

S & J International Enterprises Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 December 2023



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Independent Auditor's Report

To the Shareholders of S & J International Enterprises Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of S & J International Enterprises Public Company Limited and its subsidiaries (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 S & J International Enterprises 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 S & J International Enterprises Public Company Limited and its subsidiaries and of S & J International Enterprises 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.



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Key Audit Matters

Key audit matter is that matter that, in my professional judgement, was of most significance in my audit of the financial statements of the current period. This matter was 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 this matter.

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 matter 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 each matter are described below.

Revenue recognition

Revenues from sales of the Group are a significant to the financial statements because the amount of revenue is high (representing 98% and 96% of total revenues in the consolidated financial statements and the separate financial statements, respectively) which directly affect the Group's profit or loss. In addition, economic volatility may have a direct impact on competition in the industry overall. The Group has a large number of domestic and overseas customers, and the prices vary according to the competitive situation. As a result, revenues from sales of the Group are recognised under different conditions and amounts for each customer. There are therefore risks with respect to the amount and timing of revenue recognition.

I have examined the revenue recognition of the Group by assessing and testing the internal controls of the Group with respect to revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls and with special considerations given to testing related to the accuracy and timing of revenue recognition. On a sampling basis, examining supporting documents for sales transactions occurring during the year, near the end of the accounting period and after the period-end. In addition, I reviewed credit notes issued by the Group after the period-end and performed analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.



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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 connection 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.



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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.



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- 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 that matter that was of most significance in the audit of the financial statements of the current period and is therefore the key audit matter. I describe these matter 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.

Sineenart Jirachaikhuan Khan
Certified Public Accountant (Thailand) No. 6287

EY Office Limited
Bangkok: 29 February 2024

S & J International Enterprises Public Company Limited and its subsidiaries

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	727,156,942	917,377,349	544,532,974	827,603,293
Trade and other receivables	8	899,336,800	1,079,789,655	773,284,400	913,032,337
Short-term loans to subsidiary	6	-	-	-	-
Inventories	9	920,956,606	841,065,451	802,050,680	692,431,342
Other current financial assets	10	639,936,889	11,128,904	639,936,889	9,628,904
Other current assets		70,110,737	90,279,197	64,776,404	78,668,830
Total current assets		3,257,497,974	2,939,640,556	2,824,581,347	2,521,364,706
Non-current assets					
Other non-current financial assets	11	1,052,177,615	1,234,322,057	1,049,255,689	1,231,283,337
Investments in subsidiaries	12	-	-	139,897,940	143,903,636
Investments in associates	13	443,427,968	340,723,242	269,913,532	216,261,032
Investments in joint venture		-	849,900	-	849,900
Investment properties	14	73,075,773	76,953,693	72,955,773	76,833,693
Property, plant and equipment	15	1,539,290,612	1,591,754,439	812,343,781	805,761,730
Right-of-use assets	19	299,993,197	56,531,354	290,855,071	47,234,398
Intangible assets	16	16,181,896	19,316,290	14,603,956	16,680,234
Deferred tax assets	23	59,269,968	56,248,697	49,864,883	47,434,454
Other non-current assets		79,280,372	61,031,203	6,279,484	50,949,879
Total non-current assets		3,562,697,401	3,437,730,875	2,705,970,109	2,637,192,293
Total assets		6,820,195,375	6,377,371,431	5,530,551,456	5,158,556,999

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

S & J International Enterprises Public Company Limited and its subsidiaries

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					
Bank overdrafts and short-term loans					
from financial institutions	17	87,500,000	218,696,215	-	-
Trade and other payables	18	786,167,880	739,621,979	686,579,705	681,285,694
Current portion of lease liabilities	19	32,298,523	27,765,357	28,194,990	24,231,662
Income tax payable		55,826,581	56,358,184	37,099,734	48,170,409
Other current financial liabilities		25,884	174,578	-	-
Other current liabilities		<u>38,532,162</u>	<u>30,961,253</u>	<u>29,532,001</u>	<u>25,075,771</u>
Total current liabilities		<u>1,000,351,030</u>	<u>1,073,577,566</u>	<u>781,406,430</u>	<u>778,763,536</u>
Non-current liabilities					
Lease liabilities, net of current portion	19	226,506,221	27,737,995	223,706,911	24,947,550
Provision for long-term employee benefits	20	176,727,829	180,207,459	122,852,167	126,988,776
Deferred tax liabilities	23	126,803,228	154,931,561	127,911,324	156,039,657
Other non-current liabilities		<u>502,703</u>	<u>630,267</u>	<u>390,703</u>	<u>406,267</u>
Total non-current liabilities		<u>530,539,981</u>	<u>363,507,282</u>	<u>474,861,105</u>	<u>308,382,250</u>
Total liabilities		<u>1,530,891,011</u>	<u>1,437,084,848</u>	<u>1,256,267,535</u>	<u>1,087,145,786</u>
Shareholders' equity					
Share capital					
Registered					
200,000,000 ordinary shares of Baht 1 each		<u>200,000,000</u>	<u>200,000,000</u>	<u>200,000,000</u>	<u>200,000,000</u>
Issued and fully paid-up					
149,930,828 ordinary shares of Baht 1 each		149,930,828	149,930,828	149,930,828	149,930,828
Share premium		724,763,392	724,763,392	724,763,392	724,763,392
Retained earnings					
Appropriated-statutory reserve	21	20,000,000	20,000,000	20,000,000	20,000,000
Unappropriated		3,475,474,013	3,015,449,108	2,884,116,718	2,536,193,332
Other components of shareholders' equity		<u>481,366,618</u>	<u>626,399,067</u>	<u>495,472,983</u>	<u>640,523,661</u>
Equity attributable to owners of the Company		4,851,534,851	4,536,542,395	4,274,283,921	4,071,411,213
Non-controlling interests		<u>437,769,513</u>	<u>403,744,188</u>	-	-
Total shareholders' equity		<u>5,289,304,364</u>	<u>4,940,286,583</u>	<u>4,274,283,921</u>	<u>4,071,411,213</u>
Total liabilities and shareholders' equity		<u>6,820,195,375</u>	<u>6,377,371,431</u>	<u>5,530,551,456</u>	<u>5,158,556,999</u>

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

Directors

S & J International Enterprises Public Company Limited and its subsidiaries

Income statement

For the year ended 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Revenues					
Sales		6,804,140,530	5,959,969,053	5,646,556,579	4,780,162,771
Dividend income		19,416,568	19,081,129	82,716,511	73,981,078
Exchange gains		22,908,646	6,617,332	24,247,059	11,112,631
Gain from fair value measurement of derivatives		388,472	445,944	239,779	627,642
Other income		118,113,867	97,274,344	108,631,770	102,705,787
Total revenues		6,964,968,083	6,083,387,802	5,862,391,698	4,968,588,909
Expenses					
Cost of sales		4,801,949,895	4,204,471,466	4,023,255,864	3,344,843,936
Selling and distribution expenses		163,670,680	240,807,408	119,150,057	200,502,606
Administrative expenses		1,186,699,736	1,056,403,378	989,608,809	887,648,231
Loss on impairment of investment in subsidiary		-	-	4,005,696	-
Total expenses		6,152,320,311	5,501,682,252	5,136,020,426	4,432,994,773
Operating profit		812,647,772	581,705,550	726,371,272	535,595,136
Share of profit from investments in associates	13.2	102,871,891	63,634,540	-	-
Share of loss from investments in joint venture		(547,120)	-	-	-
Finance income		9,651,440	932,082	9,293,062	870,321
Finance cost		(10,088,541)	(5,746,914)	(5,158,652)	(1,942,738)
Profit before income tax expenses		914,535,442	640,525,258	730,505,682	534,522,719
Income tax expenses	23	(151,265,692)	(100,555,573)	(127,700,228)	(81,717,947)
Profit for the year		763,269,750	539,969,685	602,805,454	452,804,772
Profit attributable to:					
Equity holders of the Company		717,197,707	504,298,382	602,805,454	452,804,772
Non-controlling interests		46,072,043	35,671,303	-	-
		763,269,750	539,969,685		
Earnings per share					
Basic earnings per share	24				
Profit attributable to equity holders of the Company		4.78	3.36	4.02	3.02

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

S & J International Enterprises Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit for the year		<u>763,269,750</u>	<u>539,969,685</u>	<u>602,805,454</u>	<u>452,804,772</u>
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent years:</i>					
Exchange differences on translation of financial statements in foreign currencies		293,935	(315,984)	-	-
Share of other comprehensive income from investments in associates	13	<u>(228,988)</u>	<u>(209,645)</u>	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent years - net of income tax		<u>64,947</u>	<u>(525,629)</u>	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent years:</i>					
Loss on changes in value of equity investments designated at fair value through other comprehensive income - net of income tax	11,23	(145,144,114)	(51,154,267)	(145,050,678)	(50,881,883)
Share of other comprehensive income from investments in associates	13	<u>(2,290,734)</u>	<u>4,404,157</u>	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent years - net of income tax		<u>(147,434,848)</u>	<u>(46,750,110)</u>	<u>(145,050,678)</u>	<u>(50,881,883)</u>
Other comprehensive income for the year		<u>(147,369,901)</u>	<u>(47,275,739)</u>	<u>(145,050,678)</u>	<u>(50,881,883)</u>
Total comprehensive income for the year		<u><u>615,899,849</u></u>	<u><u>492,693,946</u></u>	<u><u>457,754,776</u></u>	<u><u>401,922,889</u></u>
Total comprehensive income attributable to:					
Equity holders of the Company		569,874,524	457,022,643	<u>457,754,776</u>	<u>401,922,889</u>
Non-controlling interests		<u>46,025,325</u>	<u>35,671,303</u>		
		<u><u>615,899,849</u></u>	<u><u>492,693,946</u></u>		

