

Saha Pathanapibul Public Company Limited and its subsidiaries
Notes to interim consolidated financial statements
For the year ended 31 December 2023

1. General information

Saha Pathanapibul Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in business of consumer goods distribution. The registered office of the Company is at 2156 New Petchburi Road, Bangkok, Huaykwang, Bangkok.

The Company’s major shareholders during the year were Saha Pathana Inter-Holding Public Company Limited (24.98% shareholding) and I.C.C. International Public Company Limited (10.55% shareholding). Both companies were incorporated in Thailand.

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 Saha Pathanapibul 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	
			2023 (%)	2022 (%)
<u>Held by the Comapny</u>				
Chokchaipibul Co., Ltd.	Manufacture of instant noodle, asset for lease and internal and external business service rendering	Thailand	99.99	99.99
Bangkok Tower (1999) Co., Ltd.	Office building for rent	Thailand	99.99	99.99
Tipwarin Watana Co., Ltd.	Manufacture of mineral water	Thailand	59.37	59.37
Saha Vietnam Co., Ltd.	Retail distributor	Vietnam	100.00	100.00
Dairy Thai Co., Ltd.	Manufacture of yoghurt	Thailand	63.91	63.91

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2023</u> (%)	<u>2022</u> (%)
<u>Held by subsidiaries</u>				
Tipwarin Inter Packaging Co., Ltd. (Held by Tipwarin Watana Co., Ltd.)	Manufacture of plastic packaging	Thailand	99.99	99.99
SPC Ventures Co., Ltd. (Held 90.00% by Chokchaipibul Co., Ltd. and 10.00% by Bangkok Tower (1999) Co., Ltd.)	Investment in startup business	Thailand	100.00	100.00
Le Masque Co., Ltd. (Held 35.00% by Chokchaipibul Co., Ltd. and 45.00% by Bangkok Tower (1999) Co., Ltd.)	Manufacture of coffee and beverage	Thailand	80.00	70.00

- 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 subsidiary companies 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 currency" in the statements of changes in shareholders' equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- 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 The separate financial statements present investments in subsidiaries 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 sales of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon 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, sales promotion, discounts, allowance, price promotions and payment with traditional business practice to customers.

Sales of real estate

Revenues from sales of real estate development project are recognised at a point in time as income when control of the asset is transferred to the customer, generally registration of ownership transfer. Revenue is measured at the amount of the consideration received after deducting discount and fees paid on behalf of customers. The payment terms and conditions are stated in the agreement with customers.

Rental income

Rental income is recognised on a straight-line basis over the lease term.

Rendering of services

Service revenue is recognised at a point in time upon completion of the service.

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 average method) and net realisable value and include all cost of raw materials, labour and factory overhead. 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, store supplies and spare parts are valued at the lower of average cost or net realisable value and are charged to production costs whenever consumed.

Real estate development project consist of land and work in progress, are stated at the lower of cost and estimated net realisable value. Net realisable value is the estimated selling price in the ordinary of business less the estimated costs to complete and to make the sales.

4.4 Non-current assets held for sale

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as a current item in the statement of financial position.

4.5 Investments in subsidiaries and associates

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

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

4.6 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 is calculated by reference to their costs on the straight-line basis over estimated useful lives of 20 - 40 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.

4.7 Property, plant and equipment/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 is calculated by using the declining balance method which do not exceed the rate prescribed by the Revenue Code for assets purchased before 1988. Assets purchased after 1988 is depreciated on a straight-line basis over the estimated useful lives of the asset.

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

Land improvement	10 - 20 years
Buildings and building improvement	5 - 40 years
Machinery	5 - 10 years
Furniture, fixtures and office equipment	3 - 5 years
Vehicles	5 years

Depreciation is included in determining income.

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

When the use of a property changes from owner-occupied to investment properties, such property is reclassified as investment properties at its carrying amounts.

Subsequent costs, which are costs of replacing a part of an item of property, plant and equipment, are recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

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.

4.8 Intangible assets

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 as follows:

	<u>Useful lives</u>
Trademark	5 - 20 years
Computer software	10 years

In addition, the Company has invested in digital assets (Bitkub Coin) which received the return by acting as Node Validator and has adapted the principles of TAS 38 Intangible Assets.

The Company initially recognises digital assets at cost, which is the fair value of the asset at the inception date of acquired assets. Subsequently, they are carried at cost less any accumulated impairment (if any). The Company does not amortise digital assets because they have indefinite useful lives.

At the end of the reporting period, the Company assesses impairment of digital assets. An impairment loss is recognised when the carrying amount is higher than its fair value at the end of the reporting period for which the fair value is measured by using closing price at the end of the reporting period on www.bitkub.com.

Digital assets are derecognised when the asset is disposed or the future economic benefits are expected not to generate from their use or disposal. Any gains or losses arising on disposal of an asset is recognised in profit or loss.

4.9 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.10 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 assesses the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

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, which are vehicles, are calculated by reference to their on the straight-line basis over the shorter of their estimated useful lives of 3 - 8 years and the lease term.

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

Lease liabilities

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

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

Short-term leases and leases of low-value assets

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

The Group as a lessor

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

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.

4.11 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.

4.12 Foreign currencies

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

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

Gains and losses on exchange are included in determining income.

4.13 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. The Group also carries out annual impairment reviews in respect of goodwill and intangible assets with indefinite useful lives. 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.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

4.14 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

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

The obligation under the defined benefit plan based on actuarial techniques, using the projected unit credit method.

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

4.15 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.

4.16 Income tax

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

Current tax

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

Deferred tax

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

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

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

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

4.17 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 at FVOCI (debt instruments)

The Group measures financial assets at FVOCI if the financial asset is held to collect contractual cash flows and to sell the financial asset 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.

Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

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 including interest income recognised in profit or loss.

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

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

Classification and measurement of financial liabilities

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 discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Regular way purchases and sales of financial assets

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.

Derecognition of financial instruments

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

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

Impairment of financial assets

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

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

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

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

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

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

Offsetting of financial instruments

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

4.18 Derivatives

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 including interest income 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.

4.19 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.

4.20 Treasury stock

The Group's own equity instruments that have been reacquired (treasury stock) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration received, if reissued, is recognised in share premium.

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:

Financial statements of associate that the Group hold less than 20%

The management of the Company determined that the Company has significant influence over Sun Vending Technology Public Company Limited even though the Company holds 12.68% of shares and voting rights. This is because the Company is major shareholder and has significant influence, including having representations on the Boards of Directors, Executive Committee and Management Team of such company. The investment in the company is therefore presented as investment in associate under the equity method in the consolidated financial statements.

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.

Allowance for impairment of investments in subsidiaries and associates

In determining allowance for impairment of investments in subsidiaries and associates, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Accrued sales promotion expenses for sales promotions and discounts provided to customers

Accrued sales promotion expenses for sales promotions and discounts provided to customers are estimated based on historical experiences and the conditions of the relevant agreement or arrangement with customers. Payments made to customers for commercial services received are recorded as expenses when incurred.

6. Related party transactions

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Pricing policy
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Revenue from sales	-	-	41,856	38,495	Market price/Mutually agreed price
Dividend income	-	-	7,320	6,441	At the declared rate
Other income	-	-	64,562	58,300	Market price/Contractual agreed price
Purchases of goods	-	-	1,258,074	1,064,471	Mutually agreed price/ Contractual agreed price
Service fee expenses	-	-	39,470	32,264	Market price/Contractual agreed price
Rental fee expenses	-	-	64,687	56,531	Market price/Contractual agreed price
Transportation fee expenses	-	-	31,964	33,752	Market price/Contractual agreed price
Other expenses	-	-	23,195	18,810	Market price/Contractual agreed price
Interest expenses	-	-	6,354	7,333	Market interest rate
<u>Transactions with associates</u>					
Revenue from sales	214,072	227,608	214,072	227,608	Market price/Mutually agreed price
Dividend income	-	-	12,679	4,936	At the declared rate
Other income	10,795	4,576	7,292	4,576	Market price/Contractual agreed price
Warehouse service fee expenses	104,691	100,288	104,691	100,288	Market price/Contractual agreed price
Transportation fee expenses	878,675	840,881	878,675	840,881	Market price/Contractual agreed price
Other expenses	8,636	53,598	8,636	53,598	Market price/Contractual agreed price
<u>Transactions with related parties</u>					
Revenue from sales	46,343	40,769	46,343	40,769	Market price/Mutually agreed price
Dividend income	196,910	183,371	196,910	183,371	At the declared rate
Other income	25,225	20,684	25,225	20,684	Market price/Contractual agreed price
Purchases of goods	26,599,627	24,839,632	26,599,627	24,839,632	Mutually agreed price/ Contractual agreed price
Advertising fee expenses	179,700	116,708	179,700	116,708	Market price/Contractual agreed price
Other expenses	7,517	65,291	7,517	65,291	Market price/Contractual agreed price
Dividend payment	301,617	308,978	301,617	308,978	At the declared rate
Purchases of investments	-	16,711	-	16,711	Mutually agreed price/ Contractual agreed price

The balances of the accounts between the Group and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade and other receivables - related parties (Note 8)				
Subsidiaries	-	-	14,984	16,010
Associates	55,761	46,387	41,461	44,614
Related parties	224,544	86,243	223,954	86,111
Total trade receivables - related parties	<u>280,305</u>	<u>132,630</u>	<u>280,399</u>	<u>146,735</u>
Sales promotion receivable - related parties				
Related parties	1,575,489	1,787,314	1,575,489	1,787,314
Total sales promotion receivable - related parties	<u>1,575,489</u>	<u>1,787,314</u>	<u>1,575,489</u>	<u>1,787,314</u>

Short-term loans to related party

Movements in short-term loans to related party for the year ended 31 December 2023 are summarised below.

