sale of goods**

The Group sells air conditioner, and equipment for air conditioning system and ventilation system. Sales are recognised when control of the products has transferred, being when the products are delivered, and there is no unfulfilled obligation that could affect the customer’s acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

The Group’s obligation to repair or replace faulty products under the standard warranty terms is recognised as a provision and cost of sales.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

1. **Revenue from construction**

Revenue from construction contracts or construction-type service contracts or service contracts where a defined output is promised, is recognised using the percentage of completion method. The stage of completion is generally determined as the percentage of cost incurred up until the reporting date relative to total estimated cost.

Where the progress of work is not reliably measured, revenue is only recognised up to the amount of contract costs expensed, provided it is recoverable.

Claims, variations and liquidated damages are accounted for as variable consideration and are included in contract revenue provided that it is highly probable that a significant reversal will not occur in the future.

*Contract assets and contract liabilities*

A contract asset is recognised where the Group recognised revenue for fulfilment of a contractual performance obligation before the customer paid consideration or before the requirements for billing.

A contract liability is recognised when the customer paid consideration or a receivable from the customer that is due before the Group fulfilled a contractual performance obligation.

For each customer contract, contract liabilities are set off against contract assets.

1. **Revenue from maintenance services**

The Group recognised revenue from service contracts with a continuous service provision as revenue on a straight line basis over the contract term, regardless of the payment pattern.

1. **Revenue from services**

Revenue from rendering services is based on the stage of completion.

1. **Other income**

Other income is recognised on an accrual basis unless collectability is not probable.

**5.17 Share-based payment**

For the equity-settled share-based payment, the transactions in which goods or services are received as consideration for equity instruments of the entity should be measured at the fair value of the goods or services received. Only if the fair value of the goods or services cannot be measured reliably would the fair value of the equity instruments at the granted date be used.

**5.18 Dividend distribution**

Dividend distributed to the Company’s shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

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| **6 Financial risk management** |

**6.1 Financial risk**

The Group exposes to a variety of financial risk: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group’s overall risk management programmed focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group’s financial performance. The Group might uses derivative financial instruments to hedge certain exposures.

**6.1.1 Market risk**

* + - 1. **Foreign exchange risk**

The Group operates internationally and is exposed to foreign currency risks, primarily the US dollar from purchase of goods that are denominated in foreign currencies. The Group may use forward contracts to hedge their exposure to protect foreign currency risk when necessary. However, the proportion of purchases in foreign currencies were not material compared to total purchase balance.

The Group does not apply hedge accounting. The foreign currency forwards recognised as derivatives assets or liabilities measured at fair value through profit or loss.

* + - 1. **Cash flow and fair value interest rate risk**

The Group’s income and operating cash flows are substantially independent of changes in market interest rates. The Group is exposed to interest rate risk relates primarily to its deposits at financial institutions, short-term loans to related parties, short-term borrowings and long-term borrowings. Most of the Group’s financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, which expose the Group to cash flow interest rate risk. However, the Group will use interest rate swap to management the risk when necessary.

The Group does not apply hedge accounting.

The exposure of the Group’s borrowings to interest rate at the end of the reporting period are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated and separate  financial statements** | | **Separate financial statements** | |
|  | **2023** | | **2022** | |
|  | **Baht** | **% per total borrowings** | **Baht** | **% per total borrowings** |
|  |  |  |  |  |
| Bank overdraft and short-term loan  from financial institutions at  floating rate | 7,655,859 | 35 | - | - |
| Long term loan from financial  institutions at floating rate | 11,644,619 | 53 | 18,971,852 | 81 |
| Long term loan from financial  institutions at fixed rate | 2,586,473 | 12 | 4,572,213 | 19 |
|  |  |  |  |  |
|  | 21,886,951 | 100 | 23,544,065 | 100 |

**6.1.2 Credit risk**

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost as well as credit exposures to customers, including outstanding receivables.

**a) Risk management**

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties with a minimum rating of ‘BBB’ are accepted.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on tips assessments in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

**b) Security**

For some trade receivables the Group may obtain security in the form of letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

**c) Impairment of financial assets**

The Group has the following financial assets that are subject to the expected credit loss model:

* cash and cash equivalents
* trade and other receivables
* deposits at financial institutions used as collateral
* retention receivables (presented under other current and non-current assets)

While cash and cash equivalents and deposit at financial institutions used as collateral are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

*Trade receivables, retention receivables* *and contract assets*

The Group applies the TFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables, retention receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for retention receivables and the contract assets.

The Group write-off trade receivables and contract assets when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments or cannot be contacted for a period greater than 365 days past due.

Impairment losses on trade receivables, retention receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

*Other receivables*

The Group has other receivables measured at amortised cost. The 12-month expected credit loss allowance was recognised for those loans without any significant increase in credit risk. The lifetime expected credit loss was recognised for those loans with significant increase in credit risk.

**6.1.3 Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group and the Company held deposits at call of Baht 23.53 million (2022: Baht 214.67 million) that are expected to readily generate cash inflows for managing liquidity risk. Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors i) rolling forecasts of the Group’s liquidity reserve (comprising the undrawn borrowing facilities below); and ii) cash and cash equivalents on the basis of expected cash flows. In addition, the Group’s liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary, monitoring balance sheet liquidity ratios and maintaining financing plans.

**a) Financing arrangements**

The Group has access to the following undrawn credit facilities as at 31 December as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate financial statements** | **Separate**  **financial statements** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
| **Floating rate** |  |  |
| Over than 1 year |  |  |
| - Bank overdraft | 144,141 | 3,000,000 |
| - Short-term loan from financial institutions | 200,000 | 5,000,000 |
| - Combined short-term loan from  financial institutions | 124,404,626 | 35,165,462 |
| - Letter of credit | 1,591,410 | 22,391,152 |
|  |  |  |
|  | 126,340,177 | 65,556,614 |