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

S & J International Enterprises Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the year ended 31 December 2023

	Consolidated financial statements											(Unit: Baht)
	Equity attributable to owners of the Company											
	Other components of shareholders' equity											
	Other comprehensive income											
Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Retained earnings	Unappropriated	Exchange differences on translation of financial statements in foreign currencies	Fair value reserve	Share of other comprehensive income from associates	Total other components of shareholders' equity	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests	Total shareholders' equity	
												Share premium
Balance as at 1 January 2022	149,930,828	724,763,392	20,000,000	2,687,011,462	(13,649,845)	690,890,722	389,825	677,730,702	4,259,436,384	377,072,885	4,636,509,269	
Profit for the year	-	-	-	504,298,382	-	-	-	-	504,298,382	35,671,303	539,969,685	
Other comprehensive income for the year	-	-	-	4,404,157	(315,984)	(51,154,267)	(209,845)	(51,679,896)	(47,275,739)	-	(47,275,739)	
Total comprehensive income for the year	-	-	-	508,702,539	(315,984)	(51,154,267)	(209,845)	(51,679,896)	457,022,643	35,671,303	492,693,946	
Dividend paid (Note 27)	-	-	-	(179,916,632)	-	-	-	-	(179,916,632)	-	(179,916,632)	
Decrease in non-controlling interests from dividend paid by the subsidiary	-	-	-	-	-	-	-	-	-	(9,000,000)	(9,000,000)	
Transfer of fair value reserve of equity instruments designated at FVOCI to retained earning	-	-	-	(348,261)	-	348,261	-	348,261	-	-	-	
Balance as at 31 December 2022	149,930,828	724,763,392	20,000,000	3,015,449,108	(13,965,829)	640,184,716	180,180	626,399,067	4,536,542,395	403,744,188	4,940,286,583	
Balance as at 1 January 2023	149,930,828	724,763,392	20,000,000	3,015,449,108	(13,965,829)	640,184,716	180,180	626,399,067	4,536,542,395	403,744,188	4,940,286,583	
Profit for the year	-	-	-	717,197,707	-	-	-	-	717,197,707	46,072,043	763,269,750	
Other comprehensive income for the year	-	-	-	(2,290,734)	293,935	(145,087,396)	(228,888)	(145,032,449)	(147,323,183)	(46,718)	(147,369,901)	
Total comprehensive income for the year	-	-	-	714,906,973	293,935	(145,087,396)	(228,888)	(145,032,449)	569,874,524	46,025,325	615,899,849	
Dividend paid (Note 27)	-	-	-	(254,882,068)	-	-	-	-	(254,882,068)	-	(254,882,068)	
Decrease in non-controlling interests from dividend paid by the subsidiary	-	-	-	-	-	-	-	-	-	(12,000,000)	(12,000,000)	
Balance as at 31 December 2023	149,930,828	724,763,392	20,000,000	3,475,474,013	(13,671,894)	495,087,320	(48,808)	481,366,618	4,951,534,851	437,769,513	5,289,304,364	

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

S & J International Enterprises Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2023

	Separate financial statements							(Unit: Baht)
	Issued and paid-up share capital	Share premium	Retained earnings		Other components of equity		Total shareholders' equity	
			Appropriated - statutory reserve	Unappropriated	Fair value reserve	Other comprehensive income		
Balance as at 1 January 2022	149,930,828	724,763,392	20,000,000	2,263,653,453	691,057,283	-	3,849,404,956	
Profit for the year	-	-	-	452,804,772	-	-	452,804,772	
Other comprehensive income for the year	-	-	-	-	(50,881,883)	-	(50,881,883)	
Total comprehensive income for the year	-	-	-	452,804,772	(50,881,883)	-	401,922,889	
Dividend paid (Note 27)	-	-	-	(179,916,632)	-	-	(179,916,632)	
Transfer of fair value reserve of equity instruments designated at FVOCI to retained earning	-	-	-	(348,261)	348,261	-	-	
Balance as at 31 December 2022	149,930,828	724,763,392	20,000,000	2,536,193,332	640,523,661	4,071,411,213	4,071,411,213	
Balance as at 1 January 2023	149,930,828	724,763,392	20,000,000	2,536,193,332	640,523,661	4,071,411,213	4,071,411,213	
Profit for the year	-	-	-	602,805,454	-	-	602,805,454	
Other comprehensive income for the year	-	-	-	-	(145,050,678)	-	(145,050,678)	
Total comprehensive income for the year	-	-	-	602,805,454	(145,050,678)	-	457,754,776	
Dividend paid (Note 27)	-	-	-	(254,882,068)	-	-	(254,882,068)	
Balance as at 31 December 2023	149,930,828	724,763,392	20,000,000	2,884,116,718	495,472,983	4,274,283,921	4,274,283,921	

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

S & J International Enterprises Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit before income tax expenses	914,535,442	640,525,258	730,505,682	534,522,719
Adjustments to reconcile net profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	277,613,546	278,491,401	116,597,114	112,317,290
Reversal impairment loss on financial assets	(4,038,169)	(770,310)	(3,618,275)	(415,340)
Reduction in cost of inventories to net realisable value	28,225,556	14,356,043	22,367,263	20,788,991
Provision for impairment loss on investment in subsidiary	-	-	3,999,909	-
Loss on sales of plant and equipment	2,438,324	4,308,373	33,296	4,475,728
Loss on write-off of intangible assets	-	12,496	-	-
Provision for long-term employee benefits	17,442,785	17,838,491	11,731,666	11,683,499
Adjustment due to lease modification	(80,369)	(474,880)	(80,369)	48,931
Share of profit from investments in associates	(102,871,891)	(63,634,540)	-	-
Share of loss from investments in joint venture	547,120	-	-	-
Loss from dissolution of joint venture	-	-	547,120	-
Unrealised loss on exchange	6,958,496	9,193,776	6,965,546	9,762,623
Gain from fair value measurement of derivatives	(388,472)	(445,944)	(239,779)	(627,642)
Dividend income	(19,416,568)	(19,081,129)	(82,716,511)	(73,981,078)
Finance income	(9,651,440)	(932,082)	(9,293,062)	(870,321)
Finance cost	10,088,541	5,746,914	5,158,652	1,942,738
Profit from operating activities before changes in operating assets and liabilities	1,121,402,901	885,133,867	801,958,252	619,648,138
Operating assets (Increase) decrease				
Trade and other receivables	177,077,702	(133,209,257)	136,037,933	(86,157,150)
Inventories	(108,116,711)	8,292,145	(131,986,601)	3,364,803
Other current assets	20,163,739	(25,917,328)	13,892,426	(25,732,881)
Other non-current assets	(65,258,009)	(33,383,222)	(2,338,445)	(45,278,764)
Operating liabilities increase (decrease)				
Trade and other payables	22,666,293	72,109,079	(16,379,444)	74,471,293
Other current liabilities	7,570,909	14,586,986	4,456,230	11,731,982
Provision for long-term employee benefits	(20,922,415)	(10,231,260)	(15,868,275)	(8,353,139)
Other non-current liabilities	(127,564)	(254,936)	(15,564)	(25,186)
Cash flows from operating activities	1,154,456,845	777,126,074	789,756,512	543,669,096
Interest paid	(10,208,121)	(5,842,858)	(5,158,652)	(1,942,738)
Corporate income tax paid	(146,660,867)	(94,681,865)	(133,066,995)	(85,911,011)
Net cash flows from operating activities	997,587,857	676,601,351	651,530,865	455,815,347