(Unit: Thousand Baht)

Company's name	Related by	Consolidated financial statements		
		Balance as at 1 January 2023	Repayment during the year	Balance as at 31 December 2023
Manorom Footwear Co., Ltd.	Common director with subsidiary	6,000	(6,000)	-
Total		<u>6,000</u>	<u>(6,000)</u>	<u>-</u>

As at 31 December 2022, short-term loans to related party carried interest at the rate of 5 percent per annum. The subsidiary received loan repayment in full in June 2023.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade and other payables - related parties (Note 22)				
Subsidiaries	-	-	219,415	181,992
Associates	34,904	14,263	9,485	14,263
Related parties	4,825,008	3,995,346	4,822,912	3,995,346
Total trade and other payables - related parties	<u>4,859,912</u>	<u>4,009,609</u>	<u>5,051,812</u>	<u>4,191,601</u>
Lease liabilities - related party (Note 23.2)				
Subsidiary	-	-	46,865	60,900
Total lease liabilities - related party	<u>-</u>	<u>-</u>	<u>46,865</u>	<u>60,900</u>

Directors and management's benefits

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term benefits	110,801	106,161	65,241	69,763
Post-employment benefits	1,809	3,685	1,040	566
Total	<u>112,610</u>	<u>109,846</u>	<u>66,281</u>	<u>70,329</u>

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 35 to the financial statements.

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash on hand	1,155	701	252	197
Cash at bank	2,585,779	1,804,251	2,334,220	1,569,297
Short-term investments in fixed deposits	500,033	34	500,000	-
Cash and cash equivalents (In private funds)	<u>16,209</u>	<u>28,896</u>	<u>16,209</u>	<u>28,896</u>
Total	<u>3,103,176</u>	<u>1,833,882</u>	<u>2,850,681</u>	<u>1,598,390</u>

As at 31 December 2023, bank deposits in savings accounts and fixed deposits carried interests between 0.25 and 1.95 percent per annum (2022: 0.25 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 receivables - related parties</u>				
Aged on the basis of due dates:				
Not yet due	33,263	22,693	25,297	28,577
Past due:				
Up to 3 months	25,491	22,677	24,382	22,677
3 - 6 months	-	2,959	-	2,959
6 - 12 months	-	113	-	113
Over 12 months	-	-	17,262	17,262
Total trade receivables - related parties	58,754	48,442	66,941	71,588
Less: Allowance for expected credit losses	-	(113)	(17,262)	(17,375)
Total trade receivables - related parties - net	58,754	48,329	49,679	54,213
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates:				
Not yet due	4,507,272	3,950,815	4,472,501	3,867,056
Past due:				
Up to 3 months	664,835	515,895	662,992	512,483
3 - 6 months	11,224	5,647	11,204	5,378
6 - 12 months	3,047	18,966	3,000	35,223
Over 12 months	16,641	-	16,232	-
Total trade receivables - unrelated parties	5,203,019	4,491,323	5,165,929	4,420,140
Less: Allowance for expected credit losses	(40,538)	(49,850)	(40,059)	(48,437)
Total trade receivables - unrelated parties - net	5,162,481	4,441,473	5,125,870	4,371,703
Total trade receivables - net	5,221,235	4,489,802	5,175,549	4,425,916
<u>Other receivables</u>				
Other receivables - related parties	119,914	5,759	118,759	4,600
Other receivables - unrelated parties	117,961	63,519	109,190	60,528
Accrued income - related parties	101,637	78,542	111,961	87,922
Accrued income - unrelated parties	120,445	111,374	113,748	89,452
Prepaid expenses	231,160	198,080	225,491	193,279
Total other receivables	691,117	457,274	679,149	435,781
Less: Allowance for expected credit losses	(12,097)	(12,097)	(12,097)	(12,097)
Total other receivables - net	679,020	445,177	667,052	423,684
Trade and other receivables - net	5,900,255	4,934,979	5,842,601	4,849,600

Set out below is the movements 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	49,963	116,191	65,812	116,187
Reversal of allowance for expected credit losses	(9,425)	(66,228)	(8,491)	(50,375)
Ending balance	<u>40,538</u>	<u>49,963</u>	<u>57,321</u>	<u>65,812</u>

9. Trade notes receivable

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Aged on the basis of due dates:				
Not yet due up to 3 months	403,825	374,546	403,825	374,514
Total trade notes receivable	403,825	374,546	403,825	374,514
Less: Allowance for expected credit losses	(6,989)	(3,157)	(6,989)	(3,157)
Total trade notes receivable - net	<u>396,836</u>	<u>371,389</u>	<u>396,836</u>	<u>371,357</u>

10. Short-term loans

Short-term loans as at 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>
Short-term loans	-	751,000	-	745,000
Total	<u>-</u>	<u>751,000</u>	<u>-</u>	<u>745,000</u>
Of which with related party	-	6,000	-	-

Movements in short-term loans for the year ended 31 December 2023 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2023	751,000	745,000
Repayment during the year	(751,000)	(745,000)
Balance as at 31 December 2023	<u>-</u>	<u>-</u>

10.1 During the year 2022, the Company entered into a contract for sale with right of redemption of real estate and other assets with 3 companies, totaling Baht 745 million. The redemption period is 1 year from registration date at the interest rate of 10 percent per annum whereby the maturity date is on 29 December 2023. However, such companies are unable to redeem the assets within the maturity date and the Company therefore transferred the assets to investment properties for settlement of such short-term loans including interest totaling Baht 813.5 million. Subsequently in January 2024, such companies entered into rental agreement of such assets for 3-month period until March 2024.

10.2 As at 31 December 2022, a subsidiary had short-term loans to a related party amounting to Baht 6 million at the interest rate of 5 percent per annum. During the current year, the subsidiary received loan repayment in full, as discussed in Note 6 to the financial statements.

11. 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	780,818	970,071	(921)	(17,483)	779,897	952,588
Work in process	6,791	7,729	-	-	6,791	7,729
Raw materials	76,124	69,048	-	-	76,124	69,048
Store supplies and spare parts	11,940	11,694	-	-	11,940	11,694
Total	<u>875,673</u>	<u>1,058,542</u>	<u>(921)</u>	<u>(17,483)</u>	<u>874,752</u>	<u>1,041,059</u>
Cost of real estate						
development project						
Land	24,164	25,173	-	-	24,164	25,173
Work under constructions	15,517	17,600	-	-	15,517	17,600
Total cost of real estate						
development project	<u>39,681</u>	<u>42,773</u>	<u>-</u>	<u>-</u>	<u>39,681</u>	<u>42,773</u>
Total inventories	<u>915,354</u>	<u>1,101,315</u>	<u>(921)</u>	<u>(17,483)</u>	<u>914,433</u>	<u>1,083,832</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	749,005	942,202	(300)	(16,400)	748,705	925,802
Total	749,005	942,202	(300)	(16,400)	748,705	925,802
Cost of real estate						
development project						
Land	24,164	25,173	-	-	24,164	25,173
Work under constructions	15,517	17,600	-	-	15,517	17,600
Total cost of real estate						
development project	39,681	42,773	-	-	39,681	42,773
Total inventories	788,686	984,975	(300)	(16,400)	788,386	968,575

During the current year, the Group reversed the write-down of cost of inventories by Baht 16.6 million (the Company only: Baht 16.1 million) and reduced the amount of inventories recognised as expenses during the year (2022: reduced cost of inventories by Baht 8.4 million (the Company only: Baht 8.4 million) to reflect the net realisable value, which was included in cost of sales).

12. 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>Bank deposits at amortised cost</u>				
Fixed deposits	1,617,862	1,704,172	867,829	1,062,931
Current investments (In private funds)	91,000	30,000	91,000	30,000
Total	1,708,862	1,734,172	958,829	1,092,931
Less: Allowance for expected credit losses	(162)	(162)	(162)	(162)
Total other current financial assets - net	1,708,700	1,734,010	958,667	1,092,769

As at 31 December 2023, the Group had investments in 6-month to 12-month fixed deposits at the interest rate between 1.00 and 2.68 percent per annum. (2022: 0.15 and 0.75 percent per annum).

13. Long-term loans

Long-term loans as at 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>
Long-term loans	682,646	681,050	681,050	681,050
Less: Current portion	(503,550)	-	(503,550)	-
Long-term loans - net of current portion	<u>179,096</u>	<u>681,050</u>	<u>177,500</u>	<u>681,050</u>

Movements in long-term loans for the year ended 31 December 2023 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2023	681,050	681,050
Increase during the year	2,552	-
Repayment during the year	(956)	-
Balance as at 31 December 2023	<u>682,646</u>	<u>681,050</u>

13.1 In 2021, the Company entered into a contract for sale with right of redemption of assets with a total value of Baht 2,000.00 million with 3 related companies, of which the Company's portion is Baht 500.00 million. The redemption period is 3 years from the registration date at the interest rate of 12.00 percent per annum whereby the maturity date is on 29 June 2024.

