

**GENERAL ENGINEERING PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

**REPORT AND CONSOLIDATED FINANCIAL STATEMENTS AND SEPARATE
FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022**

INDEPENDENT AUDITOR'S REPORT

To The Shareholders and Board of Directors of
GENERAL ENGINEERING PUBLIC COMPANY LIMITED

Qualified Opinion

I have audited the consolidated financial statements of General Engineering Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and I have audited the separate financial statements of General Engineering Public Company Limited (the Company), which comprise the statement of financial position as at December 31, 2022, and the statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the effects of the matter described in the basic for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of General Engineering Solutions Public Company Limited and its subsidiaries as at December 31, 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended and the separate financial position of General Engineering Solutions Public Company Limited as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Qualified Opinion

Investment of the group in Wisdom Tree Investment (S) PTE Limited, a foreign joint venture, is accounted for by the equity method and presented in the consolidated statement of financial position as at December 31, 2022 in the amount of Baht 77.06 and share of loss attributable to company for loss of Wisdom Tree Investment (S) PTE. Limited included in profit (loss) of the Group for the year then ended by the same amount Baht 26.77 million, I was unable to obtain sufficient appropriate audit evidence about the carrying amount by the equity method of Wisdom Tree Investment (S) PTE Limited as at December 31, 2022 and share of loss of the Wisdom Tree Investment (S) PTE Limited in profit (loss) of Wisdom Tree Investment (S) PTE Limited for the year due to, I was denied access to the financial information, the management and auditor of Wisdom Tree Investment (S) PTE Limited (joint venture in Singapore) and Milcon Thida GEL Limited (subsidiary of the joint venture in Myanmar). Therefore, I was unable to determine whether any adjustments to those amounts were necessary.

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

Key Audit Matters

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

- Revenue recognition

The Group and the Company had revenues from sales and services for the year ended December 31, 2022 in the amount of Baht 2,770.80 million and Baht 2,620.41 million. The Group and the Company entered into agreements with many customers and the conditions specified in the agreement are different in the scope of work, method and period of delivery in each agreement, which affects the measurement and timing of revenue recognition. However, the revenue from sales and services of the Group and the Company of such amount includes revenue from providing services by means of measuring progress towards complete satisfaction of a performance obligation at the significant amount at 46.85 percent and 49.53 percent of revenue from sales and services of the Group and the Company, respectively. The Group and the Company recognises such revenue by the measuring progress towards complete satisfaction of a performance obligation. The management has to estimate the progress of performance obligation against such services. Such process, the management has to exercise significant judgment in preparing and reviewing the cost estimates of the project and set the progress of performance obligation throughout the service period. This causes the risk related to the measurement and timing of revenue recognition.

Therefore, I identified the revenue recognition from sales and services as significant risk that requires special attention in the audit. The Group and the Company had disclosed the accounting policy and amount related to revenue recognition in Notes 4.1 and 33, respectively.

I understood the internal control system of revenue cycle and related accounting transactions, tested the design and effectiveness of the internal control with respect to revenue recognition and related accounting transactions especially the control of measurement and timing of revenue recognition from sales and services, preparation and review of project cost estimate and defining the progress of performance obligation. I had sampling revenue to test the details with the agreements or related documents to check the accuracy of revenue recognition in accordance with the conditions of the agreement, preparation and review of project cost estimate and defining the progress of performance obligation as at the end of the accounting period end from related documents, checking the progress of performance obligation by the obligation through work survey, inquire management of the project and letter certifying the progress of performance obligation from the project management, review of the reasonableness that supports the difference between progress of performance obligation set from the cost that arises and progress of performance obligation assessed by the project management, including verifying the revenue cut-off on sales and services during before and after the period end, analysis and consideration of the adequacy and appropriateness of the information disclosure in the financial statements and notes.

- Impairment of investment in the associate and joint venture

The Company had investment in associate and joint venture Baht 231.11 million or 3.44 percent of the total assets as at December 31, 2022, which are investments that indicate impairment. The Group and the Company have to test for impairment of investment in accordance with the Thai Financial Reporting Standards. The impairment test is significant to the audit because such amount is significant to the financial statements. In addition, the process of impairment testing by the management is complex and requires using considerable judgment as well as relying on assumptions, especially the estimates of future cash flows to be received and paid that are expected to generate from the continuing operation of the cash generating unit, and the use of appropriate discount rate in order to discount future cash flow which can change according to the economic conditions and market conditions in the future.

Therefore, I identified that the impairment of investment in the associate and joint venture is a significant risk that requires special attention in the audit. The group and company had disclosed the significant accounting policies, amounts and assumptions used in testing the impairment in Notes 4.5, 4.11 and 16, respectively.