**b) Maturity of financial liabilities**

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities.   
The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | | | |
|  | **Within**  **1 year**  **Baht** | **1 - 5 years**  **Baht** | **Over**  **5 years**  **Baht** | **Total**  **Baht** | **Booked value**  **Baht** |
| **As at 31 December 2023** |  |  |  |  |  |
| Bank overdrafts | 2,855,859 | - | - | 2,855,859 | 2,855,859 |
| Short-term loans from a financial institution | 4,800,000 | - | - | 4,800,000 | 4,800,000 |
| Trade and other payables | 98,251,391 | - | - | 98,251,391 | 98,251,391 |
| Derivative liabilities | 864,658 | - | - | 864,658 | 864,658 |
| Other current liabilities | 4,567,555 | - | - | 4,567,555 | 4,318,716 |
| Lease liabilities | 6,503,968 | 15,153,229 | - | 21,657,197 | 19,234,046 |
| Long-term loans from  financial institutions | 10,496,992 | 4,582,854 | - | 15,079,846 | 14,231,092 |
| Other non-current liabilities | - | 28,875,098 | - | 28,875,098 | 27,418,641 |
|  |  |  |  |  |  |
| **Total** | 128,340,423 | 48,611,181 | - | 176,951,604 | 171,974,403 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Separate financial statements** | | | | |
|  | **Within**  **1 year**  **Baht** | **1 - 5 years**  **Baht** | **Over**  **5 years**  **Baht** | **Total**  **Baht** | **Booked value**  **Baht** |
| **As at 31 December 2023** |  |  |  |  |  |
| Bank overdrafts | 2,855,859 | - | - | 2,855,859 | 2,855,859 |
| Short-term loans from a financial institution | 4,800,000 | - | - | 4,800,000 | 4,800,000 |
| Trade and other payables | 97,183,943 | - | - | 97,183,943 | 97,183,943 |
| Derivative liabilities | 864,658 | - | - | 864,658 | 864,658 |
| Other current liabilities | 4,565,330 | - | - | 4,565,330 | 4,316,491 |
| Lease liabilities | 6,503,968 | 15,153,229 | - | 21,657,197 | 19,234,046 |
| Long-term loans from  financial institutions | 10,496,992 | 4,582,854 | - | 15,079,846 | 14,231,092 |
| Other non-current liabilities | - | 28,875,098 | - | 28,875,098 | 27,418,641 |
|  |  |  |  |  |  |
| **Total** | 127,270,750 | 48,611,181 | - | 175,881,931 | 170,904,730 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Separate financial statements** | | | | |
|  | **Within**  **1 year**  **Baht** | **1 - 5 years**  **Baht** | **Over**  **5 years**  **Baht** | **Total**  **Baht** | **Booked value**  **Baht** |
| **As at 31 December 2022** |  |  |  |  |  |
| Trade and other payables | 321,363,985 | - | - | 321,363,985 | 321,363,985 |
| Other current liabilities | 3,846,390 | - | - | 3,846,390 | 3,674,346 |
| Lease liabilities | 6,658,452 | 8,157,408 | - | 14,815,860 | 13,858,947 |
| Long-term loans from  financial institutions | 12,066,000 | 12,821,876 | 815,938 | 25,703,814 | 23,544,065 |
| Other non-current liabilities | - | 12,234,683 | - | 12,234,683 | 11,569,085 |
|  |  |  |  |  |  |
| **Total** | 343,934,827 | 33,213,967 | 815,938 | 377,964,732 | 374,010,428 |

**6.2 Capital management**

**6.2.1 Risk management**

The objectives when managing capital are to:

* safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and
* maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital based on gearing ratio which is determined by dividing net debt with equity.

The gearing ratios at 31 December are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial statements** | **Separate financial statements** | |
|  | **2023**  **Baht** | **2023**  **Baht** | **2022**  **Baht** |
|  |  |  |  |
| Net debt | 194,007,502 | 196,222,038 | 409,792,604 |
| Equity | 563,998,887 | 564,988,064 | 609,069,931 |
|  |  |  |  |
| **Net debt to equity ratio** | **0.34** | **0.35** | **0.67** |

|  |
| --- |
| **7 Fair value** |

Fair values are categorised into hierarchy based on inputs used as follows:

Level 1: The fair value of financial instruments is based on the current bid price or closing price by reference to the Stock Exchange of Thailand or the Thai Bond Dealing Centre.

Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.

Level 3: The fair value of financial instruments is not based on observable market data.

The carrying amount of financial assets and financial liabilities is considered to be the same as their fair value due to the short-term nature. Fair value of short-term borrowings from financial institutions and current portion of long term borrowings from financial institutions are equal to their carrying amounts, as the impact of discounting is not material. The fair value of the long-term borrowings from financial institutions is close to the carrying amount because these are floating-rate loans.

There were no transfers between levels during the year.

|  |
| --- |
| **8 Critical accounting estimates and judgement** |

Estimates and judgement are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstance.

**a) Revenue recognition**

The Group needs to estimate the stage of completion of works under contracts with customers to recognised revenue. The progress of work is generally determined as the percentage of cost incurred up until the reporting date relative to total estimated cost. Total estimated cost of project is estimated by engineers who is responsible for each project, and is subjected to change subsequent to original estimation.

**b)** **Defined retirement benefit obligations**

The present value of the retirement benefit obligations depends on a number of assumptions. Key assumptions used and impacts from possible changes in key assumptions are disclosed in note 23.

**c)** **Determination of lease terms**

Critical judgement in determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options   
(or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

Most extension options on offices and vehicles leases have not been included in the lease liability, because the Group considers i) the underlying asset condition and/or ii) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group.

**d) Determination of discount rate applied to leases**

The Group determines the incremental borrowing rate as follows:

* Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
* Make adjustments specific to the lease, e.g. term, country, currency and security.

**e)** **Impairment of financial assets**

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group’s past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period. The impairment of financial assets are disclosed in note 11.

|  |
| --- |
| **9 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 (CODM). CODM is chairman of Executive committee and managing director who make decisions about the allocation of resources to the segment and assess its performances. The Group and its associate operate under   
2 operating segments as follows:

1. **Services segment**

1.1 Service render for construction of heating, ventilation, and air conditioning systems, electricity systems and plumbing systems

* 1. Service render for maintenance services.

1. **Sales segment**
   1. Sales and installation heating, ventilation, and air conditioning, electricity systems and plumbing systems equipment.

Significant information relating to revenue and profit of the reportable segments are as follows.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | | | | |
|  | **Services segment** | | **Sales segment** | | **Total** | |
|  | **2023** | **2022** | **2023** | **2022** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |  |  |
| Revenue from sales and rendering services | 435,748,498 | 675,139,138 | 245,746,310 | 303,428,451 | 681,494,808 | 978,567,589 |
| Cost of sales and rendering services | (443,435,926) | (591,633,755) | (227,996,474) | (278,430,167) | (671,432,400) | (870,063,922) |
|  |  |  |  |  |  |  |
| **Gross (loss) profit** | (7,687,428) | 83,505,383 | 17,749,836 | 24,998,284 | 10,062,408 | 108,503,667 |
| Other income |  |  |  |  | 8,777,816, | 3,695,927 |
| Selling expenses |  |  |  |  | (9,318,398) | (15,432,835) |
| Administrative expenses |  |  |  |  | (62,009,546) | (60,162,695) |
| Finance costs |  |  |  |  | (3,542,679) | (5,067,487) |
|  |  |  |  |  |  |  |
| **Net (loss) profit before income tax** |  |  |  |  | (56,030,399) | 31,536,577 |
| Income tax |  |  |  |  | 10,959,355 | (7,042,346) |
|  |  |  |  |  |  |  |
| **(Loss) profit for the year** |  |  |  |  | (45,071,044) | 24,494,231 |
|  |  |  |  |  |  |  |
| **Timing of revenue recognition:** |  |  |  |  |  |  |
| At a point in time | - | - | 245,746,310 | 303,428,451 | 245,746,310 | 303,428,451 |
| Over time | 435,748,498 | 675,139,138 | - | - | 435,748,498 | 675,139,138 |
|  |  |  |  |  |  |  |
|  | 435,748,498 | 675,139,138 | 245,746,310 | 303,428,451 | 681,494,808 | 978,567,589 |