13.2 In 2022, the Company entered into a contract for sale with right of redemption of real estate with a company in the amount of Baht 177.50 million. The redemption period is 2 years and 6 months from the registration date at the interest rate of 6.00 percent per annum whereby the maturity date is on 17 May 2025.

13.3 The Company has unsecured long-term loan of Baht 3.55 million to a company at the interest rate of 3.37 percent per annum and is matured on 23 July 2024.

14. 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 at fair value through OCI</u>				
<i>Listed equity instruments</i>				
Commerce	4,505,215	4,325,246	4,505,215	4,325,246
Food & Beverage	1,727,258	1,621,071	1,727,258	1,621,071
Fashion	495,045	535,676	495,045	535,676
Energy & Utilities	267,434	376,751	267,434	376,751
Media & Publishing	172,669	160,694	172,669	160,694
Industrial Materials & Machinery	156,819	186,868	156,819	186,868
Property Fund & REITs	129,950	148,789	129,950	148,789
Property Development	75,042	84,433	75,042	84,433
Insurance	66,670	73,479	66,670	73,479
Mutual funds and unit trusts	131,462	236,755	131,462	236,755
Others	324,807	205,714	324,807	205,714
Total listed equity instruments	8,052,371	7,955,476	8,052,371	7,955,476
<i>Non-listed equity instruments</i>				
Personal Products & Pharmaceuticals	2,534,350	2,255,513	2,534,350	2,255,513
Electronic Components	786,487	825,576	786,487	825,576
Finance & Securities	638,090	630,615	638,090	630,615
Food & Beverage	614,016	513,924	614,016	513,924
Property Development	357,986	291,408	357,986	291,408
Professional Services	337,862	322,066	337,862	322,066
Fashion	180,958	258,467	180,948	258,467
Industrial Materials & Machinery	158,417	156,577	158,417	156,577
Commerce	152,951	132,391	152,951	132,391
Energy & Utilities	83,768	80,084	83,768	80,084
Others	55,812	337,056	49,602	324,506
Total non-listed equity instruments	5,900,697	5,803,677	5,894,477	5,791,127
Total equity instruments at fair value through OCI	13,953,068	13,759,153	13,946,848	13,746,603
<u>Debt instruments at fair value through OCI</u>				
Treasury bills and corporate bonds	803,896	744,483	803,896	744,483
Government bonds	178,584	321,158	178,584	321,158
Bank of Thailand bonds	130,959	105,396	130,959	105,396
Total debt instruments at fair value through OCI	1,113,439	1,171,037	1,113,439	1,171,037
<u>Other non-current financial assets at amortised cost</u>				
More than 1-year fixed deposits	89,315	503	22,500	-
Total other non-current financial assets at amortised cost	89,315	503	22,500	-
Total other non-current financial assets	15,155,822	14,930,693	15,082,787	14,917,640

Movements in other non-current financial assets during the year ended 31 December 2023 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
<u>Equity instruments at fair value through OCI</u>		
<i>Listed equity instruments</i>		
Balance as at 1 January 2023	7,955,476	7,955,476
Increase during the year	18,932	18,932
Gain on changes in value of investments	77,963	77,963
Balance as at 31 December 2023	<u>8,052,371</u>	<u>8,052,371</u>
<i>Non-listed equity instruments</i>		
Balance as at 1 January 2023	5,803,677	5,791,127
Increase during the year	317,625	317,625
Decrease during the year	(3,622)	(3,622)
Gain (loss) on changes in value of investments	(2,170)	4,160
Transferred during the year (Note 15)	(214,813)	(214,813)
Balance as at 31 December 2023	<u>5,900,697</u>	<u>5,894,477</u>
Total equity instruments at fair value through OCI as at 31 December 2023	<u>13,953,068</u>	<u>13,946,848</u>
<u>Debt instruments at fair value through OCI</u>		
Balance as at 1 January 2023	1,171,037	1,171,037
Increase during the year	10,000	10,000
Decrease during the year	(64,232)	(64,232)
Loss on changes in value of investments	(3,366)	(3,366)
Balance as at 31 December 2023	<u>1,113,439</u>	<u>1,113,439</u>
<u>Other non-current financial assets at amortised cost</u>		
Balance as at 1 January 2023	503	-
Increase during the year	89,315	22,500
Decrease during the year	(503)	-
Balance as at 31 December 2023	<u>89,315</u>	<u>22,500</u>
Total other non-current financial assets as at 31 December 2022	<u>14,930,693</u>	<u>14,917,640</u>
Total other non-current financial assets as at 31 December 2023	<u>15,155,822</u>	<u>15,082,787</u>

Equity instruments designated at FVOCI include listed and non-listed equity investments which the Group considers these investments to be strategic in nature.

During the year 2023, the Company disposed investments in equity instruments at fair value through OCI and transferred accumulated gain from the change in value of the investment previously recognised in other comprehensive income of Baht 38.5 million (2022: Baht 9.6 million) (the Company only: Baht 38.0 million 2022: Baht 4.0 million) to retained earnings.

During the third quarter of the current year, the Company acquired additional ordinary shares of Navavej International Public Co., Ltd. The investment in such company was previously classified as investment in equity instruments at fair value through OCI and the acquisition of the additional ordinary shares results in change in status of the investment to be investments in associate as discussed in Note 15 to the financial statements. The Company's previously held equity interest is remeasured to its acquisition-date fair value and the Company transferred the change in value of the investment as previously recognised in other comprehensive income of Baht 148.7 million to retained earnings.

In addition, in 2023, the Group received dividends from equity instruments designated at FVOCI, which still existed at the reporting date, in the amount of Baht 350.3 million (2022: Baht 213.7 million) (the Company only: Baht 350.5 million, 2022: Baht 213.7 million).

15. Investments in associates

15.1 Detail associates

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Consolidated financial statements						Separate financial statements			
					Carrying amount based on equity method		Share of profit (loss) from investments in associates during the years		Share of other comprehensive income from investments in associates during the years		Carrying amount based on cost method		Dividend income during the years	
					2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Sun Vending Technology Plc.	Selling products by automatic machines	Thailand	12.68	12.68	155,721	153,257	7,349	10,823	(447)	(33)	111,015	111,015	4,438	3,551
Saha Ubol Nakorn Co., Ltd.	Property development	Thailand	20.00	20.00	1,576	1,576	-	-	-	-	5,087	5,087	-	-
Sahapat Real Estate Co., Ltd.	Investment	Thailand	20.00	20.00	224,126	234,680	(1,974)	56,895	(2,940)	(3,740)	141,000	141,000	5,640	-
Sriracha Transportation Co., Ltd.	Logistics	Thailand	20.00	20.00	4,280	3,797	683	501	-	-	2,036	2,036	200	200
Thai - Myanmar Success Venture Co., Ltd.	Investment	Thailand	35.00	35.00	37,401	36,840	561	390	-	-	35,039	35,039	-	-
President Foods (Cambodia) Co., Ltd.	Instant noodles	Cambodia	30.00	30.00	84,662	77,451	8,132	(1,541)	(921)	2,640	19,647	19,647	-	-
Ruamissara Co., Ltd.	Real estate	Thailand	25.00	25.00	185,841	197,092	(11,118)	(2,469)	(133)	225	105,000	105,000	-	-
Saha Lawson Co., Ltd.	Convenience store	Thailand	21.34	21.34	65,709	63,087	2,622	(4,552)	-	-	291,706	291,706	-	-
Boon Capital Holding Co., Ltd.	Investment	Thailand	32.00	32.00	196,196	194,898	1,298	989	-	-	224,000	224,000	-	-
Canchana International Co., Ltd.	Distributor	Cambodia	40.00	40.00	11,867	13,387	(1,411)	(195)	(109)	457	6,495	6,495	-	-
Siam Arata Co., Ltd.	Distributor	Thailand	25.00	25.00	5,097	1,590	3,507	1,590	-	-	5,000	5,000	-	-
Ruamissara Development Co., Ltd.	Real estate	Thailand	25.00	25.00	91,126	98,895	(27,765)	(10,491)	(4)	2	140,000	120,000	-	-
Ayeyarwaddy Success Venture Foods Co., Ltd.	Instant noodles	Myanmar	24.00	24.00	83,512	82,590	1,709	2,981	(787)	(11,837)	99,719	99,719	-	-
Seino Saha Logistics Co., Ltd.	Logistics	Thailand	35.50	35.50	29,308	34,089	(2,380)	2,444	-	(2,346)	34,685	34,685	2,401	1,185
Navavej International Public Co., Ltd.	Hospital	Thailand	36.49	-	433,390	-	(51,650)	-	-	-	485,040	-	-	-
					<u>1,609,812</u>	<u>1,193,229</u>	<u>(70,437)</u>	<u>57,365</u>	<u>(5,341)</u>	<u>(14,632)</u>	<u>1,705,469</u>	<u>1,200,429</u>	<u>12,679</u>	<u>4,936</u>
Less: Allowance for impairment loss					-	(21,800)					(305,896)	(334,490)		
Total investments in associates - net					<u>1,609,812</u>	<u>1,171,429</u>					<u>1,399,573</u>	<u>865,939</u>		

Acquisitions of additional ordinary shares of Navavej International Public Co., Ltd.