In my audit approach, I have considered the reasonableness of the assumptions and methods used by the management in calculating the estimates of future cash flows to be received and paid that are expected to be generated by auditing the supporting evidence which presents the best estimate of the management, especially on the revenue forecast and gross profit and profit from operation of the business segments of the Company, the use of appropriate discount rate to discount future cash flow, as well as testing the calculation of the recovery amount. In addition, I have paid attention on the adequacy of the information disclosure relating to the assumptions which are most sensitive that may affect the testing result of impairment and has significant effect on the measurement of recovery amount of investment in the associate and joint venture.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and separate financial statements, including the disclosures, and whether the consolidated financial statements and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

The engagement partner responsible for the audit resulting in this independent auditor's report is Mr. Thanawut Piboonsawat.

(Mr. Thanawut Piboonsawat)

Certified Public Accountant

Registration No. 6699

Dharmniti Auditing Company Limited

Bangkok, Thailand

February 28, 2023

GENERAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022

		Baht				
		Consolidated financial statements		Separate financial statements		
Note		2022	2021	2022	2021	
ASSETS						
Current assets						
	Cash and cash equivalents	8	83,667,694	15,127,754	83,539,949	15,028,961
	Trade and other current receivables	6.4, 9	846,374,023	381,928,783	812,988,940	362,909,726
	Current contract assets	10	382,141,755	230,487,918	382,141,755	230,487,918
	Current retention receivables	11	28,561,394	23,698,783	28,561,394	23,067,769
	Short-term loan and interest receivable to subsidiary	6	-	-	-	72,681,827
	Inventories	12	425,023,117	333,650,811	398,927,372	283,764,273
	Other current financial asset	7	-	5,598,846	-	5,598,846
	Other current assets		17,391,610	12,491,985	14,722,287	8,688,556
	Total current assets		1,783,159,593	1,002,984,880	1,720,881,697	1,002,227,876
Non-current assets						
	Restricted deposits with financial institutions	13	51,820,000	17,360,000	51,820,000	17,360,000
	Investment in equity	14	570,627,255	808,129,755	570,627,255	808,129,755
	Investments in subsidiaries	15	-	-	555,337,168	445,337,168
	Investments in associate and joint venture	16	217,634,614	310,567,186	231,106,407	329,443,740
	Non-current retention receivables	11	116,288,709	76,603,251	116,240,209	74,439,634
	Investment property	17	996,626,500	996,626,500	1,289,346,500	1,289,346,500
	Property, plant and equipment	18	3,182,413,965	3,133,447,524	2,035,650,060	1,939,447,584
	Right-of-use assets	19	80,852,289	80,836,507	79,343,450	78,232,464
	Intangible assets	20	15,739,049	17,581,343	15,668,594	17,544,631
	Current income tax assets		17,692,603	11,292,365	16,827,865	10,621,552
	Refundable withholding tax		25,215,574	14,317,842	23,671,812	13,050,259
	Deferred tax assets	21	-	63,156,637	-	61,379,061
	Other non-current assets		7,418,475	10,496,739	6,363,636	9,419,640
	Total non-current assets		5,282,329,033	5,540,415,649	4,992,002,956	5,093,751,988
	TOTAL ASSETS		7,065,488,626	6,543,400,529	6,712,884,653	6,095,979,864

Notes to the financial statements form an integral part of these financial statements.

GENERAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONT.)
AS AT DECEMBER 31, 2022

LIABILITIES AND SHAREHOLDERS' EQUITY

	Note	Baht			
		Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Current liabilities					
Bank overdrafts and short-term loans from					
financial institutions	22	908,460,839	631,420,034	696,224,964	427,737,994
Trade and other current payables	6, 23	844,255,748	698,702,197	858,919,714	582,625,181
Current contract liabilities	24	425,815,159	215,964,854	424,380,868	213,276,336
Current portion of long-term loans					
from financial institutions	26	97,188,951	115,694,936	50,945,995	25,358,390
Current portion of lease liabilities	27	45,428,013	33,038,533	44,238,705	31,846,951
Short-term loans from other person	25	19,620,162	10,122,028	19,620,162	10,122,028
Short-term loan and interest payable					
from subsidiary	6	-	-	-	116,122,942
Current provisions for employee benefit	28	3,722,551	4,858,475	2,121,425	4,858,475
Other current liabilities		21,044,585	3,945,240	20,928,207	3,903,379
Total current liabilities		<u>2,365,536,008</u>	<u>1,713,746,297</u>	<u>2,117,380,040</u>	<u>1,415,851,676</u>
Non-current liabilities					
Long-term loans from financial institutions	26	729,373,825	786,650,674	108,068,403	188,822,065
Lease liabilities	27	35,492,521	54,516,656	35,105,147	52,939,973
Non-current provisions for employee benefit	28	24,548,350	31,050,541	21,983,219	26,372,043
Provision for decommissioning costs		3,480,180	3,313,458	3,480,180	3,313,458
Total non-current liabilities		<u>792,894,876</u>	<u>875,531,329</u>	<u>168,636,949</u>	<u>271,447,539</u>
TOTAL LIABILITIES		<u>3,158,430,884</u>	<u>2,589,277,626</u>	<u>2,286,016,989</u>	<u>1,687,299,215</u>

Notes to the financial statements form an integral part of these financial statements.

GENERAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONT.)
AS AT DECEMBER 31, 2022

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

	Note	Baht			
		Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Shareholders' equity					
Share capital					
Authorized share capital					
8,096,815,783 ordinary shares of Baht 0.85 each	29	6,882,293,416		6,882,293,416	
5,397,877,189 ordinary shares of Baht 0.85 each			4,588,195,611		4,588,195,611
Issued and paid-up share capital					
7,039,316,435 ordinary shares of Baht 0.85 each	29	5,983,418,970		5,983,418,970	
5,397,877,189 ordinary shares of Baht 0.85 each			4,588,195,611		4,588,195,611
Premium (discount) on ordinary shares	29	(947,878,834)	71,131,343	(947,878,834)	71,131,343
Premium on treasury shares		49,179,549	49,179,549	49,179,549	49,179,549
Retained earnings (deficits)					
Appropriated					
Legal reserve		13,600,000	13,600,000	13,600,000	13,600,000
Unappropriated		(695,888,671)	(561,610,675)	(217,715,726)	(136,977,464)
Other components of shareholders' equity		(496,943,937)	(201,757,099)	(453,736,295)	(176,448,390)
TOTAL EQUITY ATTRIBUTABLE TO OWNERS					
OF THE PARENT		3,905,487,077	3,958,738,729	4,426,867,664	4,408,680,649
NON-CONTROLLING INTERESTS		1,570,665	(4,615,826)	-	-
TOTAL SHAREHOLDERS' EQUITY		3,907,057,742	3,954,122,903	4,426,867,664	4,408,680,649
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		7,065,488,626	6,543,400,529	6,712,884,653	6,095,979,864

Notes to the financial statements form an integral part of these financial statements.

GENERAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2022

	Note	Baht			
		Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Revenues					
Revenues from sales and services		2,770,795,591	1,661,988,632	2,620,413,867	1,564,412,683
Gain from sale of warrants	14	6,273,155	60,928,747	6,273,155	60,928,747
Dividend income	14	6,650,667	2,434,872	6,650,667	2,434,872
Other incomes	6, 30	41,867,916	13,726,168	50,686,742	28,425,664
Total revenues		<u>2,825,587,329</u>	<u>1,739,078,419</u>	<u>2,684,024,431</u>	<u>1,656,201,966</u>
Expenses					
Costs of sales and services	6	2,549,498,500	1,603,533,209	2,414,999,330	1,465,589,928
Distribution costs		34,997,717	31,341,621	32,816,536	29,508,597
Administrative expenses		200,408,286	167,580,942	159,487,385	122,988,857
Loss from impairment of investment (reversal)	16	35,511,690	-	98,337,333	(2,080,000)
Other (gains) losses	14	5,598,846	(5,598,846)	5,598,846	(5,598,846)
Total expenses		<u>2,826,015,039</u>	<u>1,796,856,926</u>	<u>2,711,239,430</u>	<u>1,610,408,536</u>
Profit (loss) from operating activities		(427,710)	(57,778,507)	(27,214,999)	45,793,430
Finance costs	6	75,669,889	66,421,086	41,379,615	36,848,014
Share of profit (loss) of associate and joint venture		(55,586,040)	20,935,954	-	-
Profit (loss) before income tax		(131,683,639)	(103,263,639)	(68,594,614)	8,945,416
Tax expense	32	19,044,540	3,443,896	17,266,963	3,443,896
Profit (loss) for the year		<u>(150,728,179)</u>	<u>(106,707,535)</u>	<u>(85,861,577)</u>	<u>5,501,520</u>
Other comprehensive income					
Components of other comprehensive income that will be reclassified to profit or loss:					
Exchange differences on translating financial statements		(1,863,371)	(2,437,588)	-	-
Total components of other comprehensive income that will be reclassified to profit or loss		<u>(1,863,371)</u>	<u>(2,437,588)</u>	<u>-</u>	<u>-</u>
Components of other comprehensive income that will not be reclassified to profit or loss :					
Gains (losses) on investment in equity designated at fair value through other comprehensive income	14	(234,245,178)	353,775,571	(234,245,178)	353,775,571
Gains (losses) on re-measurements of defined benefit plans	28	7,670,483	(582,246)	6,192,685	(623,122)
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss	32	(44,112,097)	(70,010,231)	(44,112,097)	(70,010,231)
Total components of other comprehensive income that will not be reclassified to profit or loss		<u>(270,686,792)</u>	<u>283,183,094</u>	<u>(272,164,590)</u>	<u>283,142,218</u>
Other comprehensive income (expense) for the year, net of tax		<u>(272,550,163)</u>	<u>280,745,506</u>	<u>(272,164,590)</u>	<u>283,142,218</u>
Total comprehensive income (expense) for the year		<u>(423,278,342)</u>	<u>174,037,971</u>	<u>(358,026,167)</u>	<u>288,643,738</u>

Notes to the financial statements form an integral part of these financial statements.

GENERAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2022

	Note	Baht			
		Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Profit (loss) attributable to					
Owners of the parent		(140,795,378)	(93,441,839)	(85,861,577)	5,501,520
Non-controlling interests		(9,932,801)	(13,265,696)	-	-
		<u>(150,728,179)</u>	<u>(106,707,535)</u>	<u>(85,861,577)</u>	<u>5,501,520</u>
Total comprehensive income (expense) attributable to					
Owners of the parent		(413,429,271)	187,193,304	(358,026,167)	288,643,738
Non-controlling interests		(9,849,071)	(13,155,333)	-	-
		<u>(423,278,342)</u>	<u>174,037,971</u>	<u>(358,026,167)</u>	<u>288,643,738</u>
Basic earnings (loss) per share	39				
Profit attributable to owners of the parent (Baht)		(0.02228)	(0.01731)	(0.01359)	0.00102
Weighted average number of ordinary shares (Shares)		<u>6,319,781,423</u>	<u>5,397,877,189</u>	<u>6,319,781,423</u>	<u>5,397,877,189</u>

Notes to the financial statements form an integral part of these financial statements.

GENERAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2022

Baht												
Consolidated financial statements												
Equity attributable to owners of the parent										Non - controlling	Total	
	Ordinary shares, issued and paid-up	Premium (discount) on ordinary shares	Premium on treasury shares	Retained earnings (deficits)		Other components of shareholders' equity			Total	Total equity attributable to owners of the parent	interests	Total Shareholders' equity
				Appropriated legal reserve	Unappropriated	Gains (losses) on investment in equity designated at fair value through other comprehensive income	Exchange differences on translating financial statements	Difference from change in shareholding proportion in subsidiary				
Note												
Beginning balance as at January 1, 2021	4,588,195,611	71,131,343	49,179,549	13,600,000	(471,200,643)	(456,489,314)	(22,871,121)	-	(479,360,435)	3,771,545,425	8,539,507	3,780,084,932
Loss for the year	-	-	-	-	(93,441,839)	-	-	-	-	(93,441,839)	(13,265,696)	(106,707,535)
Other comprehensive income (expense) for the year - net of tax	-	-	-	-	3,031,807	280,040,924	(2,437,588)	-	277,603,336	280,635,143	110,363	280,745,506
Ending balance as at December 31, 2021	4,588,195,611	71,131,343	49,179,549	13,600,000	(561,610,675)	(176,448,390)	(25,308,709)	-	(201,757,099)	3,958,738,729	(4,615,826)	3,954,122,903
Increase in share capital	29 1,395,223,359	(1,017,692,332)	-	-	-	-	-	-	-	377,531,027	-	377,531,027
Attributable expenses of increase in share capital	29 -	(1,317,845)	-	-	-	-	-	-	-	(1,317,845)	-	(1,317,845)
Change in shareholding proportion in subsidiary	15 -	-	-	-	-	-	-	(16,035,562)	(16,035,562)	(16,035,562)	16,035,562	-
Loss for the year	-	-	-	-	(140,795,378)	-	-	-	-	(140,795,378)	(9,932,801)	(150,728,179)
Other comprehensive income (expense) for the year - net of tax	-	-	-	-	6,517,382	(277,287,905)	(1,863,371)	-	(279,151,276)	(272,633,894)	83,730	(272,550,164)
Ending balance as at December 31, 2022	5,983,418,970	(947,878,834)	49,179,549	13,600,000	(695,888,671)	(453,736,295)	(27,172,080)	(16,035,562)	(496,943,937)	3,905,487,077	1,570,665	3,907,057,742

Notes to the financial statements form an integral part of these financial statements.

GENERAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2022

		Baht						
		Separate financial statements						
	Note	Ordinary shares, issued and paid-up	Premium on ordinary shares	Premium on treasury shares	Retained earnings (deficits)		Other components of shareholders' equity Gains (losses) on investment in equity designated at fair value through other comprehensive income	Total Shareholders' equity
					Appropriated legal reserve	Unappropriated		
Beginning balance as at January 1, 2021		4,588,195,611	71,131,343	49,179,549	13,600,000	(145,580,278)	(456,489,314)	4,120,036,911
Loss for the year		-	-	-	-	5,501,520	-	5,501,520
Other comprehensive income (expense) for the year - net of tax		-	-	-	-	3,101,294	280,040,924	283,142,218
Ending balance as at December 31, 2021		4,588,195,611	71,131,343	49,179,549	13,600,000	(136,977,464)	(176,448,390)	4,408,680,649
Increase in share capital	29	1,395,223,359	(1,017,692,332)	-	-	-	-	377,531,027
Attributable expenses of increase in share capital	29	-	(1,317,845)	-	-	-	-	(1,317,845)
Profit for the year		-	-	-	-	(85,861,577)	-	(85,861,577)
Other comprehensive income (expense) for the year - net of tax		-	-	-	-	5,123,315	(277,287,905)	(272,164,590)
Ending balance as at December 31, 2022		5,983,418,970	(947,878,834)	49,179,549	13,600,000	(217,715,726)	(453,736,295)	4,426,867,664

Notes to the financial statements form an integral part of these financial statements.

GENERAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

	Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from operating activities				
Profit (loss) for the year	(150,728,179)	(106,707,535)	(85,861,577)	5,501,520
Reconciliations of profit (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	180,444,247	159,254,066	130,869,216	108,851,259
Actuarial (gains) losses in other long-term employment benefit	(509,708)	89,132	(431,841)	146,429
Expected credit losses (reversal)	5,860,097	(6,584,702)	6,669,630	(4,470,113)
Loss on diminution in value of inventories (reversal)	(7,121,855)	(5,693,331)	(5,394,701)	(7,150,521)
Gain from sale of warrants	(6,273,155)	(60,928,747)	(6,273,155)	(60,928,747)
(Gain) loss from valuation of warrants	5,598,846	(5,598,846)	5,598,846	(5,598,846)
Gain on disposal of fixed assets	(4,204,971)	(635,434)	(4,204,971)	(635,434)
Loss from write-off of fixed assets	3,879,299	1,230,169	3,879,299	-
Write off withholding tax	394,633	268,674	-	-
Reversal estimates of right of use assets	-	(30,997)	-	-
Loss from impairment of investments in associates and joint venture (reversal)	35,511,690	-	98,337,333	(2,080,000)
Share of (profit) loss of associate and joint venture	55,586,040	(20,935,954)	-	-
Unrealized loss on exchange rate	(136,867)	775,234	(256,163)	(60,577)
Dividend income	(6,650,667)	(2,434,873)	(6,650,667)	(2,434,872)
Interest income	(186,416)	(145,300)	(2,127,359)	(2,501,363)
Employee benefit expense	4,322,630	4,391,190	3,362,051	3,431,455
Interest expenses	75,669,889	66,421,086	41,379,615	36,848,014
Tax expense	19,044,540	3,443,896	17,266,963	3,443,896
Profit (loss) from operating activities before changes in operating assets and liabilities	210,500,093	26,177,728	196,162,519	72,362,100
(Increase) decrease in operating assets				
Trade and other current receivable	(471,927,579)	27,293,420	(458,422,322)	(18,439,899)
Current contract assets	(151,653,837)	(215,071,869)	(151,653,837)	(215,071,869)
Inventories	(105,073,374)	(20,310,445)	(129,420,446)	(5,217,500)
Other current assets	(4,899,625)	(2,686,590)	(6,033,731)	(4,336,805)
Retention receivables	(46,334,036)	(18,340,563)	(49,080,168)	(16,916,793)
Other non-current assets	3,078,265	(3,030,664)	3,056,004	(1,953,565)
Increase (decrease) in operating liabilities				
Trade and other current payable	89,708,725	75,108,874	262,028,659	128,281,429
Current contract liabilities	209,850,304	39,092,784	211,104,531	37,051,057
Other current liabilities	17,099,345	327,821	17,024,828	408,004
Provisions for employee benefit	(4,295,748)	(673,393)	(4,295,748)	(673,393)

Notes to the financial statements form an integral part of these financial statements.

GENERAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2022

	Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash received (paid) from operations	(253,947,467)	(92,112,897)	(109,529,711)	(24,507,234)
Income tax expense paid	(17,692,604)	(11,292,365)	(16,827,865)	(10,621,552)
Net cash used in operating activities	<u>(271,640,071)</u>	<u>(103,405,262)</u>	<u>(126,357,576)</u>	<u>(35,128,786)</u>
<u>Cash flows from investing activities</u>				
Cash payments for short-term loan to subsidiary	-	-	(27,385,000)	(51,165,000)
Cash receipts from short-term loan to subsidiary	-	-	99,570,567	3,036,854
Cash receipts from sale of warrants	6,273,155	60,928,747	6,273,155	60,928,747
(Increase) decrease in restricted deposits with financial institutions	(34,460,000)	(7,360,000)	(34,460,000)	(7,360,000)
Cash payments for purchase of investment in equity	-	(95,621)	-	(95,621)
Cash receipts from disposal of investment in equity	3,257,323	254,231,034	3,257,323	254,231,035
Cash payments for investments in subsidiaries	-	-	(110,000,000)	-
Cash payments for purchase of equipment	(174,329,373)	(122,328,417)	(168,216,863)	(114,740,739)
Cash receipts from disposal of equipment	4,205,000	1,029,907	4,205,000	1,029,907
Cash payments for purchase of right-of-use assets	(2,628,776)	(6,518,692)	(2,628,776)	(6,518,692)
Cash payments for purchase of intangible asset	(49,900)	-	-	-
Dividend received	6,650,667	2,434,872	6,650,667	2,434,872
Interest received	-	145,300	2,623,619	2,079,657
Net cash provided by (used in) investing activities	<u>(191,081,904)</u>	<u>182,467,130</u>	<u>(220,110,308)</u>	<u>143,861,020</u>
<u>Cash flows from financing activities</u>				
Increase in bank overdrafts and short-term loans from financial institutions	277,040,804	27,550,720	268,486,970	32,358,570
Cash receipts from short-term loan from related person	5,000,000	-	5,000,000	-
Cash payments from short-term loan from related person	(5,000,000)	-	(5,000,000)	-
Cash receipts from short-term loan from other person	9,498,134	10,122,028	9,498,134	10,122,028
Cash payments for short-term loan from subsidiary	-	-	(115,263,989)	(56,425,338)
Cash receipts from long-term loan from financial institutions	-	22,700,000	-	22,700,000
Cash payments for repayment of long-term loans from financial institutions	(76,267,897)	(55,666,000)	(55,362,667)	(55,666,000)
Cash payments for lease liabilities	(26,156,627)	(17,349,535)	(24,965,045)	(15,423,147)
Cash receipts from increase in share capital	377,531,027	-	377,531,027	-
Transaction costs related to loan	(1,317,845)	-	(1,317,845)	-
Interest expense paid	(29,037,154)	(68,454,907)	(43,627,713)	(48,520,543)
Net cash provided by (used in) financing activities	<u>531,290,442</u>	<u>(81,097,694)</u>	<u>414,978,872</u>	<u>(110,854,430)</u>
Net increase (decrease) in cash and cash equivalents	68,568,467	(2,035,826)	68,510,988	(2,122,196)
Cash and cash equivalents - beginning of year	15,127,754	17,207,488	15,028,961	17,151,157
Effects of exchange rate changes on cash and cash equivalents	(28,527)	(43,908)	-	-
Cash and cash equivalents - ending of year	<u>83,667,694</u>	<u>15,127,754</u>	<u>83,539,949</u>	<u>15,028,961</u>