**Major customers information**

Details of major customers for the year ended 31 December are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate financial statements** | **Separate**  **financial statements** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Customer 1 | 420,378,629 | 618,818,117 |
| Customer 2 | 25,900,222 | 51,493,624 |
| Customer 3 | 99,348,971 | 250,737,104 |
|  |  |  |
| Total | 545,627,822 | 921,048,846 |

|  |
| --- |
| **10 Cash and cash equivalents** |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial statements** | **Separate financial statements** | |
|  | **2023** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| Cash on hand | 518,323 | 510,000 | 400,000 |
| Short-term bank deposits | 23,237,292 | 23,022,639 | 214,272,252 |
|  |  |  |  |
| Total | 23,755,615 | 23,532,639 | 214,672,252 |

|  |
| --- |
| **11 Trade and other receivables and contract assets** |

**11.1 Trade and other receivables**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial statements** | **Separate financial statements** | |
|  | **2023** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| Trade receivables - third parties | 63,082,746 | 61,985,146 | 212,948,967 |
| Less Loss allowance | (2,303,321) | (2,303,321) | (2,303,321) |
|  |  |  |  |
| Total trade receivables, net | 60,779,425 | 59,681,825 | 210,645,646 |
| Other receivables - third parties | 1,343,845 | 1,343,145 | 1,174,541 |
| Other receivables - related parties (Note 32 (b)) | - | 43,408 | - |
| Other receivables - employees | - | - | 38,201 |
| Accrued income | 2,618,139 | 2,618,139 | - |
| Prepayments | 3,613,164 | 3,573,437 | 7,430,009 |
| Deposits | 222,900 | 222,900 | 210,075 |
|  |  |  |  |
|  | 68,577,473 | 67,482,854 | 219,498,472 |

**11.2 Contract assets**

Details of contracts assets are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate financial statements** | **Separate financial statements** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Contract costs to date | 1,337,017,020 | 784,871,674 |
| Recognised profits to date | 119,519,048 | 122,415,718 |
|  |  |  |
| Contract costs incurred and recognised  profits to date | 1,456,536,068 | 907,287,392 |
| Less Progress billings | (1,033,494,911) | (558,400,552) |
|  |  |  |
| Less Loss allowance | (287,128) | (287,128) |
|  |  |  |
| Total contract assets | 422,754,029 | 348,599,712 |

Contract assets are revenue arises from unbilled contracts that the Group made with customers. Contact assets are due within 12 months.

**11.3 Impairments of trade receivables and contract assets**

The loss allowance for trade receivables and contract assets was determined as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | | | | |
| **As of**  **31 December 2023** | **Not yet due**  **Baht** | **Up to**  **3 months**  **Baht** | **3 - 6 months**  **Baht** | **6 - 12 months Baht** | **More than**  **12 months**  **Baht** | **Total**  **Baht** |
|  |  |  |  |  |  |  |
| Gross carrying amount |  |  |  |  |  |  |
| - trade receivables | 21,060,307 | 23,905,211 | 1,465,274 | 14,348,633 | 2,303,321 | 63,082,746 |
| - contract assets | 5,540,174 | 36,242,251 | 124,767,075 | 132,560,023 | 123,931,634 | 423,041,157 |
|  |  |  |  |  |  |  |
| Loss allowance | - | - | - | - | (2,590,449) | (2,590,449) |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Separate financial statements** | | | | | |
| **As of**  **31 December 2023** | **Not yet due**  **Baht** | **Up to**  **3 months**  **Baht** | **3 - 6 months**  **Baht** | **6 - 12 months Baht** | **More than**  **12 months**  **Baht** | **Total**  **Baht** |
|  |  |  |  |  |  |  |
| Gross carrying amount |  |  |  |  |  |  |
| - trade receivables | 19,962,707 | 23,905,211 | 1,465,274 | 14,348,633 | 2,303,321 | 61,985,146 |
| - contract assets | 5,540,174 | 36,242,251 | 124,767,075 | 132,560,023 | 123,931,634 | 423,041,157 |
|  |  |  |  |  |  |  |
| Loss allowance | - | - | - | - | (2,590,449) | (2,590,449) |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Separate financial statements** | | | | | |
| **As of**  **31 December 2022** | **Not yet due**  **Baht** | **Up to**  **3 months**  **Baht** | **3 - 6 months**  **Baht** | **6 - 12 months Baht** | **More than**  **12 months**  **Baht** | **Total**  **Baht** |
|  |  |  |  |  |  |  |
| Gross carrying amount |  |  |  |  |  |  |
| - trade receivables | 89,863,555 | 112,067,015 | 8,565,276 | 149,800 | 2,303,321 | 212,948,967 |
| - contract assets | 140,415,589 | 74,737,649 | 49,451,588 | 83,994,886 | 287,128 | 348,886,840 |
|  |  |  |  |  |  |  |
| Loss allowance | - | - | - | - | (2,590,449) | (2,590,449) |

The loss allowances for trade receivables and contract assets as at 31 December reconcile to the opening loss allowances as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated financial statements** | |
|  | **Trade receivables** | **Contract**  **assets** |
|  | **Baht** | **Baht** |
|  |  |  |
| **Opening loss allowance at 1 January 2023** | 2,303,321 | 287,128 |
| Increase in loss allowance recognised in profit or loss during the year | - | - |
|  |  |  |
| **Closing loss allowance at 31 December 2023** | 2,303,321 | 287,128 |

|  |  |  |
| --- | --- | --- |
|  | **Separate financial statements** | |
|  | **Trade receivables** | **Contract**  **assets** |
|  | **Baht** | **Baht** |
|  |  |  |
| **Opening loss allowance at 1 January 2022** | 2,303,321 | 287,128 |
| Increase in loss allowance recognised in profit or loss during the year | - | - |
|  |  |  |
| **Closing loss allowance at 31 December 2022** | 2,303,321 | 287,128 |
| Increase in loss allowance recognised in profit or loss during the year | - | - |
|  |  |  |
| **Closing loss allowance at 31 December 2023** | 2,303,321 | 287,128 |