On 27 July 2023, the Company paid for acquisitions of additional 38.7 million ordinary shares of Navavej International Public Co., Ltd., which is engaged in hospital business at a total investment of Baht 199.69 million and paid for share subscription of the newly issued 7.10 million ordinary shares with a total of Baht 70.54 million. The newly issued ordinary shares are part of the newly issued 10 million ordinary shares in which such company issued for private placement at par value of Baht 10 per share. As a result of the acquisition of the additional ordinary shares, the Company's shareholding percentage in Navavej International Public Co., Ltd. increased from 16.91 percent to 36.49 percent and the status of the investment in Navavej International Public Co., Ltd. has been changed from investments in equity instruments at fair value through OCI to investments in associates.

The fair values of the identifiable assets acquired and liabilities assumed of the associate on the acquisition date are summarised below.

	(Unit: Thousand Baht)
Cash and cash equivalents	155,557
Trade and other receivables	81,383
Inventories	19,100
Other current assets	35,451
Property, plant and equipment	3,159,125
Intangible assets	38,471
Trade and other payables	(131,616)
Long-term loans from financial institutions	(2,192,500)
Provision for long-term employee benefits	(8,532)
Deferred tax liabilities	(32,452)
Total net identifiable assets	1,123,987
Net assets in the portion held by the Company (36.49%)	410,135
Less: Fair value of investment as previously held by the Company (16.91%)	(214,813)
Goodwill	74,905
Consideration transferred	270,227

Acquisitions of additional ordinary shares of Seino Saha Logistics Co., Ltd.

On 31 May 2022, the Company has additionally invested in 355,131 ordinary shares of Seino Saha Logistics Co., Ltd., amounting to Baht 16.21 million, by purchasing from a related company. From such additional investment, resulting to the Company's shareholding in Seino Saha Logistics Co., Ltd. increased from 19.75% to 35.50% for 800,455 shares, amounting to Baht 34.69 million. As a result, it incurred loss on changes in investment amount of Baht 2,345,921.57, presented in the consolidated statement of comprehensive income for the year ended 31 December 2022.

15.2 Fair value of investment in listed associate

In respect of investment in associate that is listed company on the Stock Exchange of Thailand, its fair value is as follows:

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Sun Vending Technology Public Co., Ltd.	191,738	285,831

15.3 Summarised financial information about material associates

Summarised information about financial position

	(Unit: Million Baht)					
	Ruamissara Co., Ltd.		Ruamissara Development Co., Ltd.		Navavej International Public Co., Ltd.	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current assets	1,710	1,332	41	40	223	-
Non-current assets	468	495	980	1,056	2,960	-
Current liabilities	(410)	(215)	(95)	(97)	(131)	-
Non-current liabilities	(1,026)	(825)	(563)	(604)	(2,199)	-
Net assets	742	787	363	395	853	-
Shareholding percentage (%)	25.00	25.00	25.00	25.00	36.49	-
Share of net assets	186	197	91	99	311	-
Goodwill	-	-	-	-	75	-
Adjustment transactions in the consolidated financial statements	-	-	-	-	47	-
Carrying amounts of associates based on equity method	186	197	91	99	433	-

Summarised information about comprehensive income

(Unit: Million Baht)

	Ruamissara Co., Ltd.		Ruamissara Development Co., Ltd.		Navavej International Public Co., Ltd.	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	Revenue	272	264	80	74	325
Loss	(44)	(23)	(111)	(52)	(142)	-
Other comprehensive income	(1)	-	-	-	-	-
Total comprehensive income	(45)	(23)	(111)	(52)	(142)	-

The above information about comprehensive income for 2023 of Navavej International Public Co., Ltd. is information for the period as from the date of change its status to be associate to the end of the year 2023.

16. Investments in subsidiaries

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

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend income 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>
	(Million Baht)	(Million Baht)	(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
Chokchaipibul Co., Ltd.	920	920	99.99	99.99	1,203,802	1,203,802	-	-
Bangkok Tower (1999) Co., Ltd.	519	519	99.99	99.99	518,994	518,994	-	-
Tipwarin - Watana Co., Ltd.	16	16	59.37	59.37	42,794	42,794	7,320	6,441
Saha Vietnam Co., Ltd.	5	5	100.00	100.00	4,903	4,903	-	-
Dairy Thai Co., Ltd.	67	67	63.91	63.91	68,111	68,111	-	-
Total					1,838,604	1,838,604	7,320	6,441
Less: Allowance for impairment loss					(50,159)	(159,103)		
Investments in subsidiaries - net					1,788,445	1,679,501		

17. Investment properties

(Unit: Thousand Baht)

	Consolidated financial statements			
	Land and land improvement	Buildings and building improvement	Assets under construction	Total
Cost				
1 January 2022	3,065,874	1,316,655	58,123	4,440,652
Addition	99,152	36	24,917	124,105
Disposal/Write off	-	(7,050)	-	(7,050)
Transfer in (out)	(31,322)	25,769	(17,788)	(23,341)
As at 31 December 2022	3,133,704	1,335,410	65,252	4,534,366
Addition	-	1,240	19,732	20,972
Disposal/Write off	-	(20,896)	(352)	(21,248)
Transfer assets for settlement of short-term loans	779,000	34,500	-	813,500
Transfer in (out)	727	60,424	(60,116)	1,035
31 December 2023	3,913,431	1,410,678	24,516	5,348,625
Accumulated depreciation				
1 January 2022	2,618	863,978	-	866,596
Depreciation	163	35,840	-	36,003
Disposal/Write off	-	(3,088)	-	(3,088)
Transfer in	-	2,079	-	2,079
31 December 2022	2,781	898,809	-	901,590
Depreciation	162	38,734	-	38,896
Disposal/Write off	-	(15,394)	-	(15,394)
Transfer in	-	5,929	-	5,929
31 December 2023	2,943	928,078	-	931,021
Allowance for impairment loss				
1 January 2022	55,852	7,700	-	63,552
Increase (decrease)	(2,649)	30,279	-	27,630
31 December 2022	53,203	37,979	-	91,182
Increase	62,551	1,527	-	64,078
31 December 2023	115,754	39,506	-	155,260
Net book value				
31 December 2022	3,077,720	398,622	65,252	3,541,594
31 December 2023	3,794,734	443,094	24,516	4,262,344

(Unit: Thousand Baht)

	Separate financial statements			Total
	Land and land improvement	Buildings and building improvement	Assets under construction	
Cost				
1 January 2022	2,221,984	702,654	53,641	2,978,279
Addition	-	-	23,633	23,633
Disposal/Write off	-	(7,050)	-	(7,050)
Transfer in (out)	(30,832)	25,769	(17,788)	(22,851)
31 December 2022	2,191,152	721,373	59,486	2,972,011
Addition	-	1,240	15,947	17,187
Disposal/Write off	-	-	(352)	(352)
Transfer assets for settlement of short-term loans	779,000	34,500	-	813,500
Transfer in (out)	727	56,700	(56,392)	1,035
31 December 2023	2,970,879	813,813	18,689	3,803,381
Accumulated depreciation				
1 January 2022	2,618	323,338	-	325,956
Depreciation	163	26,205	-	26,368
Disposal/Write off	-	(3,087)	-	(3,087)
Transfer in	-	2,079	-	2,079
31 December 2022	2,781	348,535	-	351,316
Depreciation	161	30,919	-	31,080
Transfer in	-	5,929	-	5,929
31 December 2023	2,942	385,383	-	388,325
Allowance for impairment loss				
1 January 2022	1,309	-	-	1,309
Increase	215	30,279	-	30,494
31 December 2022	1,524	30,279	-	31,803
Increase	62,865	1,527	-	64,392
31 December 2023	64,389	31,806	-	96,195
Net book value				
31 December 2022	2,186,847	342,559	59,486	2,588,892
31 December 2023	2,903,548	396,624	18,689	3,318,861

Fair value of investment properties as at 31 December 2023 had the amount of Baht 10,911 million (2022: Baht 8,367 million) (the Company only: Baht 7,235 million, 2022: Baht 6,938 million), respectively, which appraised by the independent appraiser. The fair value has been determined based on market prices for land and cost approach for buildings while the office building held for rent has been determined using the income approach. Key assumptions used in the valuation include yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates.