Notes to the financial statements form an integral part of these financial statements.

GENERAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2022

	Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<u>Supplemental cash flows informations</u>				
Non-cash items				
- Unrealised gain (loss) on investment in equity	(233,175,808)	350,051,155	(233,175,808)	350,051,155
- Actuarial gain (loss) from employee benefit	7,670,483	(57,523)	6,192,685	(796,551)
- Construction payable increase (decrease)	8,166,995	15,627,984	14,222,743	15,157,140
- Increase in right-of-use assets	21,866,076	45,979,768	21,866,076	45,321,387
- Increase in lease liabilities	19,521,973	40,420,609	19,521,973	39,762,228
- Transferred inventories to fix assets	20,822,922	-	19,652,048	-

Notes to the financial statements form an integral part of these financial statements.

GENERAL ENGINEERING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

1. GENERAL INFORMATION

1.1 Legal status and address of the Company

The Company was incorporated in Thailand on September 14, 1962. The Company's shares have been listed for trading on the Stock Exchange of Thailand on March 28, 1991 and registered as the public company in accordance with public company limited law on November 5, 1993.

The address of its registered office is as follows:

Head office is located at 44/2 Moo2 Tivanont Road, Bangkadi, Muang Pathumthani,
Pathumthani

Branch offices are located at

(1) 99, 99/1-5 Moo4 Chiang Rak Noi, Samkhok, Pathumthani

(2) 99/9 Moo1 Banlang, Muang Rayong, Rayong

1.2 Nature of the Company's operations

The Group's principal activities are manufacturing and selling of construction material, prestressed concrete piles, precast concrete, glass fiber reinforced concrete, cementation products and post-tensioned slab, prestressed spun concrete piles, the special qualified PC wire and PC Strand and providing the construction and installation services for such products.

2. GOING CONCERN

The Group has continuing losses due to the economic crisis and Covid-19 pandemic; and fluctuations in raw material prices, labor shortages at some periods and price competition. As a result, gain (loss) for the years of the Company's portion in the consolidated financial statements for the year ended December 31, 2022 and 2021 are Baht (140.80) million and Baht (93.44) million, respectively, and the separate financial statements are Baht (85.86) million and Baht 5.50 million, respectively. The Group also has unappropriated deficits in the consolidated financial statements as at December 31, 2022 and 2021 are Baht 695.89 million and Baht 561.61 million, respectively, and the separate financial statements are Baht 217.72 million and Baht 136.98 million, respectively. Moreover, current liabilities exceed current assets in the consolidated financial statements at Baht 582.38 million and Baht 710.76 million, respectively, and the separate financial statements (net short-term loan and interest receivable-subsiary) are Baht 396.50 million and Baht 297.50 million, respectively. The Group's management has adjusted the management plan by increasing the new customer base with the potential to expand the business and add new products, adjusting to decrease the significant operating costs in both personnel and production efficiency. The Group continues to receive the credit lines from financial institutions that are sufficient for business expansion in the near future to ensure that the Group will be operated as going concern.

3. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

3.1 Basis for the preparation of financial statements

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E. 2547 by complying with the Thai Financial Reporting Standards. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for public limited company, issued under the Accounting Act B.E. 2543.