|  |
| --- |
| **12 Financial assets and financial liabilities** |

As at 31 December, classification of the Group’s financial assets and financial liabilities are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial statements** | **Separate financial statements** | |
|  | **2023** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** |
| **Financial assets** |  |  |  |
| Financial assets at amortised cost |  |  |  |
| - Cash and cash equivalents | 23,755,615 | 23,532,639 | 214,672,252 |
| - Trade and other receivables, net | 64,964,309 | 63,909,417 | 212,030,262 |
| - Other current assets | 9,616,830 | 9,616,830 | 3,588,887 |
| - Deposit at financial institutions used as collateral | 23,828,151 | 23,828,151 | 23,461,950 |
| - Other non-current assets | 70,854,032 | 70,854,032 | 42,805,473 |
|  |  |  |  |
| **Financial liabilities** |  |  |  |
| Financial liabilities at amortised cost |  |  |  |
| - Bank overdrafts and short-term borrowings  from financial institutions | 7,655,859 | 7,655,859 | - |
| - Trade and other payables | 98,251,390 | 97,183,943 | 321,363,985 |
| - Derivatives liabilities | 864,658 | 864,658 | - |
| - Other current liabilities | 4,318,716 | 4,316,491 | 3,674,346 |
| - Long-term borrowings from financial institutions | 14,231,092 | 14,231,092 | 23,544,065 |
| - Lease liabilities | 19,234,046 | 19,234,046 | 13,858,947 |
| - Other non-current liabilities | 27,418,641 | 27,418,641 | 11,569,085 |

* 1. **Other financial assets at amortised cost**

1. **Classification of financial assets at amortised cost**

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

* the asset is held within a business model whose objective is to collect the contractual cash flows; and
* the contractual terms give rise to cash flows that are solely payments of principal and interest

Book value of financial assets at amortised cost are shown in the table above

1. **Fair value of financial assets at amortised cost**

Due to the short-term nature of the other current receivables, their carrying amount is considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

1. **Loss allowance**

The loss allowance for retention receivables presented in current and non-current assets was determined as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated and separate financial statements** | | | | | |
|  | **2023** | | | **2022** | | |
|  | **Current** | **Non-current** | **Total** | **Current** | **Non-current** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |  |  |
| Retention receivables | 9,616,830 | 70,225,093 | 79,841,923 | 3,588,887 | 42,416,889 | 46,005,776 |
| Less: Loss allowance | - | (525,760) | (525,760) | - | (788,862) | (788,862) |
|  |  |  |  |  |  |  |
| Total | 9,616,830 | 69,699,333 | 79,316,163 | 3,588,887 | 41,628,027 | 45,216,914 |

The loss allowances for retention receivables as at 31 December reconcile to the opening loss allowances as follows:

|  |  |
| --- | --- |
|  | **Consolidated and separate financial statements** |
|  | **Retention receivables** |
|  | **Baht** |
|  |  |
| **Opening loss allowance at 1 January 2022** | 788,862 |
| (Reversal) increase in loss allowance recognised in profit or loss during the year | - |
|  |  |
| **Closing loss allowance at 31 December 2022** | 788,862 |
| Reversal in loss allowance recognised in profit or loss during the year | (263,102) |
|  |  |
| **Closing loss allowance at 31 December 2023** | 525,760 |

|  |
| --- |
| **13 Inventories** |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial statements** | **Separate financial statements** | |
|  | **2023** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| Work in progress | 9,784,080 | 9,784,080 | 15,211,014 |
| Finished goods | 28,971,218 | 28,915,049 | 69,041,724 |
| Goods in transit | - | - | 2,091,855 |
|  |  |  |  |
| **Total** | 38,755,298 | 38,699,129 | 86,344,593 |

The Group and the Company has inventories recognised as an expense in profit or loss during the years ended 2023 were Baht 227,996,474 and Baht 226,861,152, respectively (2022: Baht 278,430,167).

|  |
| --- |
| **14 Other current assets** |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial statements** | **Separate financial statements** | |
|  | **2023** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| Deposits for purchased of goods and construction materials | 6,454,991 | 6,454,991 | 14,419,839 |
| Input vat | 14,725,652 | 14,724,222 | 24,533,004 |
| Undue input vat | 924,836 | 917,777 | 7,419,415 |
| Retention receivables - current | 9,616,830 | 9,616,830 | 3,588,887 |
| Others | 9,831,423 | 9,801,158 | 281,524 |
|  |  |  |  |
| **Total** | 41,553,732 | 41,514,978 | 50,242,669 |

|  |
| --- |
| **15 Deposits at financial institutions used as collateral** |

As at 31 December 2023, the Group and the Company had guaranteed for bank credit facilities and letter of guarantee amounting to Baht 23,828,151 (2022: Baht 23,461,950).

|  |
| --- |
| **16 Investments in subsidiaries** |

As at 31 December 2023, the Company had investments in subsidiaries as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  |  | **Separate financial statements** | | |
|  |  |  | **Registered** | **%** | **Investments** |
|  | **Nature of** | **Country of** | **capital** | **Ownership** | **at cost** |
| **Company** | **business** | **incorporation** | **Baht** | **interest** | **Baht** |
|  |  |  |  |  |  |
| Twenty four home company  Limited | Electrical appliance distributor and related service provider | Thailand | 5,000,000 | 99.99 | 4,999,700 |
|  |  |  |  |  |  |

Movements of investment in a subsidiary for the period ended 31 December 2023 are as follows:

|  |  |
| --- | --- |
|  | **Separate financial statements** |
|  | **Baht** |
|  |  |
| Opening at 1 January | - |
| Addition | 4,999,700 |
|  |  |
| Ending at 31 December | 4,999,700 |