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

S & J International Enterprises Public Company Limited and its subsidiaries

Statement of cash flows (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				
Interest received	9,656,158	945,582	9,293,062	870,321
Increase in other current financial assets	(628,568,207)	(2,003,344)	(630,068,207)	(7,003,344)
Cash received from sales of other non-current financial assets	-	500,000	-	-
Cash paid for purchase of other non-current financial assets	-	-	-	(1,000,000)
Cash received from returning funds in subsidiary	-	-	-	4,000,000
Cash received from return of capital of investment in equity instrument	714,300	-	714,300	-
Cash received from dissolution of a subsidiary	-	-	5,787	-
Cash received from dissolution of joint venture	302,780	-	302,780	-
Cash paid for investment in associate	(53,652,500)	-	(53,652,500)	-
Acquisitions of property, plant and equipment	(153,813,935)	(236,639,713)	(58,618,083)	(48,741,053)
Proceeds from sales of property and equipment	355,066	2,674,454	177,899	2,323,987
Increase in intangible assets	(2,672,078)	(1,369,987)	(2,416,295)	(1,149,530)
Dividend received	70,716,511	64,981,078	82,716,511	73,981,078
Net cash flows from (used in) investing activities	(756,961,905)	(170,911,930)	(651,544,746)	23,281,459
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(131,196,215)	14,832,844	-	-
Payment of principal portion of lease liabilities	(33,062,012)	(36,396,197)	(28,174,370)	(29,531,936)
Dividend paid	(254,882,068)	(179,916,632)	(254,882,068)	(179,916,632)
Dividend paid by subsidiary to non-controlling interests	(12,000,000)	(9,000,000)	-	-
Net cash flows used in financing activities	(431,140,295)	(210,479,985)	(283,056,438)	(209,448,568)
Net foreign exchange difference	293,936	(2,010,782)	-	-
Net increase (decrease) in cash and cash equivalents	(190,220,407)	293,198,654	(283,070,319)	269,648,238
Cash and cash equivalents at beginning of the year	917,377,349	624,178,695	827,603,293	557,955,055
Cash and cash equivalents at end of the year	727,156,942	917,377,349	544,532,974	827,603,293
Supplementary disclosures of cash flows information				
Non-cash items				
Increase in right-of-use from new lease contracts	285,107,330	8,940,525	279,640,985	2,137,051
Accounts payable - purchase of assets	24,454,012	16,551,369	22,036,189	9,172,162
Loss on changes in value of equity investments designated at fair value through other comprehensive income	(181,430,142)	(63,942,835)	(181,313,348)	(63,602,355)
Transfer other non-current assets to right-of-use assets	47,008,841	-	47,008,841	-

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

S & J International Enterprises Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2023

1. General information

S & J International Enterprises Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of all type of cosmetics and business of investment. The registered office of the Company is at 600/4 Moo 11, Sukapiban 8 Road, Nhongkharm, Sriracha, Chonburi with 4 branches as follows:

Branch No.1 2 Naradhiwas Rajanakarindra Road, Tungwatdon, Sathorn, Bangkok

Branch No.2 19/43 Moo 7, Bangna-Trad Road Km. 17, Bangchlong, Bangplee, Samutprakan

Branch No.3 789/159 Moo 1, Sai Nongkho-Laemchabang Road, Nongkham, Sriracha, Chonburi

Branch No.4 549/2, Sadhupradit Road, Chongnonsi, Yannawa, 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 include the financial statements of S & J International Enterprises Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2023</u> (%)	<u>2022</u> (%)
Held by the Company				
E F Co., Ltd.	Manufacturer and distributor of consumer products	Thailand	100	100
Top Trend Manufacturing Co., Ltd.	Manufacturer and distributor of packaging	Thailand	50	50
Wildlives (Thailand) Co., Ltd.	Under the process of liquidation	Thailand	100	100
4WD Vision Co., Ltd.	Import, export, purchase and sale of chemicals, packaging products and cosmetic products	Thailand	100	100
SAAS Co., Ltd.	Dissolution and completed liquidation on 13 September 2023	Thailand	-	100
S&J International (UK) Limited	Distributor of cosmetic products, gift set and marketing service	The United Kingdom	100	100
Held by S&J International (UK) Limited				
Guangzhou S&J Cosmetics Company Limited	Distributor of material and packaging	China	100	100
4WD Vision (HK) Limited	Distributor of material and packaging	Hong Kong SAR	100	100
Held by 4WD Vision Co., Ltd.				
4WD Vision Europe B.V.	Distributor of cosmetic products, gift set and marketing service	The Netherlands	100	100

- b) The Company is deemed to have control over an investee or subsidiaries 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) Subsidiaries are 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 subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiaries are 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 currencies" in the statement of changes in shareholders' equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.

g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 DKSJ Limited (joint venture) registered its dissolution with the Ministry of Commerce on 28 September 2023.

2.4 The separate financial statements present investments in subsidiaries, joint ventures and associates 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

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

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 Inventories

Finished goods and work in process are valued at the lower of cost (under the weighted average method) and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads.

Raw materials, chemicals, spare parts and factory supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

4.4 Investments in subsidiaries, joint ventures and associates

Investments in joint ventures and associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries, joint ventures and associates are accounted for in the separate financial statements using the cost method.

4.5 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties, which is building for rent, is calculated by reference to their costs on the straight-line basis over estimated useful lives of 20 years. Depreciation of the investment properties is included in determining income.

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

Depreciation of buildings and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives.

Building and building improvements	20 - 25 years
Machinery and equipment	5 - 10 years
Furniture, fixtures and office equipment	5 - 10 years
Motor vehicles	5 - 8 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation and under construction.

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

Intangible assets are initially recognised at cost. Following the initial recognition, 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 asset 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.

A summary of the intangible assets with finite useful lives is computer software with estimated useful lives of 10 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 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.

Land	3 - 25 years
Buildings and building improvements	2 - 5 years
Office equipment	2 - 4 years
Motor vehicles	2 - 5 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.

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.

The Group as a lessor

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

4.9 Related party transactions

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

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

4.10 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is 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, investment properties and other 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.

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 and other long-term employee 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' contributions are recognised as expenses when incurred.

Defined benefit plans and other long-term employee benefits

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. In addition, the Group provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans 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.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and loss.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring - related costs.

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.

4.14 Income tax

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

Current tax

Current income tax of the Group in Thailand 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 of Thailand.

Current income tax of oversea subsidiaries 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 of those countries.

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 they recognise 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 derivatives, 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.

Classification and measurement of financial liabilities

Except for derivative 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 fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

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).

For trade receivables, 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 Derivatives

The Group uses derivatives, such as forward currency contracts, to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

4.17 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 judgements 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:

Leases

Determining the lease term with extension and termination options - The Group as a lessee

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing rate - The Group as a lessee

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Allowance of diminution in value of inventories

In determining an allowance of diminution in value of inventories, the management makes judgment and estimates net realisable value of inventories based on the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of reporting period. Also, the management makes judgment and estimates expected loss from stock obsolescence based upon aging profile of inventories and the prevailing economic condition.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Property plant and equipment/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.

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.

6. Related party transactions

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

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Transaction with subsidiaries</u>				
(Eliminated from the consolidated financial statements)				
Sales of goods	-	-	582	349
Other income	-	-	37	33
Purchases of goods and services	-	-	639	656
Other expenses	-	-	-	2
<u>Transactions with associates</u>				
Sales of goods	34	21	10	-
Rental income	30	33	30	33
<u>Transactions with related parties</u>				
Sales of goods	2,131	1,525	1,937	1,342
Other income	11	10	9	9
Purchases of goods and services	23	19	15	16
Rental expenses	2	3	2	3
Electricity and utilities expenses	166	157	67	66

Transfer pricing policy for significant business transactions with related parties are summarised below.

Transactions	Transfer pricing policy
Sales of goods	Market price
Other income	Cost plus margin
Rental income	Contract price
Purchases of goods and services	Market price
Rental expenses	Contract price
Electricity and utilities expenses	Contract price
Other expenses	Market price

The balances of the accounts as at 31 December 2023 and 2022 between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade and other receivables - related parties (Note 8)</u>				
<u>Trade receivables</u>				
Subsidiaries	-	-	140,956	98,133
Associates	6,606	4,754	3	-
Related companies	124,092	301,895	83,526	267,609
Trade and other receivables - related parties	<u>130,698</u>	<u>306,649</u>	<u>224,485</u>	<u>365,742</u>
<u>Other receivables</u>				
Subsidiaries	-	-	5,208	1,855
Associates	2,240	131	2,240	131
Related companies	543	195	543	195
Total other receivables - related parties	<u>2,783</u>	<u>326</u>	<u>7,991</u>	<u>2,181</u>
Total trade and other receivables - related parties	<u>133,481</u>	<u>306,975</u>	<u>232,476</u>	<u>367,923</u>
<u>Short-term loans to subsidiary</u>				
Subsidiary	-	-	3,000	3,000
Less: Allowance for expected credit losses	-	-	(3,000)	(3,000)
Total short-term loans to subsidiary - net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Other non-current assets - related parties</u>				
Related companies	334	430	334	334
Total other non-current assets - related parties	<u>334</u>	<u>430</u>	<u>334</u>	<u>334</u>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade and other payables - related parties (Note 18)</u>				
<u>Trade payables</u>				
Subsidiaries	-	-	47,078	82,896
Associates	8	18	8	18
Related companies	6,535	2,789	1,255	2,721
Total trade payables - related parties	6,543	2,807	48,341	85,635
<u>Other payables</u>				
Subsidiaries	-	-	784	211
Associates	13	69	13	69
Related companies	1,185	720	958	554
Total other payables - related parties	1,198	789	1,755	834
Total trade and other payables - related parties	7,741	3,596	50,096	86,469
<u>Lease liabilities - related parties (Note 19)</u>				
Related companies	12,465	12,617	8,882	10,236
Total lease liabilities - related parties	12,465	12,617	8,882	10,236

Short-term loans to subsidiary

As at 31 December 2023 and 2022, the balance of short-term loan between the Company and its subsidiaries and the movement are as follows.

	(Unit: Thousand Baht)			
	Separate financial statements			
	Balance as at 31 December 2022	Increase During the period	Decrease during the period	Balance as at 31 December 2023
<u>Short-term loans to subsidiary</u>				
Subsidiary	3,000	-	-	3,000
Less: Allowance for expected credit losses	(3,000)	-	-	(3,000)
Total	-	-	-	-

The above short-term loans are promissory notes. The loans are due at call and unsecured.