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

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

3.2 Basis for the preparation of consolidated financial statements

3.2.1 The consolidated financial statements have included the financial statements of General Engineering Public Company Limited and its subsidiaries as follows;

Company's name	Type of business	Country of Incorporation	Percentage of shareholding (%)	
			2022	2021
Direct shareholding				
Seven Wire Company Limited	Manufacturing of the special qualified PC Wire and PC Strand	Thailand	99.99	99.99
General Nippon Concrete Industries Company Limited	Manufacturing of concrete spun pile	Thailand	88.71	82.50
General Engineering Mauritius Limited	Investment business	Mauritius	99.99	99.99

3.2.2 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.

3.2.3 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.

3.2.4 The financial statements of foreign subsidiary are translated into Thai Baht using the average exchange rate ruling at the statement of financial position date for assets and liabilities or the average exchange rate during the year for income and expenses. Differences arising from such conversions have been shown under the caption of "Exchange Difference on translating financial statements" in shareholders' equity.

3.2.5 The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

3.2.6 Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.

3.2.7 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.

3.3 Financial reporting standards that became effective in the current year

During the year, the Company and its subsidiaries have adopted the revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting practices, accounting guidance and disclosures in the notes to the financial statements and, for some standards, providing temporary reliefs or temporary exemptions to users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the financial statements in the current year.

3.4 Revised Financial Reporting Standards that will become effective for the financial statements with the accounting period beginning on or after January 1, 2023

The Federation of Accounting Professions has announced to apply several revised financial reporting standards in the Royal Gazette. This will become effective for the financial statements with the accounting period beginning on or after January 1, 2023. This revision is for the financial reporting standards to be clearer and more appropriate and to conform with international financial reporting standards. Such revision does not affect the principles of the standards and does not affect the users of the financial reporting standards adopted before 2023.

The management of the Company and its subsidiaries believe that this revision of the standards will not significantly affect the financial statements.

3.5 New Financial Reporting Standards

The Federation of Accounting Professions has announced to apply the Financial Reporting Standard No.17 on “Insurance Contract” in the Royal Gazette. This standard requires to comply with the defined criteria of the international reporting standards including various related improvements. The effective date is to apply on the financial statements for the accounting period beginning on or after January 1, 2025.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenue and expenses recognition

Sale of goods

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

Revenue from construction and service

Service revenue from construction and service is recognized over time in accordance with the measuring progress towards complete satisfaction of a performance obligation. The progress of performance obligation is assessed by input method based on the cost incurred to the satisfaction of a performance obligation relative to the total expected cost to the satisfaction of that performance obligation. When the outcome of a service rendering contract cannot be estimated reliably, Revenue from construction and service is recognized only to the extent of contract costs incurred that are likely to be recoverable.

The recognized revenue which is not yet due per the contracts has been presented as “Contract assets” in the statement of financial position, which is classified as trade receivables when the Group has right to receive without condition such as upon completion of services and acceptance by the customer.

The obligation to transfer goods or service to a customer for which the Group have received consideration or an amount of consideration is due from the customer is presented as “Contract liabilities” in the statement of financial position. Deferred income will be recognized as revenue when the Group completely perform the obligation stated in the contract.

For sale with warranties to assure that the goods comply with agree-upon specifications, the Group recognized the warranty as provisions, contingent liabilities and contingent assets.

The service-type warranties provided customers with a service in addition to the assurance that the product complies with agree-upon specifications is recognized as revenue over the period in which the service is provided.

Sales of goods that are conditional on installation and inspection

Sales of goods that are conditional on installation and inspection are recognised as revenue upon the buyer accepting the goods, when installation is complete and the goods is passed inspection.

Rental income

Rental income is recognized on a straight - line basis over the period of the lease agreement

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividends

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

Other incomes and expenses

Other incomes and expenses are recognized on the accrual basis.

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 Trade and others current receivables

Trade and others current receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at its present value.

Trade and other current receivables are stated at the amount expected to be collectible, The Company and its subsidiaries apply the TFRS 9 simplified approach to measuring expected credit losses which uses a simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company and its subsidiaries have identified the GDP, the unemployment rate and the consumer price index of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. The impairment losses are recognised in profit or loss within administrative expenses.

4.4 Inventories

Inventories are presented at the lower of cost or net realizable value, cost of inventories is calculated using the first-in first-out method.

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The costs of conversion above include an appropriate share of production overheads based on normal production capacity.

The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties, transportation charges and other direct costs incurred in acquiring the inventories less all trade discounts, allowances or rebates.

The net realizable value of inventory is estimated from the selling price in the ordinary course of business less the estimated costs to complete production and the estimated costs to complete the sale

4.5 Investments

Investments in subsidiaries, associates and joint venture

Subsidiaries are those companies in which the Company has the power to control the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights.

Associates are those companies in which the Company has significant influence over the associates, that is the Company has power to participate in determining relating to the financial and operating policies of the enterprise but not up to the level of governing such policies.

Joint venture is these company in which the Company has rights to the net assests of the arrangement.

Investments in subsidiaries, associates and joint venture are stated at cost net from allowance on impairment (if any). Loss on impairment of investment will be recognized as loss in the statement of comprehensive income in the separate financial statements and investments in subsidiaries, associates and joint venture are stated at equity in the consolidated financial statements.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognised in profit or loss.