|  |
| --- |
| **17 Leasehold improvements and equipment, net** |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | | | | |
|  | **Leasehold** | **Tools and** |  | **Furniture,**  **fixtures and** |  |  |
|  | **improvements** | **equipment** | **Machinery** | **Office equipment** | **Vehicles** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |  |  |
| **For the year ended 31 December 2023** |  |  |  |  |  |  |
| Opening net book amount | 191,400 | 1,341,818 | 48,505 | 3,840,479 | 77,689 | 5,499,891 |
| Addition | 3,716,237 | 469,343 | - | 1,162,069 | - | 5,347,649 |
| Transfer from right-of-use assets, net | - | - | 536,956 | - | 136,562 | 673,518 |
| Disposal, net | - | (1,405) | - | (4,114) | (1) | (5,520) |
| Depreciation charge | (509,611) | (483,095) | (12,719) | (1,220,940) | (26,743) | (2,253,108) |
|  |  |  |  |  |  |  |
| Closing net book amount | 3,398,026 | 1,326,661 | 572,742 | 3,777,494 | 187,507 | 9,262,430 |
|  |  |  |  |  |  |  |
| **As at 31 December 2023** |  |  |  |  |  |  |
| Cost | 4,289,806 | 2,718,015 | 3,454,411 | 6,770,956 | 2,834,654 | 20,067,842 |
| Less Accumulated depreciation | (891,780) | (1,391,354) | (2,881,669) | (2,993,462) | (2,647,147) | (10,805,412) |
|  |  |  |  |  |  |  |
| Net book amount | 3,398,026 | 1,326,661 | 572,742 | 3,777,494 | 187,507 | 9,262,430 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Separate financial statements** | | | | | |
|  | **Leasehold** | **Tools and** |  | **Furniture,**  **fixtures and** |  |  |
|  | **improvements** | **equipment** | **Machinery** | **Office equipment** | **Vehicles** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |  |  |
| **As at 1 January 2022** |  |  |  |  |  |  |
| Cost | 573,568 | 2,024,513 | 63,600 | 3,100,045 | 4,263,589 | 10,025,315 |
| Less Accumulated depreciation | (267,455) | (496,741) | (2,376) | (964,954) | (3,892,130) | (5,623,656) |
|  |  |  |  |  |  |  |
| Net book amount | 306,113 | 1,527,772 | 61,224 | 2,135,091 | 371,459 | 4,401,659 |
|  |  |  |  |  |  |  |
| **For the year ended 31 December 2022** |  |  |  |  |  |  |
| Opening net book amount | 306,113 | 1,527,772 | 61,224 | 2,135,091 | 371,459 | 4,401,659 |
| Transfer from right-of-use assets, net | - | 238,536 | - | 2,733,872 | - | 2,972,408 |
| Depreciation charge | (114,713) | (424,490) | (12,719) | (1,028,484) | (293,770) | (1,874,176) |
|  |  |  |  |  |  |  |
| Closing net book amount | 191,400 | 1,341,818 | 48,505 | 3,840,479 | 77,689 | 5,499,891 |
|  |  |  |  |  |  |  |
| **As at 31 December 2022** |  |  |  |  |  |  |
| Cost | 573,568 | 2,263,049 | 63,600 | 5,833,917 | 4,263,589 | 12,997,723 |
| Less Accumulated depreciation | (382,168) | (921,231) | (15,095) | (1,993,438) | (4,185,900) | (7,497,832) |
|  |  |  |  |  |  |  |
| Net book amount | 191,400 | 1,341,818 | 48,505 | 3,840,479 | 77,689 | 5,499,891 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Separate financial statements** | | | | | |
|  | **Leasehold** | **Tools and** |  | **Furniture,**  **fixtures and** |  |  |
|  | **improvements** | **equipment** | **Machinery** | **Office equipment** | **Vehicles** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |  |  |
| **For the year ended 31 December 2023** |  |  |  |  |  |  |
| Opening net book amount | 191,400 | 1,341,818 | 48,505 | 3,840,479 | 77,689 | 5,499,891 |
| Addition | 3,716,237 | 389,343 | - | 1,117,193 | - | 5,222,773 |
| Transfer from right-of-use assets, net | - | - | 536,956 | - | 136,562 | 673,518 |
| Disposal, net | - | (1,405) | - | (26,044) | (1) | (27,450) |
| Depreciation charge | (509,611) | (474,943) | (12,719) | (1,214,713) | (26,743) | (2,238,729) |
|  |  |  |  |  |  |  |
| Closing net book amount | 3,398,026 | 1,254,813 | 572,742 | 3,716,915 | 187,507 | 9,130,003 |
|  |  |  |  |  |  |  |
| **As at 31 December 2023** |  |  |  |  |  |  |
| Cost | 4,289,806 | 2,638,015 | 3,454,411 | 6,684,687 | 2,834,654 | 19,901,573 |
| Less Accumulated depreciation | (891,780) | (1,383,202) | (2,881,669) | (2,967,772) | (2,647,147) | (10,771,570) |
|  |  |  |  |  |  |  |
| Net book amount | 3,398,026 | 1,254,813 | 572,742 | 3,716,915 | 187,507 | 9,130,003 |

|  |
| --- |
| **18 Right-of-use assets, net** |

As at 31 December, right-of-use asset balance are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate financial statements** | **Separate financial statements** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Building | 8,885,911 | 1,545,756 |
| Vehicles | 11,668,991 | 11,287,271 |
| Machinery | 2,832,697 | 4,818,836 |
| Office equipment | 260,933 | 330,515 |
|  |  |  |
| Total | 23,648,532 | 17,982,378 |

For the year ended 31 December, amounts charged to profit or loss and cash flows relating to leases are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate financial statements** | **Separate financial statements** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
| Depreciation charge of right-of-use assets: |  |  |
| Building | 1,526,043 | 1,337,026 |
| Vehicles | 4,200,717 | 3,546,236 |
| Machinery | 1,449,182 | 807,017 |
| Office equipment | 69,582 | 72,861 |
|  |  |  |
| Total | 7,245,524 | 5,763,140 |
|  |  |  |
| Addition to the right-of-use assets during the year | 14,511,637 | 10,942,819 |
|  |  |  |
| Total cash outflow for leases | 11,452,826 | 10,657,787 |
|  |  |  |
| Interest paid under lease liabilities | 936,682 | 426,588 |
| Expense relating to short-term leases | 1,421,365 | 2,412,702 |

|  |
| --- |
| **19 Deferred income taxes** |

The movement in deferred tax assets and liabilities during the year is as follows:

|  | **Consolidated financial statements** | | |
| --- | --- | --- | --- |
|  | **1 January**  **2023** | **Increase (decrease) in**  **profit and losses** | **31 December**  **2023** |
|  | **Baht** | **Baht** | **Baht** |
| **Deferred tax assets (liabilities):** |  |  |  |
| Retention | 10,147 | (154,315) | (144,168) |
| Employee benefits obligations | 736,789 | 250,894 | 987,683 |
| Revenue from sales | 80,571 | (593,562) | (512,991) |
| Lease liabilities | 15,498 | 23,499 | 38,997 |
| Accrued commission | 982,075 | (982,075) | - |
| Derivative liabilities | - | 172,932 | 172,932 |
| Tax loss carry forward | - | 12,241,982 | 12,241,982 |
|  |  |  |  |
| Total deferred tax assets, net | 1,825,080 | 10,959,355 | 12,784,435 |

|  | **Separate financial statements** | | |
| --- | --- | --- | --- |
|  | **1 January**  **2023** | **Increase (decrease) in**  **profit and losses** | **31 December**  **2023** |
|  | **Baht** | **Baht** | **Baht** |
| **Deferred tax assets (liabilities):** |  |  |  |
| Retention | 10,147 | (154,315) | (144,168) |
| Employee benefits obligations | 736,789 | 250,894 | 987,683 |
| Revenue from sales | 80,571 | (593,562) | (512,991) |
| Lease liabilities | 15,498 | 23,499 | 38,997 |
| Accrued commission | 982,075 | (982,075) | - |
| Derivatives liabilities | - | 172,932 | 172,932 |
| Tax loss carry forward | - | 11,995,362 | 11,995,362 |
|  |  |  |  |
| Total deferred tax assets, net | 1,825,080 | 10,712,735 | 12,537,815 |