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	financial statements	financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	108,020	98,901	102,543	94,776
Post-employment benefits	588	564	588	564
Total	<u>108,608</u>	<u>99,465</u>	<u>103,131</u>	<u>95,340</u>

7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash	952	331	595	180
Bank deposits	724,110	916,054	543,938	827,423
Cheque on hand	2,095	992	-	-
Total	<u>727,157</u>	<u>917,377</u>	<u>544,533</u>	<u>827,603</u>

As at 31 December 2023, bank deposits in saving accounts and fixed deposits carried interests between 0.15 and 1.15 percent per annum (2022: between 0.05 and 0.63 percent per annum) (the Company only: between 0.15 and 0.60 percent per annum, 2022: between 0.05 and 0.50 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 accounts receivable - related parties</u>				
Aged on the basis of due dates				
Not yet due	91,018	290,055	200,125	358,201
Past due				
Up to 3 months	39,591	16,095	24,360	6,169
3 - 6 months	7	39	-	-
6 - 12 months	23	1	-	1,372
Over 12 months	59	459	-	-
Total trade accounts receivable - related parties	<u>130,698</u>	<u>306,649</u>	<u>224,485</u>	<u>365,742</u>
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	528,924	554,065	401,162	422,724
Past due				
Up to 3 months	169,750	170,624	83,897	79,914
3 - 6 months	21,167	5,130	7,785	16
6 - 12 months	1,782	5,376	118	4,444
Over 12 months	1,927	4,848	433	1,733
Total	<u>723,550</u>	<u>740,043</u>	<u>493,395</u>	<u>508,831</u>
Less: Allowance for expected credit losses	<u>(6,329)</u>	<u>(10,367)</u>	<u>(1,396)</u>	<u>(5,014)</u>
Trade accounts receivable - unrelated parties, net	<u>717,221</u>	<u>729,676</u>	<u>491,999</u>	<u>503,817</u>
Total trade accounts receivable - net	<u>847,919</u>	<u>1,036,325</u>	<u>716,484</u>	<u>869,559</u>
<u>Other receivables</u>				
Other receivables - related parties	2,783	326	7,991	2,181
Other receivables - unrelated parties	6,099	5,438	5,628	4,480
Advance payment for inventories	38,215	32,116	39,711	30,680
Prepaid expenses	4,321	5,585	3,470	6,132
Total other receivables	<u>51,418</u>	<u>43,465</u>	<u>56,800</u>	<u>43,473</u>
Total trade and other receivables - net	<u>899,337</u>	<u>1,079,790</u>	<u>773,284</u>	<u>913,032</u>

The normal credit term is 30 to 120 days.

Set out below is the movement in the allowance for expected credit losses of trade receivables.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Beginning balance	10,367	11,137	5,014	5,429
Reversal provision for expected credit losses	(4,038)	(770)	(3,618)	(415)
Ending balance	<u>6,329</u>	<u>10,367</u>	<u>1,396</u>	<u>5,014</u>

9. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	Finished goods	281,832	326,359	(21,843)	(12,686)	259,989
Work in process	74,061	84,327	(16,453)	(10,838)	57,608	73,489
Raw materials	443,972	287,171	(50,642)	(38,606)	393,330	248,565
Packaging	197,261	199,242	(20,100)	(18,682)	177,161	180,560
Supplies	5,598	4,926	-	-	5,598	4,926
Goods in transit	27,271	19,852	-	-	27,271	19,852
Total	<u>1,029,995</u>	<u>921,877</u>	<u>(109,038)</u>	<u>(80,812)</u>	<u>920,957</u>	<u>841,065</u>

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	Finished goods	208,201	239,634	(12,857)	(6,612)	195,344
Work in process	56,423	55,397	(16,453)	(10,838)	39,970	44,559
Raw materials	407,530	246,293	(44,181)	(35,092)	363,349	211,201
Packaging	197,166	204,620	(20,100)	(18,682)	177,066	185,938
Supplies	3,246	3,005	-	-	3,246	3,005
Goods in transit	23,076	14,706	-	-	23,076	14,706
Total	<u>895,642</u>	<u>763,655</u>	<u>(93,591)</u>	<u>(71,224)</u>	<u>802,051</u>	<u>692,431</u>

During the current year, the Group reduced cost of inventories by Baht 85 million (2022: Baht 83 million) (The Company only: Baht 75 million, 2022: Baht 64 million), to reflect the net realisable value. This was included in cost of sales. In addition, the Group reversed the write-down of cost of inventories by Baht 57 million (2022: Baht 69 million) (The Company only: Baht 53 million, 2022: Baht 43 million), and reduced the amount of inventories recognised as expenses during the year.

10. Other current financial assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Debt instruments at amortised cost</u>				
Fixed deposits	1,003	9,003	1,003	9,003
Certificates of deposits	-	1,500	-	-
Governments bonds	638,069	-	638,069	-
Total debt instruments at amortised cost	639,072	10,503	639,072	9,003
<u>Financial assets at FVTPL</u>				
Derivative assets	865	626	865	626
Total financial assets at FVTPL	865	626	865	626
Total other current financial assets	639,937	11,129	639,937	9,629

As at 31 December 2023, fixed deposits, certificates of deposits and governments bonds carried interests between 0.60% and 2.11% per annum (2022: between 0.15% and 1.40% per annum) (the Company only: between 0.60% and 2.11% per annum, 2022: between 0.15% and 0.75% per annum).

11. Other non-current financial assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Equity instruments designated at FVOCI</u>				
Listed equity instruments				
Sahacogen (Chonburi) Plc.	387,520	542,080	387,520	542,080
President Bakery Plc.	207,000	207,750	207,000	207,750
Saha Pathana Inter-Holding Plc.	127,563	128,940	127,563	128,940
Saha Pathanapibul Plc.	74,100	78,000	74,100	78,000
I.C.C. International Plc.	43,411	33,907	43,411	33,907
Bangkok Bank Plc.	9,875	9,368	9,875	9,368
Nation Multimedia Group Plc.	992	2,180	992	2,180
Thai Wacoal Plc.	3,150	3,450	3,150	3,450
Far East Fame Line DDB Plc.	111	102	111	102
Boutique New City Plc.	43	27	43	27
Total listed equity instruments	853,765	1,005,804	853,765	1,005,804

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Non-listed equity instruments				
Sahapat Assets Co., Ltd.	55,469	55,418	55,469	55,418
United Utility Co., Ltd.	42,118	34,005	42,118	34,005
Thai Cubic Technology Co., Ltd.	48,411	46,392	48,411	46,392
Tipwarin Watana Co., Ltd.	6,949	32,761	6,949	32,761
T-Way Co., Ltd.	11,688	12,154	8,766	9,115
Saha Sehwa Co., Ltd.	6,619	8,601	6,619	8,601
Pan Land Co., Ltd.	3,693	3,723	3,693	3,723
E.P.F. Co., Ltd.	2,145	2,493	2,145	2,493
Waseda Education (Thailand) Co., Ltd.	1,577	3,234	1,577	3,234
Thai Yukilon Co., Ltd.	5,087	15,169	5,087	15,169
K. Commercial & Construction Co., Ltd.	3,210	3,380	3,210	3,380
Thai Lotte Co., Ltd.	5,613	2,996	5,613	2,996
Others	4,834	7,192	4,834	7,192
Total non-listed equity instruments	<u>197,413</u>	<u>227,518</u>	<u>194,491</u>	<u>224,479</u>
Certificates of deposits	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
Total other non-current financial assets	<u>1,052,178</u>	<u>1,234,322</u>	<u>1,049,256</u>	<u>1,231,283</u>

As at 31 December 2023, non-listed equity instruments - others consisted of investment in 8 companies, with fair value of Baht 5 million or 2 percent of total non-listed equity instruments in consolidated financial statements (2022: 8 companies with fair value of Baht 7 million or 3 percent) (the Company only: 8 companies with fair value of Baht 5 million or 2 percent, 2022: 8 companies with fair value of Baht 5 million or 3 percent).

During the year 2023, the Group received dividends from equity instruments designated at FVOCI, which still existed at the reporting date, in the amount of Baht 19 million (2022: Baht 19 million) (the Company only: Baht 19 million, 2022: Baht 19 million).

12. Investments in subsidiaries

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

Company's name	Paid-up capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Dividend received during the year	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
			%	%				
E F Co., Ltd.	Baht 4.0 million	Baht 4.0 million	100	100	4,005	4,005	-	-
Top Trend Manufacturing Co., Ltd.	Baht 120.0 million	Baht 120.0 million	50	50	124,825	124,825	12,000	9,000
Wildlives (Thailand) Co., Ltd.	Baht 1.0 million	Baht 1.0 million	100	100	1,000	1,000	-	-
4WD Vision Co., Ltd.	Baht 10.0 million	Baht 10.0 million	100	100	10,000	10,000	-	-
SAAS Co., Ltd.	-	Baht 10.0 million	-	100	-	6,000	-	-
S&J International (UK) Limited	GBP 0.1 million	GBP 0.1 million	100	100	5,073	5,073	-	-
Total					144,903	150,903	12,000	9,000
Less: Allowance for impairment of investments					(5,005)	(6,999)		
Total investments in subsidiaries					139,898	143,904		

SAAS Co., Ltd. (Subsidiary company) registered its dissolution with the Ministry of Commerce on 13 September 2023.