Amount recognised in profit or loss for investment properties are as follows:

	Consolidated financial		(Unit: Thousand Baht)	
	statements		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues				
Fixed rental income	62,219	61,536	44,196	45,396
Service income	41,702	37,898	-	-
Total revenues	<u>103,921</u>	<u>99,434</u>	<u>44,196</u>	<u>45,396</u>
Direct operating expenses that generated rental and service income	<u>72,324</u>	<u>63,263</u>	<u>30,230</u>	<u>26,870</u>
Total direct operating expenses	<u>72,324</u>	<u>63,263</u>	<u>30,230</u>	<u>26,870</u>

18. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						Total
	Land and land improvement	Buildings and building improvement	Machinery	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	
Cost							
1 January 2022	1,229,322	717,994	357,358	526,026	759,919	485,633	4,076,252
Addition	-	1,160	5,265	12,293	19,476	133,478	171,672
Disposal/Write off	-	(18)	(3,795)	(11,710)	(24,257)	-	(39,780)
Transfer in (out)	36,649	315,971	14,017	40,440	-	(383,736)	23,341
31 December 2022	1,265,971	1,035,107	372,845	567,049	755,138	235,375	4,231,485
Addition	14,000	5,541	4,849	5,515	49,607	76,208	155,720
Disposal/Write off	-	-	(182)	(18,089)	(2,818)	(10,061)	(31,150)
Transfer in (out)	2,165	177,842	8,536	34,789	-	(224,367)	(1,035)
31 December 2023	1,282,136	1,218,490	386,048	589,264	801,927	77,155	4,355,020
Accumulated depreciation							
1 January 2022	55,936	395,119	283,306	486,241	650,711	-	1,871,313
Depreciation	876	23,508	30,717	19,251	45,865	-	120,217
Disposal/Write off	-	(10)	(3,776)	(11,629)	(23,732)	-	(39,147)
Transfer out	-	(2,079)	-	-	-	-	(2,079)
31 December 2022	56,812	416,538	310,247	493,863	672,844	-	1,950,304
Depreciation	814	40,117	22,907	24,790	46,168	-	134,796
Disposal/Write off	-	-	(181)	(18,088)	(2,229)	-	(20,498)
Transfer in out	-	(51)	-	(5,878)	-	-	(5,929)
31 December 2023	57,626	456,604	332,973	494,687	716,783	-	2,058,673
Allowance for impairment loss							
1 January 2022	-	-	-	-	-	-	-
Increase	-	10,000	-	-	-	-	10,000
31 December 2022	-	10,000	-	-	-	-	10,000
31 December 2023	-	10,000	-	-	-	-	10,000
Net book value							
31 December 2022	1,209,159	608,569	62,598	73,186	82,294	235,375	2,271,181
31 December 2023	1,224,510	751,886	53,075	94,577	85,144	77,155	2,286,347
Depreciation for the year							
2022 (Baht 57 million included in manufacturing cost, and the balance in selling and distribution expenses and administrative expenses)							120,217
2023 (Baht 46 million included in manufacturing cost, and the balance in selling and distribution expenses and administrative expenses)							134,796

(Unit: Thousand Baht)

	Separate financial statements						Total
	Land and land improvement	Buildings and building improvement	Machinery	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	
Cost							
1 January 2022	988,944	425,972	44,295	460,721	483,543	433,112	2,836,587
Addition	-	-	1,951	6,221	533	117,243	125,948
Disposal/Write off	-	-	-	(9,740)	(3,150)	-	(12,890)
Transfer in (out)	36,159	315,971	9,990	40,440	-	(379,709)	22,851
31 December 2022	1,025,103	741,943	56,236	497,642	480,926	170,646	2,972,496
Addition	-	-	1,440	2,968	542	53,300	58,250
Disposal/Write off	-	-	-	(17,729)	(41)	(2,898)	(20,668)
Transfer in (out)	-	165,988	3,583	24,511	-	(195,117)	(1,035)
31 December 2023	1,025,103	907,931	61,259	507,392	481,427	25,931	3,009,043
Accumulated depreciation							
1 January 2022	54,272	290,273	28,652	435,735	477,422	-	1,286,354
Depreciation	745	12,394	4,413	13,470	1,862	-	32,884
Disposal/Write off	-	-	-	(9,707)	(3,150)	-	(12,857)
Transfer out	-	(2,079)	-	-	-	-	(2,079)
31 December 2022	55,017	300,588	33,065	439,498	476,134	-	1,304,302
Depreciation	745	27,604	6,577	18,560	1,693	-	55,179
Disposal/Write off	-	-	-	(17,728)	(40)	-	(17,768)
Transfer out	-	(51)	-	(5,878)	-	-	(5,929)
31 December 2023	55,762	328,141	39,642	434,452	477,787	-	1,335,784
Net book value							
31 December 2022	970,086	441,355	23,171	58,144	4,792	170,646	1,668,194
31 December 2023	969,341	579,790	21,617	72,940	3,640	25,931	1,673,259
Depreciation for the year:							
2022 (Baht 14 million included in selling and distribution expenses, and the balance in administrative expenses)							32,884
2023 (Baht 29 million included in selling and distribution expenses, and the balance in administrative expenses)							55,179

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 1,745 million (2022: Baht 1,716 million) (the Company only: Baht 1,397 million, 2022: Baht 1,396 million).

19. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements			
	Trademark	Computer software	Digital assets	Total
31 December 2023:				
Cost	25,730	93,272	7,700	126,702
Less: Accumulated amortisation	(24,927)	(32,777)	-	(57,704)
Less: Allowance for impairment	-	(41,778)	(5,740)	(47,518)
Net book value	803	18,717	1,960	21,480
31 December 2022:				
Cost	25,730	85,794	7,693	119,217
Less: Accumulated amortisation	(24,553)	(30,813)	-	(55,366)
Less: Allowance for impairment	-	(41,778)	(6,085)	(47,863)
Net book value	1,177	13,203	1,608	15,988

(Unit: Thousand Baht)

	Separate financial statements			
	Trademark	Computer software	Digital assets	Total
31 December 2023:				
Cost	25,730	80,235	7,700	113,665
Less: Accumulated amortisation	(24,927)	(32,429)	-	(57,356)
Less: Allowance for impairment	-	(36,778)	(5,740)	(42,518)
Net book value	803	11,028	1,960	13,791
31 December 2022:				
Cost	25,730	75,747	7,693	109,170
Less: Accumulated amortisation	(24,553)	(30,522)	-	(55,075)
Less: Allowance for impairment	-	(36,778)	(6,085)	(42,863)
Net book value	1,177	8,447	1,608	11,232

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Net book value at beginning of year	15,988	14,706	11,232	10,724
Acquisition of computer software	7,478	5,499	4,487	4,672
Increase from digital assets	7	7,693	7	7,693
Write-off	-	(3,376)	-	(3,376)
Amortisation for the year	(2,338)	(2,449)	(2,280)	(2,396)
Decrease (increase) in impairment loss	345	(6,085)	345	(6,085)
Net book value at end of year	<u>21,480</u>	<u>15,988</u>	<u>13,791</u>	<u>11,232</u>

Movements in intangible assets with indefinite useful lives (digital assets) for 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>
Cost				
Beginning balance	7,693	-	7,693	-
Increase	7	7,693	7	7,693
Ending balance	<u>7,700</u>	<u>7,693</u>	<u>7,700</u>	<u>7,693</u>
Allowance for impairment				
Beginning balance	6,085	-	6,085	-
Increase (decrease) during the year	(345)	6,085	(345)	6,085
Ending balance	<u>5,740</u>	<u>6,085</u>	<u>5,740</u>	<u>6,085</u>
Net book value				
Beginning Balance	<u>1,608</u>	<u>-</u>	<u>1,608</u>	<u>-</u>
Ending balance	<u>1,960</u>	<u>1,608</u>	<u>1,960</u>	<u>1,608</u>

During the year, the Company entered into the Memorandum of Understanding (MOU) with Bitkub Blockchain Technology Co., Ltd. to be a Proof-of-Staked-Authority (PoSA) Node Validator on Bitkub's blockchain to be rewarded in the form of KUB coins. As a Node Validator in the feature of Sharing Node, the Company did not purchase any additional KUB coin investments but deposited a portion of KUB coins received from being a Node Validator. In accordance with the terms and conditions of the MOU, the Company shall not sell or transfer this portion of KUB coins until May 2023.

20. Other non-current assets

	(Unit: Thousand Baht)			
	Consolidated financial		Separate	
	statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deposits and retention	98,176	95,497	93,249	92,600
Unbilled cheque return over 1 year	24,335	25,075	24,335	25,075
Loans to employees	14	849	14	-
Others	59,111	13,824	58,311	11,025
Total	181,636	135,245	175,909	128,700
Less: Allowance for impairment of deposits and retention	(18,226)	(18,226)	(18,226)	(18,226)
Allowance for doubtful unbilled cheque return over 1 year	(24,335)	(25,075)	(24,335)	(25,075)
Other non-current assets - net	139,075	91,944	133,348	85,399

The Company made agreement to buy and to sell of land in North - Park project and fully made payment, which was recorded as land deposits of Baht 60.75 million but the ownership has not been transferred to the Company because the Company still not proceed the building construction as indicated in agreement which may incur a loss of Baht 18.2 million and the Company thus recorded allowance for impairment on such amount.

21. Short-term loans

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term loans	27,169	25,819	27,169	25,819
Total	27,169	25,819	27,169	25,819

As at 31 December 2023, the Company had unsecured short-term loans is in form of promissory notes at the rate of 0.50 percent per annum (2022: 0.50 percent per annum).

22. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade payables - related parties	4,533,618	3,934,923	4,723,297	4,116,619
Trade payables - unrelated parties	814,437	946,299	723,760	847,930
Other payables and accrued expenses - related parties	326,294	74,686	328,515	74,982
Other payables and accrued expenses - unrelated parties	613,276	497,310	528,035	412,103
Unearned revenue	3,262	889	-	-
Total trade and other payables	6,290,887	5,454,107	6,303,607	5,451,634

23. Leases

The Company has lease contracts with a subsidiary for lease of assets, which are vehicles, used in its operations. Leases generally have lease terms between 3 and 8 years.