|  | **Separate financial statements** | | | |
| --- | --- | --- | --- | --- |
|  | **1 January**  **2022** | **Increase (decrease) in**  **profit and losses** | **Increase (decrease) in other comprehensive income** | **31 December**  **2022** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
| **Deferred tax assets:** |  |  |  |  |
| Retention | 129,033 | (118,886) | - | 10,147 |
| Employee benefits obligations | 545,044 | 182,924 | 8,821 | 736,789 |
| Revenue from sales | 278,360 | (197,789) | - | 80,571 |
| Lease liabilities | 16,141 | (643) | - | 15,498 |
| Accrued commission | 423,591 | 558,484 | - | 982,075 |
|  |  |  |  |  |
| Total deferred tax assets, net | 1,392,169 | 424,090 | 8,821 | 1,825,080 |

|  |
| --- |
| **20 Other non-current assets** |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial statements** | **Separate financial statements** | |
|  | **2023** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| Retention receivables, net | 69,699,334 | 69,699,334 | 41,628,027 |
| Deposits | 1,154,399 | 1,154,699 | 1,177,446 |
| Refundable withholding tax | 22,086,633 | 22,086,633 | 7,714,583 |
|  |  |  |  |
| Total | 92,940,366 | 92,940,666 | 50,520,056 |

|  |
| --- |
| **21 Borrowings** |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial statements** | **Separate financial statements** | |
|  | **2023** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| **Current** |  |  |  |
| Bank overdrafts | 2,855,859 | 2,855,859 | - |
| Short-term borrowings from financial institutions | 4,800,000 | 4,800,000 | - |
| Loan from related parties (Note 32 (c)) | - | 3,500,000 | - |
| Current portion of long-term borrowings  from financial institutions | 10,301,844 | 10,301,844 | 10,615,395 |
| Current portion of finance lease liabilities | 5,552,874 | 5,552,874 | 6,137,627 |
|  |  |  |  |
| **Total current borrowings** | 23,510,577 | 27,010,577 | 16,753,022 |
|  |  |  |  |
| **Non-current** |  |  |  |
| Long-term borrowings from financial institutions | 3,929,248 | 3,929,248 | 12,928,670 |
| Lease liabilities | 13,681,172 | 13,681,172 | 7,721,320 |
|  |  |  |  |
| Total non-current borrowings | 17,610,420 | 17,610,420 | 20,649,990 |
|  |  |  |  |
| **Total borrowings** | 41,120,997 | 44,620,997 | 37,403,012 |

The short-term and long-term borrowings from financial institutions denominated in Thai Baht and pledged with the deposits at financial institutions and the director. The borrowings bear interest rates during the year as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate financial statements** | **Separate financial statements** |
|  | **2023** | **2022** |
|  | **% per annum** | **% per annum** |
|  |  |  |
| Bank overdrafts | MOR-1.5 | MOR-1.5 |
| Short-term borrowings from financial institutions | MLR-1.5 | MLR-1.5 |
| Long-term borrowings from financial institutions | MLR-3.875 to MLR+2.0, MRR+4.7 and  2.0 to 7.5 | MLR-3.875 to MLR+2.0,  MRR+4.7 and  2.0 to 7.5 |

The fair value of the borrowings is equal to the carrying amount, as the loans have a floating interest rate.

|  |
| --- |
| **22 Trade and other payables** |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial statements** | **Separate financial statements** | |
|  | **2023** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| Trade payables - Third parties | 87,350,573 | 86,518,443 | 308,056,207 |
| Other payables - Third parties | 4,755,086 | 4,755,086 | 3,384,552 |
| - Related persons (Note 32 (b)) | 583,724 | 583,724 | 131,831 |
| Accrued expenses | 2,510,890 | 2,283,822 | 4,277,682 |
| Accrued commission | 719,195 | 719,195 | 5,497,453 |
| Accrued construction cost | 2,331,923 | 2,323,673 | 16,260 |
|  |  |  |  |
|  | 98,251,391 | 97,183,943 | 321,363,985 |

|  |
| --- |
| **23 Employee benefit obligations** |

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate financial statements** | **Separate financial statements** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Statement of financial position: |  |  |
| - Retirement benefits | 4,938,412 | 3,683,941 |
|  |  |  |
| Profit or loss charge included in operating profit for: |  |  |
| - Retirement benefits | 1,254,471 | 914,622 |
|  |  |  |
| Remeasurement for: |  |  |
| - Retirement benefits | - | 44,104 |

The movement in the obligations for retirement benefit are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate financial statements** | **Separate financial statements** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| At 1 January | 3,683,941 | 2,725,215 |
| Current service cost | 1,124,059 | 835,863 |
| Interest cost | 130,412 | 78,759 |
|  |  |  |
|  | 4,938,412 | 3,639,837 |
|  |  |  |
| Remeasurement |  |  |
| Gain from change in financial assumptions | - | (323,902) |
| Loss from change in plan experience | - | 368,006 |
|  |  |  |
|  | - | 44,104 |
|  |  |  |
| At 31 December | 4,938,412 | 3,683,941 |

The Group engaged independent actuary to calculate its defined benefit obligation. The significant actuarial assumptions used were as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate financial statements** | **Separate financial statements** |
|  | **2023** | **2022** |
|  |  |  |
| Discount rate | 3.54% | 3.54% |
| Future salary increase rate | 6% | 6% |
| Employee turnover rate | 1.91% - 22.92% | 1.91% - 22.92% |

Sensitivity analysis for each significant assumption used is as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated and separate financial statement** | | | | | |
|  | **Impact on defined benefit obligations** | | | | | |
|  | **Change in**  **assumption** | | **Increase in assumption** | | **Decrease in assumption** | |
|  | **2023** | **2022** | **2023**  **Baht** | **2022**  **Baht** | **2023**  **Baht** | **2022**  **Baht** |
|  |  |  |  |  |  |  |
| Discount rate | 1% | 1% | (596,143) | (459,136) | 723,921 | 557,785 |
|  |  |  |  |  |  |  |
| Future salary increase rate | 1% | 1% | 1,651,559 | 537,952 | (1,159,500) | (453,329) |
|  |  |  |  |  |  |  |
| Employee turnover rate | 20% | 20% | (908,240) | (348,877) | 1,399,208 | 425,860 |

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the liability recognised in the statement of financial position. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The weighted average duration of the defined benefit obligation is 19 years (2022: 20 years).