12.2 Details of investments in subsidiary that has material non-controlling interests.

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit allocated to non-controlling interests during the year		(Unit: Thousand Baht) Dividend paid to non-controlling interests during the year	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(%)	(%)						
Top Trend Manufacturing Co., Ltd.	50	50	437,769	403,744	46,025	35,671	12,000	9,000

12.3 Summarised financial information that based on amounts before inter-company elimination about subsidiary that has material non-controlling.

Top Trend Manufacturing Co., Ltd.

Summarised information about financial position	(Unit: Million Baht)	
	As at 31 December	
	<u>2023</u>	<u>2022</u>
Current assets	361	403
Non-current assets	778	771
Current liabilities	205	312
Non-current liabilities	54	54

Summarised information about comprehensive income	(Unit: Million Baht)	
	For the year ended	
	31 December	
	<u>2023</u>	<u>2022</u>
Revenue	1,403	1,350
Profit	89	71
Total comprehensive income	89	71

Summarised information about cash flow	(Unit: Million Baht)	
	For the year ended	
	31 December	
	<u>2023</u>	<u>2022</u>
Cash flow from operating activities	102	10
Cash flow from (used in) investing activities	56	(41)
Cash flow from (used in) financing activities	(106)	16
Net increase (decrease) in cash and cash equivalents	<u>52</u>	<u>(15)</u>

13. Investments in associates

13.1 Details of associates

No.	Company's name	Country of incorporation	Nature of business	Paid-up capital		Percentage of investment	
				2023	2022	2023 (%)	2022 (%)
1.	Yamahatsu (Thailand) Co., Ltd.	Thai	Hair products	Baht 20 million	Baht 20 million	30	30
2.	Operational Energy Group Limited	Thai	Servicing to operate the power plant	Baht 30 million	Baht 30 million	30	30
3.	Atika Beauty Manufacturing Sdn. Bhd.	Malaysia	Manufacturing and distribute cosmetic products	RM 6 million	RM 6 million	35	35
4.	Osoth Interlaboratories Co., Ltd.	Thai	Manufacturing pharmaceutical	Baht 670 million	Baht 600 million	38	33

13.2 Carrying amount share of comprehensive income and dividend received

During the years, the Company recognised its share of profit (loss) from investments in the consolidated financial statements and dividend received from associates in the separate financial statements and presented carrying amount based on equity method in the consolidated financial statements and carrying amount based on cost method in the separate financial statements as follows:

No.	Company's name	Consolidated financial statements				Separate financial statements				
		Carrying amount based on equity method		Share of profit (loss) from investments in associates during the year		Share of other comprehensive income from investments in associates during the year		Carrying amount based on cost method		Dividend received during the year
		2023	2022	2023	2022	2023	2022	2023	2022	
1.	Yamahatsu (Thailand) Co., Ltd.	40,519	35,487	5,182	(1,913)	(150)	(38)	6,000	6,000	-
2.	Operational Energy Group Limited	112,161	103,449	61,425	59,235	(1,413)	4,104	13,151	13,151	51,300
3.	Atika Beauty Manufacturing Sdn. Bhd.	6,765	2,803	4,191	106	(229)	129	17,916	17,916	-
4.	Osoth Interlaboratories Co., Ltd.	283,983	198,984	32,074	6,206	(728)	-	255,647	201,994	-
Total		443,428	340,723	102,872	63,634	(2,520)	4,195	292,714	239,061	51,300
	Less: Provision for impairment loss							(22,800)	(22,800)	
	Total investment in associates							269,914	216,261	

On 13 July 2023, the Company's Board of Directors Meeting No. 3/2023 resolved to approved an additional investment in 527,593 ordinary shares of Osoth Inter Laboratories Co., Ltd., associated company, for Baht 52.76 million, causing the Company's interest in the equity of such company increased from 33.19% to 37.60%.

On 10 August 2023, the Company's Board of Directors Meeting No. 4/2023 resolved to approved purchase in 8,932 ordinary shares of Osoth Inter Laboratories Co., Ltd., associated company, from a related company, for Baht 0.89 million, causing the Company's interest in the equity of such company increased from 37.60% to 37.73%.

13.3 Summarised financial information about material associates

Summarised information about financial position

Company	Current assets		Non-current assets		Current liabilities		Non-current liabilities		Net assets		Shareholding percentage (%)		Share of net assets		Elimination entries and other		Carrying amounts of associates based on equity method	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Yamahatsu (Thailand) Co., Ltd.	320	308	123	169	287	339	9	8	147	130	30	30	44	39	(3)	(4)	41	35
Operational Energy Group Limited	426	410	295	388	160	280	185	171	376	347	30	30	113	104	(1)	(1)	112	103
Atika Beauty Manufacturing Sdn. Bhd.	24	10	5	5	11	9	-	-	18	6	35	35	6	2	1	1	7	3
Osoth Interlaboratories Co., Ltd.	525	326	354	348	191	139	12	9	676	526	38	33	255	174	29	25	284	199

Summarised information about comprehensive income

Company	Revenue		Profit (loss)		Other comprehensive income		Total comprehensive income	
	2023	2022	2023	2022	2023	2022	2023	2022
Yamahatsu (Thailand) Co., Ltd.	1,022	1,016	18	(6)	-	-	18	(6)
Operational Energy Group Limited	753	781	205	197	(5)	14	200	211
Atika Beauty Manufacturing Sdn. Bhd.	59	34	12	-	-	-	12	-
Osoth Interlaboratories Co., Ltd.	739	595	85	19	(2)	-	83	19

For the year ended 31 December

14. Investment properties

The net book value of investment properties as at 31 December 2023 and 2022 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	Non-operating land	Land and building for rent	Total	Non-operating land	Land and building for rent	Total
31 December 2023:						
Cost	120	140,363	140,483	-	140,363	140,363
Less: Accumulated depreciation	-	(67,407)	(67,407)	-	(67,407)	(67,407)
Net book value	<u>120</u>	<u>72,956</u>	<u>73,076</u>	<u>-</u>	<u>72,956</u>	<u>72,956</u>
31 December 2022:						
Cost	120	140,363	140,483	-	140,363	140,363
Less: Accumulated depreciation	-	(63,529)	(63,529)	-	(63,529)	(63,529)
Net book value	<u>120</u>	<u>76,834</u>	<u>76,954</u>	<u>-</u>	<u>76,834</u>	<u>76,834</u>

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Net book value at beginning of year	76,954	80,832	76,834	80,712
Depreciation for the year	<u>(3,878)</u>	<u>(3,878)</u>	<u>(3,878)</u>	<u>(3,878)</u>
Net book value at end of year	<u>73,076</u>	<u>76,954</u>	<u>72,956</u>	<u>76,834</u>

The additional information of the investment properties as at 31 December 2023 and 2022 stated below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
The fair value	201,855	201,855	201,775	201,775

The fair value of non-operating land has been determined based on market prices assessed by an accredited independent valuer. The fair value of the land and building held for rental has been determined using the market approach by an accredited independent valuer.

The Company has jointly invested with the related companies to purchase land and construction thereon, with a total value of approximately Baht 30 million, with the investment proportion as follow

	Amount (Thousand Baht)	Ownership in land (Square wa)
Wittaya Sitthi Co., Ltd.	14,929	76.57
S&J International Enterprises Plc.	9,953	51.05
K Commercial and Construction Co., Ltd.	5,474	28.08
Total	30,356	155.70

15. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements							Total
	Land and land improvements	Buildings and building improvements	Furniture and fixtures	Office equipment	Machinery and equipment	Motor vehicles	Assets under Installation and under construction	
Cost:								
1 January 2022	406,322	1,226,780	372,299	162,603	3,062,478	27,422	124,564	5,382,468
Additions	-	1,642	847	10,847	10,537	-	229,318	253,191
Disposals/write-off	-	(14,394)	(14,347)	(7,763)	(22,102)	(16)	-	(58,622)
Transfers	-	37,800	13,595	628	171,699	-	(223,722)	-
31 December 2022	406,322	1,251,828	372,394	166,315	3,222,612	27,406	130,160	5,577,037
Additions	-	6,720	1,802	9,331	15,605	105	144,705	178,268
Disposals/write-off	-	(2,344)	(3,104)	(7,699)	(40,405)	-	-	(53,552)
Transfers	-	26,987	4,030	7,278	152,288	-	(190,583)	-
31 December 2023	406,322	1,283,191	375,122	175,225	3,350,100	27,511	84,282	5,701,753
Accumulated depreciation:								
1 January 2022	-	597,251	362,565	141,003	2,673,376	26,885	-	3,801,080
Depreciation for the year	-	52,088	4,945	9,438	167,171	-	-	233,642
Depreciation on disposals/write-off	-	(7,739)	(14,333)	(7,639)	(21,912)	(16)	-	(51,639)
31 December 2022	-	641,600	353,177	142,802	2,818,635	26,869	-	3,983,083
Depreciation for the year	-	53,750	6,189	10,129	157,854	16	-	227,938
Depreciation on disposals/write-off	-	(1,489)	(3,093)	(7,690)	(38,487)	-	-	(50,759)
31 December 2023	-	693,861	356,273	145,241	2,938,002	26,885	-	4,160,262
Allowance for impairment loss:								
1 January 2022	-	-	-	-	-	-	2,200	2,200
31 December 2022	-	-	-	-	-	-	2,200	2,200
31 December 2023	-	-	-	-	-	-	2,200	2,200
Net book value:								
31 December 2022	406,322	610,228	19,217	23,513	403,977	537	127,960	1,591,754
31 December 2023	406,322	589,330	18,849	29,984	412,098	626	82,082	1,539,291
Depreciation for the year								
2022 (Baht 182 million included in manufacturing cost, and the balance in administrative expenses)								233,642
2023 (Baht 174 million included in manufacturing cost, and the balance in administrative expenses)								227,938