23.1 Right-of-use assets

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

	(Unit: Thousand Baht)
	Separate financial statements
	<u>Vehicles</u>
1 January 2022	73,862
Addition	11,587
Depreciation for the year	(30,306)
Adjustment from lease modification	(505)
31 December 2022	54,638
Addition	12,167
Depreciation for the year	(21,556)
Adjustment from lease modification	(6,814)
31 December 2023	<u>38,435</u>

23.2 Lease liabilities

	(Unit: Thousand Baht)	
	Separate financial statements	
	<u>2023</u>	<u>2022</u>
Lease payments	57,134	72,684
Less: Deferred interest expenses	(10,269)	(11,784)
Total	<u>46,865</u>	<u>60,900</u>
Comprise of:		
Current lease liabilities	15,052	17,384
Non-current lease liabilities	31,813	43,516
	<u>46,865</u>	<u>60,900</u>

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

	(Unit: Thousand Baht)	
	Separate	
	financial statements	
	<u>2023</u>	<u>2022</u>
Balance at beginning of year	60,900	78,330
Additions	12,167	11,587
Accretion of interest	6,355	7,332
Repayments	(25,743)	(35,592)
Adjustment from lease modification	(6,814)	(757)
Balance at end of year	<u>46,865</u>	<u>60,900</u>

A maturity analysis of lease payments is disclosed in Note 37.1 under the liquidity risk.

23.3 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	-	-	21,556	30,306
Interest expense on lease liabilities	-	-	6,355	7,332
Expenses relating to short-term lease	-	-	64,687	56,531
Expense relating to leases of				
low-value assets	11,132	10,610	11,132	10,610

23.4 Others

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 11.1 million (2022: Baht 10.6 million) (the Company only: Baht 101.6 million, 2022: Baht 102.7 million), including the cash outflow related to short-term lease and leases of low-value assets.

24. Provision for long-term employee benefits

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Provision for long-term employee benefits				
at beginning of year	336,116	319,883	292,977	278,181
Included in profit or loss:				
Current service cost	19,168	18,736	15,600	15,382
Interest cost	6,746	3,248	5,771	2,688
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	-	1,419	-	-
Financial assumptions changes	-	(28,313)	-	(21,564)
Experience adjustments	-	34,403	-	31,111
Benefits paid during the year	<u>(26,606)</u>	<u>(13,260)</u>	<u>(22,384)</u>	<u>(12,821)</u>
Provision for long-term employee benefits				
at end of year	<u>335,424</u>	<u>336,116</u>	<u>291,964</u>	<u>292,977</u>

As at 31 December 2023, the Group expects to pay Baht 48.2 million of long-term employee benefits during the next year (the Company only: Baht 47.4 million) (2022: Baht 72.5 million (the Company only: Baht 68.9 million)).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit is 8 - 19 years (the Company only: 8 years) (2022: 8 - 19 years (the Company only: 8 years)).

Significant actuarial assumptions are summarised below.

	(Unit: percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Discount rate	2.49 - 3.48	2.49 - 3.48	2.49	2.49
Salary increase rate	4.00 - 6.00	4.00 - 6.00	5.00	5.00

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)

	2023			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(17.7)	25.4	(14.4)	16.2
Salary increase rate	22.1	(19.9)	18.1	(16.4)

(Unit: Million Baht)

	2022			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(18.0)	20.4	(14.9)	16.8
Salary increase rate	19.7	(17.8)	16.2	(14.7)

25. 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.

26. Treasury stock

26.1 According to the resolution of the Board of Directors' meeting No.8 held on 11 November 2021, approved the share repurchase in the second program for financial management purpose in the maximum amount not exceeding Baht 380 million or not exceed than 6.3 million shares at the par value of Baht 1.00 each which equal to not exceeding 1.92% of the total paid-up share capital less the number of treasury stock in the first program. The share repurchase was conducted through the Stock Exchange of Thailand. The repurchase year was from 1 December 2021 to 31 May 2022 with the condition to resale of such shares is beyond 6 months from the completion date of share repurchase.

26.2 On 12 May 2020, the Company's Board of Director meeting No.13 has approved the share repurchase program for financial management purpose in the maximum amount not exceeding Baht 500 million or approximately 9.9 million shares. The number of shares to be repurchased is approximately 3% of the total issued shares at the par value of Baht 1.00 per share. The share repurchase was conducted through the Stock Exchange of Thailand. The repurchase year was from 1 June 2020 to 30 November 2020 with the condition to resale of such shares is beyond 6 months from the completion date of share repurchase.

Details of treasury stocks are as follows:

	Number of shares	Average price	Repurchase
	(Share)	per share (Baht)	(Thousand Baht)
As at 1 January 2022	1,974,600	65.00	128,345
Purchases during the year	1,536,700	67.94	104,402
As at 31 December 2022	3,511,300	66.29	232,747
Sales during the year	(1,827,100)	65.14	(119,026)
As at 31 December 2023	1,684,200	67.52	113,721

The Company set aside an amount from retained earnings equal to the cost of the treasury shares to a separate reserve account with such reserve to remain outstanding until either the shares are sold or paid-up capital is reduced by the cancellation of any remaining unsold shares. As at 31 December 2023, the Company has set aside retained earnings approximately Baht 113.72 million (2022: Baht 232.75 million), as a reserve under caption “Appropriated retained earnings - treasury stock reserve” in the statements of financial position.

27. Expenses by nature

Significant expenses by nature are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Purchase of goods	30,652,383	28,980,407	31,013,896	29,261,798
Sales promotion and transportation expenses	1,315,136	1,612,278	1,256,439	1,557,852
Salary, wages and other employee benefits	1,253,891	1,183,285	993,467	815,853
Raw materials and consumables used	340,795	338,984	-	-
Depreciation and amortisation expenses	176,030	158,669	110,094	91,954
Changes in finished goods, work in process and costs of real estate development project	193,283	35,303	196,289	42,712

28. Finance income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Interest income on loans	145,285	60,741	145,150	60,120
Interest income on bank deposits	43,527	17,296	34,207	13,354
Interest income on debt instruments measured at FVOCI	23,415	18,098	23,415	18,098
Total	<u>212,227</u>	<u>96,135</u>	<u>202,772</u>	<u>91,572</u>

29. 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	489,331	342,248	453,431	310,884
Deferred tax:				
Relating to origination and reversal of temporary differences	(3,557)	(14,954)	19,201	37,051
Income tax expense reported in profit or loss	<u>485,774</u>	<u>327,294</u>	<u>472,632</u>	<u>347,935</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 gain (loss) from the changes in value of financial assets measured at FVOCI	53,182	(90,619)	53,182	(90,343)
Deferred tax on actuarial loss	-	(1,287)	-	(1,910)
Deferred tax on share of other comprehensive income items of associates	881	57	-	-
	<u>54,063</u>	<u>(91,849)</u>	<u>53,182</u>	<u>(92,253)</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	<u>2,770,361</u>	<u>1,998,591</u>	<u>2,737,200</u>	<u>2,000,766</u>
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	554,072	399,718	547,440	400,153
Effects of:				
Promotional privileges (Note 31)	(13,646)	(12,034)	-	-
Share of loss (profit) from investments in associates	14,087	(11,473)	-	-
Non-deductible expenses	14,091	9,746	7,953	4,559
Additional expense deductions allowed	(9,306)	(11,755)	(8,701)	(11,755)
Income not subject to tax	(77,745)	(48,684)	(74,060)	(45,022)
Others	4,221	1,776	-	-
Total	<u>(68,298)</u>	<u>(72,424)</u>	<u>(74,808)</u>	<u>(52,218)</u>
Income tax expense reported in profit or loss	<u>485,774</u>	<u>327,294</u>	<u>472,632</u>	<u>347,935</u>
Effective tax rate	<u>17.5%</u>	<u>16.4%</u>	<u>17.3%</u>	<u>17.4%</u>

The components of deferred tax assets and deferred tax liabilities in statements of financial position 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				
Trade receivables and trade notes receivable	11,829	10,499	15,281	16,213
Investments in associates	-	-	61,179	66,898
Investments in subsidiaries	-	-	10,032	31,821
Investment properties	30,512	17,775	19,239	6,361
Intangible assets	9,504	9,573	8,504	8,573
Provision for long-term employee benefits	67,085	67,223	58,393	58,595
Others	11,396	22,555	8,629	11,972
Total	<u>130,326</u>	<u>127,625</u>	<u>181,257</u>	<u>200,433</u>
Deferred tax liabilities				
Debt and equity instruments at fair value through OCI	(1,795,487)	(1,742,280)	(1,795,487)	(1,742,280)
Total	<u>(1,795,487)</u>	<u>(1,742,280)</u>	<u>(1,795,487)</u>	<u>(1,742,280)</u>
Deferred tax assets (liabilities) - net	<u>(1,665,161)</u>	<u>(1,614,655)</u>	<u>(1,614,230)</u>	<u>(1,541,847)</u>
Statements of financial position				
Deferred tax assets	23,750	25,091	-	-
Deferred tax liabilities	(1,688,911)	(1,639,746)	(1,614,230)	(1,541,847)
Deferred tax assets (liabilities) - net	<u>(1,665,161)</u>	<u>(1,614,655)</u>	<u>(1,614,230)</u>	<u>(1,541,847)</u>

30. 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.