Expected maturity analysis of undiscounted retirement benefits is as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Consolidated and separate financial statement** | | | | |
|  | **Less than a year** | **Between**  **1-2 years** | **Between**  **2-5 years** | **Over**  **5 years** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |  |
| At 31 December 2023 |  |  |  |  |  |
| Retirement benefits | - | - | 1,001,152 | 5,305,210 | 6,306,362 |
|  |  |  |  |  |  |
| At 31 December 2022 |  |  |  |  |  |
| Retirement benefits | - | - | 1,001,152 | 5,305,210 | 6,306,362 |

|  |
| --- |
| **24 Dividend** |

At annual general shareholder meeting on 2 March 2022, shareholders approved the payment of annual dividend from retained earnings and net profit for year ended 31 December 2021 at Baht 10.6667 per share for the fully paid-up shares and at Baht 9.0667 per share for partially paid-up shares, totaling Baht 14 million and appropriate its retained earnings to legal reserve according to the Civil and Commercial Code amounting to Baht 0.7 million.

|  |
| --- |
| **25 Legal reserve** |

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate financial statements** | **Separate**  **financial statements** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| At 1 January | 2,675,000 | 750,000 |
| Appropriation during the year | - | 1,925,000 |
|  |  |  |
| At 31 December | 2,675,000 | 2,675,000 |

Under the Public Companies Act., B.E. 2535, the Company is required to set aside as statutory reserve at least   
5 percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. This reserve is not available for dividend distribution.

|  |
| --- |
| **26 Assets and liabilities relating to contracts with customers** |

**26.1 Assets recognised from contract costs**

Incremental costs of obtaining a contract

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate financial statements** | **Separate**  **financial statements** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| **Statements of financial position as of 31 December** |  |  |
| Assets recognised for costs of obtaining a contract | - | 9,179,140 |
| Less: Accrued commission | - | (14,089,514) |
|  |  |  |
| Accrued commission | - | 4,910,374 |
|  |  |  |
| **Statements of comprehensive income**  **for the year ended 31 December** |  |  |
| Amortisation charges | - | 5,270,402 |

The asset recognised as the costs to obtain a contract, includes sales commissions, were presented by offsetting with the obligations to pay. It was presented as trade accounts payable in statement of financial position. It is amortised over the term of the specific contract it relates to, consistent with the revenue recognition pattern. The Group reverse transactions as no obligation to pay for commission during the year.

**26.2 Contract liabilities**

The Company has recognised the following liabilities related to contracts with customers

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate financial statements** | **Separate**  **financial statements** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| **Current contract liabilities** |  |  |
| Contract liabilities from sales of goods contracts | 11,442,100 | 19,626,835 |
|  |  |  |
| Total | 11,442,100 | 19,626,835 |

*Revenue recognised in relation to contract liabilities*

Revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate financial statements** | **Separate**  **financial statements** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Revenue recognised that was included in the contract liability  balance at the beginning of the period |  |  |
| - Sales of goods | 8,318,835 | 6,984,800 |
| - Construction contract | - | **1,430,**091 |
|  |  |  |
|  | 8,318,835 | **8,414,**891 |

**26.3 Unsatisfied long-term contracts with customers**

The following table shows unsatisfied performance obligations resulting from significant construction contracts as at 31 December.

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate financial statements** | **Separate**  **financial statements** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Construction contracts | 425,040,960 | 753,642,578 |
| Long-term sales contract | 187,229,002 | 318,635,795 |
|  |  |  |
|  | 612,269,962 | 1,072,278,373 |

Management expects that all of the transaction price allocated to the unsatisfied contracts as of 31 December 2023 will be recognised as revenue during 2024 - 2026. The amount disclosed above does not include variable consideration which is constrained.

|  |
| --- |
| **27 Other income** |

Other income for the year ended 31 December are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial statements** | **Separate financial statements** | |
|  | **2023** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| Interest income | 1,103,143 | 1,102,595 | 985,026 |
| Gain from disposal of assets | 1,214,952 | 1,224,998 | - |
| Gain from disposal of right-of-use assets | - | - | 1,295,046 |
| Gain on exchange rate, net | - | - | 1,158,783 |
| Gain on lease cancellation | 52,002 | 52,002 | - |
| Gain on reversal of accounting estimates | 6,231,261 | 6,231,261 | - |
| Other income | 176,458 | 505,774 | 257,072 |
|  |  |  |  |
| Total | 8,777,816 | 9,116,630 | 3,695,927 |

|  |
| --- |
| **28 Expenses by nature** |

The following expenditures, classified by nature, have been charged in arriving at profit before finance costs and income tax:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial statements** | **Separate financial statements** | |
|  | **2023** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| Materials, labour and subcontractors | 423,293,869 | 423,060,513 | 573,393,881 |
| Cost of sales of goods | 223,187,223 | 222,051,902 | 275,127,478 |
| Staff costs | 56,351,976 | 55,923,424 | 55,843,189 |
| Depreciation and amortisation | 9,617,938 | 9,603,559 | 7,726,357 |
| Professional and consultant fees | 3,813,899 | 3,813,899 | 6,425,985 |
| Other expense | 26,495,439 | 25,817,348 | 27,142,562 |

|  |
| --- |
| **29 Income tax expense** |

Income tax expense for the year comprises the following:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial statements** | **Separate financial statements** | |
|  | **2023** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| Current tax | - | - | 7,466,436 |
| Deferred income tax | (10,959,355) | (10,712,735) | (424,090) |
|  |  |  |  |
| Total income tax (revenue) expense | (10,959,355) | (10,712,735) | 7,042,346 |

The tax on the Group’s profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial statements** | **Separate financial statements** | |
|  | **2023** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| (Loss) profit before income tax | (56,030,399) | (54,794,602) | 31,536,577 |
|  |  |  |  |
| Tax calculated at a tax rate of 20% (2022: 20%) | (11,206,080) | (10,958,921) | 6,307,315 |
|  |  |  |  |
| Tax effect of: |  |  |  |
| Expenses not deductible for tax purpose | 724,307 | 723,768 | 1,481,932 |
| Expenses deductible at a greater amount | (477,582) | (477,582) | (746,901) |
|  |  |  |  |
| Tax (credit)/charge | (10,959,355) | (10,712,735) | 7,042,346 |

The tax (charge)/credit relating to component of other comprehensive income and directly to equity is as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated and separate financial statements** | | | **Separate financial statements** | | |
|  | **2023** | | | **2022** | | |
|  | **Before tax** | **Tax (charge) credit** | **After tax** | **Before tax** | **Tax (charge) credit** | **After tax** |
|  | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |  |  |
| **Other comprehensive income** |  |  |  |  |  |  |
| Deferred income tax (Note 19) |  |  |  |  |  |  |
| Remeasurement on retirement  benefit obligations | - | - | - | 44,104 | (8,821) | 35,283 |
|  |  |  |  |  |  |  |
| **Other comprehensive income** | - | - | - | 44,104 | (8,821) | 35,283 |
|  |  |  |  |  |  |  |
| **Equity** |  |  |  |  |  |  |
| Current tax |  |  |  |  |  |  |
| Share issuance cost | - | - | - | 14,526,680 | (2,905,336) | 11,621,344 |
|  |  |  |  |  |  |  |
| **Equity** | - | - | - | 14,526,680 | (2,905,336) | 11,621,344 |

|  |
| --- |
| **30 Basic earnings per share** |

Basic earnings per share is calculated by dividing the profit attributable to shareholders by the weighted average number of ordinary shares in issue during the year.