(Unit: Thousand Baht)

Separate financial statements								
	Land and improvements	Buildings and building improvements	Furniture and fixtures	Office equipment	Machinery and equipment	Motor vehicles	Assets under installation and under construction	Total
Cost:								
1 January 2022	200,750	1,024,023	194,910	130,651	1,302,841	12,876	17,885	2,883,906
Additions	-	1,642	727	9,282	8,701	-	37,561	57,913
Disposals/write-off	-	(14,166)	(12,505)	(5,118)	(3,953)	(16)	-	(35,758)
Transfers	-	11,751	9	-	5,730	-	(17,490)	-
31 December 2022	200,750	1,023,250	183,141	134,815	1,313,319	12,860	37,926	2,906,061
Additions	-	6,720	1,748	6,978	14,844	105	50,259	80,654
Disposals/write-off	-	(465)	(1,821)	(7,499)	(9,110)	-	-	(18,895)
Transfers	-	13,500	367	7,149	16,999	-	(38,015)	-
31 December 2023	200,750	1,043,005	183,435	141,443	1,336,052	12,965	50,170	2,967,820
Accumulated depreciation:								
1 January 2022	-	490,453	191,148	112,158	1,246,219	12,818	-	2,052,796
Depreciation for the year	-	42,539	1,534	7,901	22,287	-	-	74,261
Depreciation on disposals/ write-off	-	(7,511)	(12,491)	(5,008)	(3,932)	(16)	-	(28,958)
31 December 2022	-	525,481	180,191	115,051	1,264,574	12,802	-	2,098,099
Depreciation for the year	-	43,243	1,410	8,241	20,951	16	-	73,861
Depreciation on disposals/ write-off	-	(278)	(1,810)	(7,494)	(9,102)	-	-	(18,684)
31 December 2023	-	568,446	179,791	115,798	1,276,423	12,818	-	2,153,276
Allowance for impairment loss:								
1 January 2022	-	-	-	-	-	-	2,200	2,200
31 December 2022	-	-	-	-	-	-	2,200	2,200
31 December 2023	-	-	-	-	-	-	2,200	2,200
Net book value:								
31 December 2022	200,750	497,769	2,950	19,764	48,745	58	35,726	805,762
31 December 2023	200,750	474,559	3,644	25,645	59,629	147	47,970	812,344
Depreciation for the year								
2022 (Baht 30 million included in manufacturing cost, and the balance in administrative expenses)								74,261
2023 (Baht 28 million included in manufacturing cost, and the balance in administrative expenses)								73,861

As at 31 December 2023, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 3,394 million (2022: Baht 3,198 million) (The Company only: Baht 1,834 million, 2022: Baht 1,761 million).

16. Intangible assets

The net book value of intangible assets as at 31 December 2023 and 2022 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	Computer software	Computer under installation	Total	Computer software	Computer under installation	Total
31 December 2023						
Cost	106,800	2,410	109,210	76,535	2,410	78,945
Less: Accumulated amortisation	(93,028)	-	(93,028)	(64,341)	-	(64,341)
Net book value	<u>13,772</u>	<u>2,410</u>	<u>16,182</u>	<u>12,194</u>	<u>2,410</u>	<u>14,604</u>
31 December 2022						
Cost	106,432	-	106,432	76,529	-	76,529
Less: Accumulated amortisation	(87,116)	-	(87,116)	(59,849)	-	(59,849)
Net book value	<u>19,316</u>	<u>-</u>	<u>19,316</u>	<u>16,680</u>	<u>-</u>	<u>16,680</u>

A reconciliation of the net book value of intangible assets for the year ended 31 December 2023 and 2022 are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Net book value at beginning of year	19,316	23,896	16,680	20,186
Acquisition of computer software	2,672	1,370	2,416	1,150
Amortisation (included in administrative expense)	(5,806)	(5,937)	(4,492)	(4,656)
Disposal/write-off during the year - net book value at disposal/write-off date	-	(13)	-	-
Net book value at end of year	<u>16,182</u>	<u>19,316</u>	<u>14,604</u>	<u>16,680</u>

17. Bank overdrafts and short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate (percent per annum)		Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Promissory notes	2.60 - 4.25	1.43 - 5.89	87,500	192,915	-	-
Bank overdrafts	-	6.35 - 6.65	-	25,781	-	-
Total			<u>87,500</u>	<u>218,696</u>	<u>-</u>	<u>-</u>

Short-term loans from financial institutions of the Group are unsecured.

18. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Trade payables - related parties	6,543	2,807	48,341	85,635
Trade payables - unrelated parties	347,171	361,349	303,788	308,748
Other payables - related parties	1,198	789	1,755	834
Other payables - unrelated parties	72,365	62,347	58,320	45,173
Accrued expenses	334,277	296,074	252,340	231,724
Payable from acquisition of assets	24,454	16,125	22,036	9,172
Accrued interest expenses	160	131	-	-
Total trade and other payables	786,168	739,622	686,580	681,286

19. Leases

19.1 The Group as a lessee

The Group has lease contracts for used in its operations. Leases generally have lease terms between 2 - 25 years.

a) Right-of-use assets

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

(Unit: Thousand Baht)

	Consolidated financial statements				
	Land	Buildings and	Office	Motor vehicles	Total
		improvements	equipment		
1 January 2022	1,574	54,010	1,628	21,703	78,915
Additions	-	4,253	-	4,688	8,941
Adjustment due to lease modification	-	2,154	2,304	(748)	3,710
Depreciation for the year	(1,542)	(23,253)	(871)	(9,369)	(35,035)
31 December 2022	32	37,164	3,061	16,274	56,531
Additions	260,718	1,110	-	23,279	285,107
Adjustment due to lease modification	-	(688)	-	(967)	(1,655)
Depreciation for the year	(6,593)	(19,547)	(3,006)	(10,844)	(39,990)
31 December 2023	254,157	18,039	55	27,742	299,993

(Unit: Thousand Baht)

Separate financial statements					
	Land	Buildings and building improvements	Office equipment	Motor vehicles	Total
1 January 2022	1,206	50,802	1,478	19,570	73,056
Additions	-	-	-	2,137	2,137
Adjustment due to lease modification	-	-	2,311	(748)	1,563
Depreciation for the year	(1,175)	(19,907)	(827)	(7,613)	(29,522)
31 December 2022	31	30,895	2,962	13,346	47,234
Additions	259,617	852	-	19,172	279,641
Adjustment due to lease modification	-	(688)	-	(967)	(1,655)
Depreciation for the year	(6,226)	(16,263)	(2,962)	(8,914)	(34,365)
31 December 2023	253,422	14,796	-	22,637	290,855

On 9 September 2022, the Company entered into land lease agreements for the land to be used for the location of its Bangkok office. The agreements are for a period of 25 years, from May 2023 to April 2048.

b) Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Lease payments	337,928	58,734	330,663	52,035
Less: Deferred interest expenses	(79,123)	(3,231)	(78,761)	(2,856)
Total	258,805	55,503	251,902	49,179
Less: Portion due within one year	(32,299)	(27,765)	(28,195)	(24,232)
Lease liabilities - net of current portion	226,506	27,738	223,707	24,947

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	55,503	79,724	49,179	74,962
Additions	238,099	8,940	232,632	2,137
Adjustment due to lease modification	(1,735)	3,235	(1,735)	1,612
Accretion of interest	5,445	2,196	5,159	1,942
Repayments	(38,507)	(38,592)	(33,333)	(31,474)
Balance at end of year	<u>258,805</u>	<u>55,503</u>	<u>251,902</u>	<u>49,179</u>

A maturity analysis of lease payments is disclosed in Note 30.2 to the financial statement 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	39,990	35,035	34,365	29,522
Interest expense on lease liabilities	5,445	2,196	5,159	1,942
Expense relating to leases of low-value assets	68	59	68	59

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 39 million (2022: Baht 39 million) (the Company only: Baht 33 million, 2022: Baht 32 million), including the cash outflow related to short-term lease and leases of low-value assets.

19.2 The Company as a lessor

The Company has entered into operating leases for its investment property portfolio consisting of land and building for rent (see Note 14 to the financial statement) of the lease terms are between 1 and 3 years.

The Company has future minimum rentals receivable under non-cancellable operating leases as at 31 December 2023 in immaterial amount.