Weighted average number of ordinary shares

	(Unit: Thousand shares)	
	<u>2023</u>	<u>2022</u>
Balance brought forward	326,489	328,025
Add: The weight average number of treasury stock sold during the year	512	-
Less: The weight average number of additional treasury stock during the year	-	(1,116)
Weight average number of ordinary shares	<u>327,001</u>	<u>326,909</u>

31. Promotional privileges

Tipwarin Inter Packaging Company Limited (“the subsidiary”) has received promotional privileges from the Board of Investment for the manufacture of plastic bottles, pursuant to the investment promotion certificate No. 59-0997-1-03-1-0 issued on 3 August 2016. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations begin generating revenues (9 August 2016). In addition, the subsidiary has received promotional privileges from the Board of Investment for the manufacture of preform and plastic bottles, pursuant to the investment promotion certificate No. 66-0790-1-03-1-0 issued on 16 June 2023. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations begin generating revenues. However, during the current year, the subsidiary had no operating revenues entitled to corporate income tax exemption from the investment promotion certificate.

Chokchaipibul Company Limited (“the subsidiary”) has received promotional privileges from the Board of Investment for the manufacture or preserve food or food seasoning using modern technology, excluding the manufacture of drinking water and ice cream, pursuant to the investment promotion certificate No. 2241(2)/2555 issued on 4 September 2012. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations begin generating revenues (23 January 2013) and a 50% reduction of corporate income tax on operating revenues from the promoted operations for a period of 5 years after tax exemption period ends.

Revenue from sales of the subsidiaries for the years ended 31 December 2023 and 2022, divided between promoted and non-promoted operations, are summarised below.

	(Unit: Thousand Baht)					
	Promoted operations		Non-promoted operations		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Sales						
Domestic sales	414,075	373,103	564,401	524,450	728,242	662,980
Export sales	-	-	246,912	241,501	246,912	241,501
Total sales	<u>414,075</u>	<u>373,103</u>	<u>811,313</u>	<u>765,951</u>	<u>975,154</u>	<u>904,481</u>

32. 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 their products and services and have two reportable segments as follows:

1. Sales of consumer products
2. Office building for rent

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 Group's has applied the pricing policies described in Note 6 to set the transfer price. Inter-segment revenues are eliminated on consolidation.

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)

	Sales of consumer products		Office building for rent		Others		Elimination		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenues										
External customers	37,588	34,913	107	98	190	167	-	-	37,885	35,178
Inter-segment	1,233	1,103	25	25	135	122	(1,393)	(1,250)	-	-
Total revenues	38,821	36,016	132	123	325	289	(1,393)	(1,250)	37,885	35,178
Result										
Segment gross profit	6,157	5,227	61	61	131	121	(134)	(123)	6,215	5,286
Dividend income									350	214
Other income									13	64
Selling and distribution expenses									(3,177)	(3,032)
Administrative expenses									(738)	(668)
Other expenses									(61)	(47)
Reversal of impairment loss on financial assets									27	28
Share of profit (loss) from investments in associates									(70)	57
Finance income									212	96
Income tax expenses									(486)	(327)
Profit for the year									2,285	1,671
Material non-cash items other than depreciation and amortisation										
Increase in impairment loss and loss on write-off of non-financial assets	67	34	-	10	-	-	6	-	73	44

Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Million Baht)	
	<u>2023</u>	<u>2022</u>
Revenue from external customers		
Thailand	36,866	34,258
Others	1,020	920
Total	<u>37,886</u>	<u>35,178</u>

Major customers

For the year 2023, the Group has revenue from three major customers in amount of Baht 13,484 million, arising from sales of consumer products segment (2022: Baht 14,555 million derived from three major customers, arising from sales of consumer products segment).

33. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 3 - 15 percent of basic salary. The fund, which is managed by MFC Asset Management Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2023 amounting to approximately Baht 24.6 million (2022: Baht 24.1 million) were recognised as expenses.

34. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)	Paid on
2023				
Dividend for the year 2022	The Annual General Meeting of the Shareholders on 24 April 2023	489.7	1.50	
Less: Interim dividends		(163.2)	(0.50)	9 December 2022
Dividend for the year 2022 - net		<u>326.5</u>	<u>1.00</u>	23 May 2023
Interim dividend for 2023	Board of directors' Meeting on 9 November 2023	197.0	0.60	8 December 2023
Total		<u>523.5</u>	<u>1.60</u>	
2022				
Dividend for the year 2021	The Annual General Meeting of the Shareholders on 25 April 2022	524.0	1.60	
Less: Interim dividends		(196.9)	(0.60)	9 December 2021
Dividend for the year 2021 - net		<u>327.1</u>	<u>1.00</u>	24 May 2022
Interim dividend for 2022	Board of directors' Meeting on 10 November 2022	163.2	0.50	9 December 2022
Total		<u>490.3</u>	<u>1.50</u>	

35. Commitments and contingent liabilities

35.1 Commitments

35.1.1 As at 31 December 2023 and 2022, the Company had commitments and contingent liabilities as a guarantor for other companies based on the proportion of group of major shareholders with banks and financial institutions as follows:

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
<i>Subsidiary</i>		
- Tipwarin Watana Co., Ltd.	5,000	5,000
<i>Related company</i>		
- King Square Development Co., Ltd.	161,000	-
<i>Other company</i>		
- Mobile Logistics Co., Ltd.	14,000	14,000
Total	<u>180,000</u>	<u>19,000</u>

35.1.2 As at 31 December 2023 and 2022, the Company had jointly guaranteed with Saha Patthana Inter-Holding Public Company Limited based on the proportion of investment for their related party, as follows:

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
- Transcosmos (Thailand) Co., Ltd.	7,200	16,290
- Saha Tokyu Corporation Co., Ltd.	36,000	61,260
Total	<u>43,200</u>	<u>77,550</u>

35.1.3 As at 31 December 2023 and 2022, the Company has commitment from bank issuance of letter of guarantee to government agencies and private company as follows:

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Commitment from bank issuance of letter of guarantee		
- For electricity usage	200	305
- For government agencies	620	620
Total	<u>820</u>	<u>925</u>

35.1.4 The associate entered into several lease contracts of low-value assets and other services. As at 31 December 2023, the future lease and service fees payable by the associates under these and service contracts were Baht 11.7 million (2022: Baht 13.4 million).

35.1.5 The associates had outstanding capital expenditure and construction commitments of USD 0.1 million, JPY 0.6 million, CNY 0.6 million and Baht 76.8 million (2022: USD 0.1 million, CNY 1.7 million and Baht 594.6 million).

35.1.6 An associate entered into agreements and committed to conditions related to vending machine installation with several parties. As at 31 December 2023, the associate had commitment on paying considerations to counterparties at agreed rates and under agreed conditions. In addition, certain agreements have stipulated consideration rates but have not specified termination periods (which can be terminated by either party). The associate therefore commits to pay considerations under the agreements until such agreements are terminated.

35.2 Contingent liabilities

35.2.1 As at 31 December 2023, the Company has commitment with bank from receiving advance deposit of collection cheques in the amount of Baht 34.6 million (2022: Baht 103.2 million). Such commitment will no longer exist, if the bank is able to collect such cheques.

35.2.2 As 31 December 2023 and 2022, the Company has an obligation with a bank to supporting the construction of an associate in the amount of Baht 60 million.

35.2.3 As at 31 December 2023 and 2022, the associates had outstanding bank guarantees of Baht 14.8 million issued by banks on behalf of the associates as required in normal course of their businesses.

35.3 Litigation of associate

On 29 April 2021, a contactor filed a lawsuit against an associate as a contractor under the construction agreement with the Civil Court by claiming damages from breach of the agreement in the amount of Baht 82.18 million with interest 5% per annum from the date of filing until full payment is made. Subsequently on 28 May 2021, the associate filed a lawsuit against such contractor to the Civil Court by claiming damages for breach of contract in the amount of Baht 198.94 million with interest 3 percent per annum from the date of filing until full payment is made. As at 28 September 2023, the Court of First Instance gave judgment, calling a contractor pay the damage amounting to Baht 34.09 million, plus interest to the associate. Currently, the associate is appealing the judgment to the Appeal Court. As at 31 December 2023, the associate's management believes that the associate has no the unfavourable result of the case and provision has not therefore been recorded.

36. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Million 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 fair value through other comprehensive income				
Investments in equity instruments of listed companies	7,788	264	-	8,052
Investments in equity instruments of non-listed companies	-	-	5,901	5,901
Investments in debt instruments	-	1,113	-	1,113
Assets for which fair value are disclosed				
Investment in associate	192	-	-	192
Investment properties	-	-	10,911	10,911

(Unit: Million 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 fair value through other comprehensive income				
Investments in equity instruments of listed companies	7,570	385	-	7,955
Investments in equity instruments of non-listed companies	-	-	5,804	5,804
Investments in debt instruments	-	1,171	-	1,171
Assets for which fair value are disclosed				
Investment in associate	286	-	-	286
Investment properties	-	-	8,367	8,367

(Unit: Million 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 fair value through other comprehensive income				
Investments in equity instruments of listed companies	7,788	264	-	8,052
Investments in equity instruments of non-listed companies	-	-	5,894	5,894
Investments in debt instruments	-	1,113	-	1,113
Assets for which fair value are disclosed				
Investment in associate	192	-	-	192
Investment properties	-	-	7,235	7,235

(Unit: Million 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 fair value through other comprehensive income				
Investments in equity instruments of listed companies	7,570	385	-	7,955
Investments in equity instruments of non-listed companies	-	-	5,791	5,791
Investments in debt instruments	-	1,171	-	1,171
Assets for which fair value are disclosed				
Investment in associate	286	-	-	286
Investment properties	-	-	6,938	6,938

37. Financial instruments

37.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade receivables, investments in debt and equity instruments, and short-term and long-term loans, short-term borrowings, trade payables and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, contract assets, loans, 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 (if any) 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 and The normal credit term is between 30 days and 90 days.