At the Extraordinary General Meeting of shareholders No.1/2022, held on 22 March 2022, the shareholders approved the change in par value of Baht 100 per share to Baht 0.50 per share. The Company adjust the number of outstanding ordinary shares to reflect the increase in the number of ordinary shares as if the event has occurred at the beginning of the period presented.

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial statements** | **Separate financial statements** | |
|  | **2023** | **2023** | **2022** |
|  |  |  |  |
| (Loss) profit attributable to shareholders (Baht) | (45,071,044) | (44,081,867) | 24,494,231 |
| Weighted average number of ordinary shares |  |  |  |
| in issue during the year (Shares) | 430,000,000 | 430,000,000 | 325,513,699 |
|  |  |  |  |
| Basic (loss) earnings per share (Baht) | (0.10) | (0.10) | 0.08 |

There are no potential dilutive ordinary shares in issue during the years ended 31 December 2023 and 2022.

|  |
| --- |
| **31 Change in liabilities arising from financing activities** |

|  | **Separate financial statements** | | | | |
| --- | --- | --- | --- | --- | --- |
|  | **Bank overdrafts** | **Short-term borrowings from financial institutions** | **Long-term borrowings from financial institutions** | **Leases** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |  |
| Liabilities as at 1 January 2022 | 43,355 | 74,303,204 | 21,030,708 | 11,038,545 | 106,415,812 |
| Proceeds | 14,229,665 | 100,121,946 | 10,500,000 | - | 124,851,611 |
| Repayment | (14,273,020) | (174,425,150) | (10,156,400) | (5,809,497) | (204,664,065) |
| Acquisitions - lease liabilities | - | - | - | 9,203,676 | 9,203,676 |
| Finance cost | - | - | 2,169,757 | 426,588 | 2,596,343 |
| Cancellation of leases | - | - | - | (1,000,365) | (1,000,365) |
|  |  |  |  |  |  |
| Liabilities as at 31 December 2022 | - | - | 23,544,065 | 13,858,947 | 37,403,012 |
|  |  |  |  |  |  |
|  | **Consolidated and separate financial statements** | | | | |
| Proceeds | 6,378,260 | 57,911,079 | - | - | 64,289,339 |
| Repayment | (3,522,401) | (53,111,079) | (10,835,698) | (7,443,129) | (74,912,307) |
| Acquisitions - lease liabilities | - | - | - | 12,859,987 | 12,859,987 |
| Finance cost | - | - | 1,522,725 | 936,682 | 2,459,407 |
| Cancellation of leases | - | - |  | (978,441) | (978,441) |
|  |  |  |  |  |  |
| Liabilities as at 31 December 2023 | 2,855,859 | 4,800,000 | 14,231,092 | 19,234,046 | 41,120,997 |

|  |
| --- |
| **32 Related party transactions** |

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Group including holding companies, subsidiaries and fellow subsidiaries are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Group and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Major shareholders of the Group are Mr. Yodsawee Wattanateerakitja and Mr. Santi Maneewong, who aggregately hold 48.84 % of the total shares (2022 : 48.84% of the total shares).

In the year 2022, the key management sold all shares in MEP Power Engineering Company Limited.

(a) Transaction with related parties

The transaction with related parties as at 31 December are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial statements** | **Separate financial statements** | |
|  | **2023** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| **Subsidiary** |  |  |  |
| Other income | - | 340,732 | - |
| Interest expense | - | 14,300 | - |
| Other expense | - | 80,000 | - |
| **Related persons** |  |  |  |
| Other income | - | - | 635,513 |

(b) Outstanding balances arising from administrative expense

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

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial statements** | **Separate financial statement** | |
|  | **2023** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| **Subsidiary**  Other receivable | - | 43,408 | - |
|  |  |  |  |
| **Related persons** |  |  |  |
| Other payables | 583,724 | 583,724 | 131,831 |

(c) Short-term loans from related parties

The movements of short-term loans from related parties can be analysed as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial statements** | **Separate financial statements** | |
|  | **2023** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| At 1 January | - | - | - |
| Loans proceed during the period | - | 4,100,000 | 5,810,000 |
| Loans repayment received | - | (600,000) | (5,810,000) |
|  |  |  |  |
| At 31 December | - | 3,500,000 | - |

Short-term loans from related parties are denominated in Baht and are not secured. The interest rates are 1.20% (2022: 4.44%) per annum and due at call.

(d) Directors and managements’ remuneration

Directors and managements’ remuneration comprises salaries, other benefits, other remuneration and meeting fees.

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate financial statements** | **Separate**  **financial statements** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Salaries and other short-term benefits | 13,314,080 | 9,397,234 |
| Post-employment benefits | 491,542 | 420,642 |
|  |  |  |
| **Total** | 13,805,622 | 9,817,876 |

|  |
| --- |
| **33 Commitments and contingent liabilities** |

**33.1 Non-cancellable services agreements**

The Group has entered into non-cancellable services agreements in respect of the lease of right of computer program and office services as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate financial statements** | **Separate**  **financial statements** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Not later than 1 year | 2,131,998 | 1,502,322 |
| Later than 1 year but not later than 5 years | 2,837,997 | 315,581 |
|  |  |  |
|  | 4,969,995 | 1,817,903 |

**33.2 Letters of guarantee**

As at 31 December 2023, the Group had outstanding letters of guarantee of Baht 47,784,911 (2022: Baht 50,829,333) issued by a bank for purchases of goods. No liabilities are anticipated to be arisen.

**33.3 Capital commitment**

As at 31 December 2023, the Group had capital expenditure contracted but not yet recognised of Baht 7.90 million (2022: None).

|  |
| --- |
| **34 Significant contract** |

The Group have entered into consortium agreement for on-going projects which the Company agreed with counterparty to bind themselves to be held accountable and replaced as joint debtor to the owners. The Company has a 56.36% interest in a consortium called ‘PLE24 consortium’ which was set up as a partnership together with Powerline Engineering Public Company Limited, for acceptance for government's project to constructed electrical substation.   
The calculation of the interest sharing defined by the scope with agreed tasks and responsibility with the venturers.