20. Provision for long-term employee benefits

Provision for long-term employee benefits, was as follows.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Defined benefit plans		Other long-term employee benefits		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Provision for long-term employee benefits at beginning of year	176,184	168,110	4,023	4,490	180,207	172,600
Included in profit or loss:						
Current service cost	14,245	15,087	397	187	14,642	15,274
Interest cost	2,741	2,505	60	59	2,801	2,564
Benefits paid during the year	(19,945)	(9,518)	(977)	(713)	(20,922)	(10,231)
Provision for long-term employee benefits at end of year	<u>173,225</u>	<u>176,184</u>	<u>3,503</u>	<u>4,023</u>	<u>176,728</u>	<u>180,207</u>

(Unit: Thousand Baht)

	Separate financial statements					
	Defined benefit plans		Other long-term employee benefits		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Provision for long-term employee benefits at beginning of year	124,421	120,719	2,568	2,939	126,989	123,658
Included in profit or loss:						
Current service cost	9,526	9,761	233	101	9,759	9,862
Interest cost	1,935	1,785	37	37	1,972	1,822
Benefits paid during the year	(15,138)	(7,844)	(730)	(509)	(15,868)	(8,353)
Provision for long-term employee benefits at end of year	<u>120,744</u>	<u>124,421</u>	<u>2,108</u>	<u>2,568</u>	<u>122,852</u>	<u>126,989</u>

The Group expect to pay Baht 14 million of long-term employee benefits during the next year (2022: Baht 18 million) (the Company only: Baht 11 million, 2022 Baht 13 million).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit is 11 - 13 years (2022: 11 - 13 years) (the Company only: 11 years, 2022: 11 years).

Significant actuarial assumptions are summarised below:

(Unit: Percent per annum)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	Discount rate	1.63 - 1.69	1.27 - 1.69	1.63 - 1.67
Salary increase rate	2.50 - 5.00	2.50 - 5.00	2.50 - 4.63	2.50 - 4.63

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	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(11)	12	(8)	9
Salary increase rate	26	(23)	21	(19)

(Unit: Million Baht)

	As at 31 December 2022			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(12)	13	(9)	9
Salary increase rate	24	(21)	19	(18)

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 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 capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

22. 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>
Salaries and wages and other employee benefits	1,420,148	1,362,210	919,481	906,315
Depreciation and amortisation	277,614	278,491	116,597	112,317
Raw materials and consumables used	2,440,148	2,096,040	3,283,550	2,752,443
Changes in finished goods and work in progress	54,793	424	30,407	(4,354)
Research and development expenses	23,009	23,520	23,009	23,520

23. 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	149,518	104,298	122,400	88,066
Adjustment in respect of income tax of previous year	(3,388)	(1,725)	(404)	(1,725)
Deferred tax:				
Relating to origination and reversal of temporary differences	5,136	(2,017)	5,704	(4,623)
Income tax expenses reported in profit or loss	<u>151,266</u>	<u>100,556</u>	<u>127,700</u>	<u>81,718</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 on				
Loss from the change in value of financial assets measured at FVOCI	36,286	12,788	36,262	12,720
Share of other comprehensive income from investments in associates	630	(1,101)	-	-
Total	<u>36,916</u>	<u>11,687</u>	<u>36,262</u>	<u>12,720</u>

The reconciliation between accounting profit and income tax expense 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	914,535	640,525	730,506	534,523
Applicable tax rate	0 - 20%	0 - 20%	20%	20%
Accounting profit before tax multiplied by income tax rate	177,779	126,517	146,101	106,905
Adjustment in respect of income tax of previous year	(3,388)	(1,725)	(404)	(1,725)
Effects of:				
Exempt income	(16,543)	(14,796)	(16,543)	(14,796)
Non-deductible expenses	5,896	1,524	5,633	1,191
Additional expense deductions allowed	(13,106)	(15,644)	(7,715)	(13,768)
Others	628	4,680	628	3,911
Total	(23,125)	(24,236)	(17,997)	(23,462)
Income tax expense reported in profit or loss	151,266	100,556	127,700	81,718

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

	(Unit: Thousand Baht)			
	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax assets				
Allowance for expected credit losses	1,266	2,073	279	1,002
Allowance for diminution in value of inventories	21,747	16,148	18,718	14,245
Provision for long-term employee benefits	35,691	36,387	24,571	25,398
Provision for impairment loss on investment	-	-	5,561	5,960
Lease	296	389	296	389
Unused tax loss	-	612	-	-
Others	270	640	440	440
Total	59,270	56,249	49,865	47,434
Deferred tax liabilities				
Unrealised fair value gain on investments	118,544	154,807	119,652	155,915
Lease	8,086	-	8,086	-
Others	173	125	173	125
Total	126,803	154,932	127,911	156,040

As at 31 December 2023, a subsidiary has unused tax losses totaling Baht 12 million (2022: Baht 20 million), on which deferred tax assets have not been recognised as the subsidiary believes future taxable profits may not be sufficient to allow utilisation of the unused tax losses.

The unused tax losses amounting to Baht 12 million will expire by 2028.

24. Earnings per share

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

25. 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.

For management purposes, the Group is organised into business units based on its products and services and have three reportable segments as follows.

- Cosmetics
- Packaging
- Others

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Group's operating segments for the years ended 31 December 2023 and 2022.

	(Unit: Million Baht)											
	Cosmetics		Packaging		Others		Total reportable segments		Adjustments and eliminations		Consolidated financial statements	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Sales	5,647	4,780	1,403	1,317	1,084	1,054	8,134	7,151	(1,330)	(1,191)	6,804	5,960
Other income	215	189	45	35	7	4	267	228	(106)	(105)	161	123
Total revenue	5,862	4,969	1,448	1,352	1,091	1,058	8,401	7,379	(1,436)	(1,296)	6,965	6,083
Cost of sales	(3,995)	(3,314)	(1,067)	(994)	(895)	(919)	(5,957)	(5,227)	1,331	1,205	(4,626)	(4,022)
Selling and distribution expenses	(119)	(200)	(31)	(30)	(14)	(10)	(164)	(240)	-	-	(164)	(240)
Administrative expenses	(906)	(806)	(91)	(83)	(140)	(115)	(1,137)	(1,004)	53	44	(1,084)	(960)
Depreciation and amortisation	(116)	(113)	(154)	(159)	(8)	(7)	(278)	(279)	-	-	(278)	(279)
Total expenses	(5,136)	(4,433)	(1,343)	(1,266)	(1,057)	(1,051)	(7,536)	(6,750)	1,384	1,249	(6,152)	(5,501)
Operating profit	726	536	105	86	34	7	865	629	(52)	(47)	813	582
Share of profit from investments in joint venture and associates	-	-	-	-	-	-	-	-	102	64	102	64
Finance income	9	1	-	-	-	-	9	1	-	-	9	1
Finance cost	(5)	(2)	(3)	(2)	(2)	(2)	(10)	(6)	-	-	(10)	(6)
Income tax expenses	(127)	(82)	(13)	(16)	(11)	(3)	(151)	(101)	-	-	(151)	(101)
Profit for the year	603	453	89	68	21	2	713	523	50	17	763	540

Geographic information

Revenue from external customers is based on domestic and export sales in consolidated financial statements for the years ended 31 December 2023 and 2022 presented below.

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Sales		
- Domestic	4,424,533	3,282,653
- Export	2,379,608	2,677,316
Total	<u>6,804,141</u>	<u>5,959,969</u>

Major customers

In the year 2023, the Group has revenue from 3 major customers in amount of Baht 2,836 million, arising from sales by cosmetics segments (2022: revenue from 3 major customers in amount of Baht 2,658 million, arising from sales by cosmetics segments).

26. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contributes to the fund monthly at the rate of 3 percent of basic salary. The fund, which is managed by Principal Asset Management Co., Ltd. will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2023 amounting to approximately Baht 14 million (2022: Baht 13 million) (the Company only: Baht 11 million, 2022: Baht 11 million) were recognised as expenses.

27. Dividend

<u>Dividend</u>	<u>Approved by</u>	<u>Total dividend</u>	<u>Dividend per share</u>
		(Million Baht)	(Baht)
Final dividends for 2021	Annual General Meeting of the shareholders on 26 April 2022	<u>180</u>	<u>1.2</u>
Final dividends for 2022	Annual General Meeting of the shareholders on 25 April 2023	<u>255</u>	<u>1.7</u>

28. Commitments and contingent liabilities

28.1 Capital commitments

As at 31 December 2023, the Group has capital commitments of approximately Baht 45 million (2022: Baht 26 million) (the Company only: Baht 32 million, Baht 8 million), relating to factory construction and purchase machine.

28.2 Commitments of power purchase and sale

The Group entered into a power purchase and sale agreement with a related company with a contractual term of 20 years from the commercial operation date. The related company invested in the construction and installation of electricity generation systems and retains ownership of all related properties. Electricity charges are calculated based on rates specified in the agreement. When the Group has complied with the agreement for the full 20 years, ownership of all electricity generation systems is to be automatically transferred to the Group.

The Group paid electricity charges as below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Electricity charges	8.5	7.5	3.7	3.3

28.3 Guarantees

The Group has outstanding bank guarantees as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Bank guarantee for:				
Electricity use guarantees	17.2	16.2	8.5	7.5
Tax refund guarantees	2.1	3.9	2.1	3.9
Other guarantees	2.9	3.2	2.9	3.2

The guarantees in respect of certain performance bonds as required in the normal course of business.

29. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the assets and liabilities that were measured and disclosed at fair value, as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	As at 31 December 2023			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVOCI				
Equity instruments	853,765	-	197,413	1,051,178
Derivatives				
Foreign currency forward contracts	-	865	-	865
Liabilities measured at fair value				
Derivatives				
Foreign currency forward contracts	-	26	-	26
Assets for which fair value are disclosed				
Investment properties	-	135,456	66,399	201,855

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVOCI				
Equity instruments	1,005,804	-	227,518	1,233,322
Derivatives				
Foreign currency forward contracts	-	626	-	626
Liabilities measured at fair value				
Derivatives				
Foreign currency forward contracts	-	175	-	175
Assets for which fair value are disclosed				
Investment properties	-	135,456	66,399	201,855

(Unit: Thousand Baht)

	Separate financial statements			
	As at 31 December 2023			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVOCI				
Equity instruments	853,765	-	194,491	1,048,256
Derivatives				
Foreign currency forward contracts	-	865	-	865
Assets for which fair value are disclosed				
Investment properties	-	135,376	66,399	201,775

(Unit: Thousand Baht)

	Separate financial statements			
	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVOCI				
Equity instruments	1,005,804	-	224,479	1,230,283
Derivatives				
Foreign currency forward contracts	-	626	-	626
Assets for which fair value are disclosed				
Investment properties	-	135,376	66,399	201,775

30. Financial instruments

30.1 Derivatives

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Derivative assets				
Derivative assets not designated as hedging instruments				
Foreign exchange forward contracts	865	626	865	626
Total derivative assets	865	626	865	626
Derivative liabilities				
Derivatives liabilities not designated as hedging instruments				
Foreign exchange forward contracts	26	175	-	-
Total derivative liabilities	26	175	-	-

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 6 to 12 months.

30.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, loans to subsidiary, investments, and short-term loans from banks. 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 accounts receivable, borrowing, deposits with banks and financial institutions and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored. In addition, the Group does not have high concentrations of credit risk since it has a large and various customer.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by geography and customer type. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial instruments and cash

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on derivatives is limited because the counterparties are banks 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. The Group enters into derivatives to manage its risk exposure for foreign exchange forward contracts to hedge the foreign currency risk arising on the export or import of goods.

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2023 and 2022, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2023 (Million)	2022 (Million)	2023 (Million)	2022 (Million)	2023 (Baht per 1 foreign currency unit)	2022
<u>The Company</u>						
USD	6.76	6.30	0.68	0.66	34.22	34.56
GBP	3.44	2.33	0.09	0.07	43.84	41.66
JPY	77.90	63.08	21.81	23.43	0.24	0.26
Euro	0.69	0.15	0.27	0.31	38.03	36.83
<u>The subsidiaries</u>						
USD	0.46	0.25	0.15	0.21	34.22	34.56
Euro	0.45	0.06	0.07	0.20	38.03	36.83
CNY	0.32	0.39	0.65	0.89	4.81	4.97

Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in USD GBP JPY and Euro exchange rates, 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 including non-designated foreign currency derivatives as at 31 December 2023 and 2022. The Group's exposure to foreign currency changes for all other currencies is not material.

Currency	2023		2022	
	Change in FX rate (%)	Effect on profit before tax (Thousand Baht)	Change in FX rate (%)	Effect on profit before tax (Thousand Baht)
USD	+10	30,335	+10	27,201
	- 10	(30,335)	- 10	(27,201)
GBP	+10	15,640	+10	11,471
	- 10	(15,640)	- 10	(11,471)
Euro	+10	5,515	+10	2,851
	- 10	(5,515)	- 10	(2,851)
JPY	+10	2,483	+10	4,342
	- 10	(2,483)	- 10	(4,342)

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 low interest rate risk. 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 rate 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: Thousand Baht)

	Consolidated financial statements													
	Fixed interest rates					Non-interest bearing					Total	Effective interest rate		
	Within 1 year		Over 1 and up to 2 years			2023		2022		2023		2022		
2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	
Financial assets														
Cash and cash equivalents	-	-	-	-	724,110	916,054	3,047	1,323	727,157	917,377	0.15 - 1.15	0.05 - 0.63		
Trade and other receivables	-	-	-	-	-	-	899,337	1,079,790	899,337	1,079,790	-	-		
Other current financial assets	639,072	10,503	-	-	-	-	865	626	639,937	11,129	0.60 - 2.11	0.15 - 1.40		
Other non-current financial assets	-	-	1,000	1,000	-	-	1,051,178	1,233,322	1,052,178	1,234,322	1.35	1.35		
	639,072	10,503	1,000	1,000	724,110	916,054	1,954,427	2,315,061	3,318,609	3,242,618				
Financial liabilities														
Bank overdrafts and short-term loans														
from financial institution	87,500	192,915	-	-	-	25,781	-	-	87,500	218,696	2.60 - 4.25	1.43 - 6.65		
Trade and other payables	-	-	-	-	-	-	786,168	739,622	786,168	739,622	-	-		
	87,500	192,915	-	-	-	25,781	786,168	739,622	873,668	958,318				

(Unit: Thousand Baht)

Separate financial statements

	Fixed interest rates						Total	Effective interest rate			
	Within 1 year		Over 1 and up to 2 years		Floating interest rate			Non-interest bearing			
	2023	2022	2023	2022	2023	2022		2023	2022		
Financial assets											
Cash and cash equivalents	-	-	-	-	543,938	827,423	180	544,533	827,603	0.15 - 0.60	0.05 - 0.50
Trade and other receivables	-	-	-	-	-	-	913,032	773,284	913,032	-	-
Other current financial assets	639,072	9,003	-	-	-	-	865	639,937	9,629	0.60 - 2.11	0.15 - 0.75
Other non-current financial assets	-	-	1,000	1,000	-	-	1,048,256	1,049,256	1,231,283	1.35	1.35
	639,072	9,003	1,000	1,000	543,938	827,423	2,144,121	3,007,010	2,981,547		
Financial liabilities											
Trade and other payables	-	-	-	-	-	-	681,286	686,580	681,286	-	-
	-	-	-	-	-	-	681,286	686,580	681,286		

Interest rate sensitivity

The change in interest rate is no significant impact on the Group's profit before tax.

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts and loans from financial institutions and lease contracts. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding. In addition, the Group's management considered that the Group has sufficient net working capital as compared with the expected cash flow will be paid in near future.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments 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	Over 5 years	Total
Non-derivatives					
Bank overdraft and short-term loans					
from financial institutions	70,000	17,649	-	-	87,649
Trade and other payables	-	786,168	-	-	786,168
Lease liabilities	-	38,642	59,691	239,595	337,928
Total non-derivatives	70,000	842,459	59,691	239,595	1,211,745
Derivatives					
Derivative liabilities: gross settled					
Cash outflows	-	26	-	-	26
Total derivatives	-	26	-	-	26

(Unit: Thousand Baht)

Consolidated financial statements

As at 31 December 2022

	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives					
Bank overdraft and short-term loans					
from financial institutions	-	222,937	-	-	222,937
Trade and other payables	-	739,622	-	-	739,622
Lease liabilities	-	29,085	29,649	-	58,734
Total non-derivatives	-	991,644	29,649	-	1,021,293
Derivatives					
Derivative liabilities: gross settled					
Cash inflows	-	-	-	-	-
Cash outflows	-	175	-	-	175
Total derivatives	-	175	-	-	175

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2023

	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives					
Trade and other payables	-	686,580	-	-	686,580
Lease liabilities	-	34,333	56,735	239,595	330,663
Total non-derivatives	-	720,913	56,735	239,595	1,017,243

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2022

	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives					
Trade and other payables	-	681,286	-	-	681,286
Lease liabilities	-	25,374	26,661	-	52,035
Total non-derivatives	-	706,660	26,661	-	733,321

30.3 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 value is not expected to be materially different from the amounts presented in the statement of financial position.

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

30.4 Reconciliation of recurring fair value measurements, of financial assets categorised within Level 3 of the fair value hierarchy

(Unit: Thousand Baht)

	Non-listed equity instruments	
	Consolidated financial statements	Separate financial statements
Balance as of 1 January 2022	165,538	162,159
Disposed during the year	(435)	(435)
Net loss recognised into other comprehensive income	62,415	62,755
Balance as of 31 December 2022	227,518	224,479
Return of capital during the year	(714)	(714)
Net loss recognised into other comprehensive income	(29,391)	(29,274)
Balance as of 31 December 2023	197,413	194,491

Key assumptions used in the valuation are summarised below.

Financial instruments	Valuation technique	Significant unobservable inputs	Rates	Sensitivity of the input to fair value
Non-listed equity instruments	Discounted future cash flow, dividend discount and other methods	Discount rate	7.6% - 11.5% (2022: 7.7% - 11.5%)	1% (2022: 1%) increase (decrease) in discount rate would result in Baht 7 million decrease in fair value (increase in Baht 10 million) (2022: Baht 5 million decrease in fair value (increase in Baht 7 million))

31. 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 0.3:1 (2022: 0.3:1) and the Company only was 0.3:1 (2022: 0.3:1).

32. Events after the reporting period

On 29 February 2024, the Company's Board of Directors passed a resolution to propose to the Annual General Meeting of shareholders to be held in April 2024 to pay a dividend of Baht 2.25 per share, or a total of Baht 337.34 million to shareholders in respect of the year 2023 profit and retained earnings. The dividend will be paid and recorded after it is approved by the Annual General Meeting of the Company's shareholders.

33. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 29 February 2024.