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 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 deposits

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. Counterparty credit limits are reviewed and may be updated throughout the year. 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 debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Investment in debt securities

The Group considers that all debt investments measured at amortised cost have low credit risk. Then the credit loss allowance assessed during the year was therefore limited to 12 months expected losses or 'low credit risk'. Marketable bonds are considered to be an investment grade credit rating published by external credit rating agencies. The credit risk of other instruments are considered to be low when the risk of default is low and the issuer has a strong capacity to meet its contractual cash flow obligations.

Guarantees

The Group's policy is to provide financial guarantees mainly for related parties' liabilities. At 31 December 2023, the Group has issued a guarantee to certain banks in respect of credit facilities granted to related parties (see Note 35 to the financial statements).

Market risk

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 foreign currency risk is currently expected to be minimal. However, if the foreign currency risk is higher in the future, the Group will seek to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate.

There are no significant financial assets and liabilities denominated in foreign currencies, the risk from change in exchange rate is therefore low.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates are mainly fixed. Thus, the Group has low interest rate risk. The sensitivity impact to the increase or decrease in interest expenses from borrowings, as a result of changes in interest rates is immaterial on financial statements of the Group.

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: Million Baht)

Consolidated financial statements						
As at 31 December 2023						
Fixed interest rates						
	Within 1 year	More than 1 to 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
<u>Financial assets</u>						
Cash and cash equivalent	-	-	516	2,587	3,103	0.25 - 1.95
Trade and other receivables	-	-	-	5,900	5,900	-
Trade notes receivable	-	-	-	397	397	-
Sales promotion receivable	-	-	-	1,583	1,583	-
Long-term loans	503	179	-	-	682	3.37 - 12.00
Other financial assets	1,709	1,203	-	13,953	16,865	0.75 - 5.05
	<u>2,212</u>	<u>1,382</u>	<u>516</u>	<u>24,420</u>	<u>28,530</u>	
<u>Financial liabilities</u>						
Short-term loans	27	-	-	-	27	0.50
Trade and other payables	-	-	-	6,291	6,291	-
Accrued sales promotion expenses	-	-	-	2,563	2,563	-
	<u>27</u>	<u>-</u>	<u>-</u>	<u>8,854</u>	<u>8,881</u>	

(Unit: Million Baht)

Consolidated financial statements						
As at 31 December 2022						
Fixed interest rates						
	Within 1 year	More than 1 to 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
<u>Financial assets</u>						
Cash and cash equivalent	-	-	29	1,805	1,834	0.25 - 0.50
Trade and other receivables	-	-	-	4,935	4,935	-
Trade notes receivable	-	-	-	371	371	-
Sales promotion receivable	-	-	-	1,841	1,841	-
Short-term loans	751	-	-	-	751	5.00 - 10.00
Long-term loans	-	681	-	-	681	3.37 - 12.00
Other financial assets	1,734	1,172	-	13,759	16,665	0.15 - 5.05
	<u>2,485</u>	<u>1,853</u>	<u>29</u>	<u>22,711</u>	<u>27,078</u>	
<u>Financial liabilities</u>						
Short-term loans	26	-	-	-	26	0.50
Trade and other payables	-	-	-	5,454	5,454	-
Accrued sales promotion expenses	-	-	-	2,915	2,915	-
	<u>26</u>	<u>-</u>	<u>-</u>	<u>8,369</u>	<u>8,395</u>	

(Unit: Million Baht)

Separate financial statements						
As at 31 December 2023						
Fixed interest rates						
	Within 1 year	More than 1 to 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
<u>Financial assets</u>						
Cash and cash equivalent	-	-	516	2,335	2,851	0.25 - 1.95
Trade and other receivables	-	-	-	5,843	5,843	-
Trade notes receivable	-	-	-	397	397	-
Sales promotion receivable	-	-	-	1,583	1,583	-
Long-term loans	503	178	-	-	681	3.37 - 12.00
Other financial assets	958	1,136	-	13,947	16,041	0.75 - 5.05
	<u>1,461</u>	<u>1,314</u>	<u>516</u>	<u>24,105</u>	<u>27,396</u>	
<u>Financial liabilities</u>						
Short-term loans	27	-	-	-	27	0.50
Trade and other payables	-	-	-	6,304	6,304	-
Accrued sales promotion expenses	-	-	-	2,563	2,563	-
Lease liabilities	15	32	-	-	47	0.21 - 9.56
	<u>42</u>	<u>32</u>	<u>-</u>	<u>8,867</u>	<u>8,941</u>	

(Unit: Million Baht)

Separate financial statements						
As at 31 December 2022						
Fixed interest rates						
	Within 1 year	More than 1 to 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
<u>Financial assets</u>						
Cash and cash equivalent	-	-	29	1,569	1,598	0.25 - 0.50
Trade and other receivables	-	-	-	4,850	4,850	-
Trade notes receivable	-	-	-	371	371	-
Sales promotion receivable	-	-	-	1,841	1,841	-
Short-term loans	745	-	-	-	745	10.00
Long-term loans	-	681	-	-	681	3.37 - 12.00
Other financial assets	1,093	1,171	-	13,747	16,011	0.15 - 5.05
	<u>1,838</u>	<u>1,852</u>	<u>29</u>	<u>22,378</u>	<u>26,097</u>	
<u>Financial liabilities</u>						
Short-term loans	26	-	-	-	26	0.50
Trade and other payables	-	-	-	5,452	5,452	-
Accrued sales promotion expenses	-	-	-	2,915	2,915	-
Lease liabilities	17	44	-	-	61	0.21 - 9.56
	<u>43</u>	<u>44</u>	<u>-</u>	<u>8,367</u>	<u>8,454</u>	

Liquidity risk

The Group manages liquidity risk to meet its obligations and maintain cash balances to cover the liquidity needs. The Group has assessed that the Group has sufficient working capital to settle financial liabilities and concluded the risk to be low.

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: Million Baht)

	Consolidated financial statements					
	As at 31 December 2023			As at 31 December 2022		
	Within 1 year	More than 1 to 5 years	Total	Within 1 year	More than 1 to 5 years	Total
Non-derivatives						
Short-term loans	27	-	27	26	-	26
Trade and other payables	6,291	-	6,291	5,454	-	5,454
Accrued sales promotion expenses	2,563	-	2,563	2,915	-	2,915
Total non-derivatives	8,881	-	8,881	8,395	-	8,395

(Unit: Million Baht)

	Separate financial statements					
	As at 31 December 2023			As at 31 December 2022		
	Within 1 year	More than 1 to 5 years	Total	Within 1 year	More than 1 to 5 years	Total
Non-derivatives						
Short-term loans	27	-	27	26	-	26
Trade and other payables	6,304	-	6,304	5,452	-	5,452
Accrued sales promotion expenses	2,563	-	2,563	2,915	-	2,915
Lease liabilities	20	37	57	23	50	73
Total non-derivatives	8,914	37	8,951	8,416	50	8,466

37.2 Fair values of financial instruments

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

The methods and assumptions used by the Grouping estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, accounts receivable, short-term loans, accounts payable and short-term borrowings the carrying amounts in the statement of financial position approximate their fair value.
- b) The fair value of debt securities is generally derived from quoted market prices or [by using the yield curve announced by the Thai Bond Market Association or by other relevant bodies.
- c) The fair value of equity securities is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.

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

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

(Unit: Million Baht)

	Equity instruments designated at fair value through other comprehensive income	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2023	5,804	5,791
Increase during the year	318	318
Decrease during the year	(4)	(4)
Gain (loss) on changes in value of investments	(2)	4
Transferred during the year	(215)	(215)
Balance as of 31 December 2023	5,901	5,894

Key assumptions used in the valuation are summarised below.

Financial instrument	Valuation technique	Significant unobservable output	Rates
Non-listed equity instruments	Discounted future cash flows,	Weighted average cost of capital (WACC)	7.7% - 12.6%
	discounted dividend and	Long-term growth rate	1.2%
	other methods		

Sensitivity of the input to fair value is presented below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023		2023	
	Increase 0.05%	Decrease 0.05%	Increase 0.05%	Decrease 0.05%
Weighted average cost of capital (WACC)	(21)	22	(21)	22
Long-term growth rate	15	(16)	16	(16)

38. 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 0.42:1 (2022: 0.43:1) and the Company's was 0.44:1 (2022: 0.44:1).

39. Event after the reporting period

On 27 February 2024, the meeting of the Company's Board of Director approved the payment of dividends for 2023 of Baht 2.0 per share whereby the Company paid interim dividends of Baht 0.6 per share on 8 December 2023. The final dividend of Baht 1.4 per share, totaling Baht 460 million will be paid in May 2024. However, such dividend payment is subject to the approve of the Annual General Meeting of the Company's shareholders to be held in April 2024.

40. Approval of financial statements

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