If the Company and its subsidiaries dispose of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

4.6 Property, plant and equipment and depreciation

Land is states at cost, plant and equipment are stated at cost less accumulated depreciation and impairment loss (if any).

Cost is initially recognized upon acquisition of assets along with other direct costs attributing to acquiring such assets in the condition ready to serve the objectives, including the costs of asset demolition, removal and restoration of the asset location, which are the obligations of the company.

Allowance for impairment loss of assets will be made when there is any event or circumstance indicating that the recoverable values of these assets are less than their carrying values.

Expenditure incurred in addition, renewal or betterment are recorded add in involve fixed asset, if it is certainly probable the future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Repair and maintenance costs are recognized as an expense when incurred.

Depreciation is calculated by cost less residual value on the straight-line method over the estimated useful life of the assets (except for some of equipment, calculated by using production unit method) as follows:

Buildings and building improvements	5 - 30	years
Machinery and equipment	5 - 30	years
Furniture, fixtures and office equipment	5 - 10	years
Vehicles	5 - 10	years

The Company and its subsidiaries have reviewed the residual value and useful life of the assets every year.

The depreciation for each asset component is calculated on the separate components when each component has significant cost compared to the total cost of that asset.

Depreciation is included in determining income.

No depreciation is provided on construction in progress and equipment under installation.

Property, plant and equipment are written off at disposal. Gains or losses arising from sale or write-off of assets are recognized in the statement of comprehensive income.

4.7 Borrowing costs

Borrowing costs directly attributed to the acquisition or construction of an asset that necessarily takes long time to put in ready to use or available for sale state are capitalized as part of the cost of the respective asset until that asset condition is ready for its intended use. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs arising from such borrowing.

4.8 Leases

At inception of a contract, the Company and its subsidiaries assess whether the 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 Company and its subsidiaries assess the lease term for the non-cancellable period as stipulated in lease contract or the remaining period 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.

Right-of-use assets-as a lessee

Right-of-use assets are recognized at the commencement date of the lease. Right-of-use assets are stated at cost, less any accumulated depreciation and impairment losses (if any), and adjusted for any remeasurement of lease liabilities (if any). The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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

Lease liabilities

At the commencement date of the lease, lease liabilities are stated at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable (if any) and amount expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and its subsidiaries and payments of penalties for terminating the lease, if the lease term reflects the Company and its subsidiaries exercising the option to terminate.

In calculating the present value of lease payments, the Company and its subsidiaries use its incremental borrowing rate, which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of the interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, 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

The Company and its subsidiaries apply the short-term lease recognition exemption to its short-term leases (those leases that have a lease term of 12 months or less from the commencement date and not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term and leases of low-value assets are recognized as expense in profit and loss on a straight-line basis over the lease term.

4.9 Intangible assets

Intangible assets that are acquired by the Company and its subsidiaries and have finite useful life are stated at cost less accumulated amortization and allowance on impairment (if any).

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortization is calculated by cost less residual value on the straight-line method over the estimated useful life of the assets as follows:

Computer software	5 - 30 years
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The Company and its subsidiaries have reviewed the residual value and useful life of the assets every year.

4.10 Investment property

Investment property is stated at cost less accumulated depreciation and allowance on impairment (if any).

No depreciation is provided on investment properties in the category of land. Depreciation of investment properties in the category of buildings and building improvements is calculated on the basis of their costs on the straight-line basis over the estimated useful lives of the assets.

Depreciation is included in determining income.

4.11 Impairment of assets

As at the statement of financial position date, the Company and its subsidiaries assesses whether there is an indication of asset impairment. If any such indication exists, the Company and its subsidiaries will make an estimate of the asset's recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the statement of comprehensive income. In addition, impairment loss is reversed if there is a subsequent increase in the recoverable amount. The reversal shall not exceed the carrying value that would have been determined net of accumulated depreciation or amortization. The recoverable amount of the asset is the asset's value in use or fair value less costs to sell.

4.12 Employee benefits

Short-term employment benefits

The Company and its subsidiaries recognize salary, wage, bonus and contributions to social security fund and provided fund as expenses when incurred.

Other long-term benefits

The Group attributes other long - term benefits to employees who having 10 years of service at Baht 4,000, 15 years at Baht 8,000, 20 years at Baht 12,000, 25 years at Baht 16,000 and 30 years at Baht 20,000. Other long-term benefits expenses are recognised in the statement of profit or loss to allocate the expense throughout the hiring period. Actuarial gains or losses arising from changes in actuarial assumptions are recognised in profit or loss when incurred.

Management estimates the provision for other long- term benefits annually with the assistance of independent actuaries.

Post-employment benefits (Defined contribution plans)

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

Post-employment benefits (Defined benefit plans)

The Company and its subsidiaries have obligations in respect of the severance payments that it must pay to the employees upon retirement under the Company's and its subsidiaries's article and the labor law and other employee benefit plans. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is calculated based on the actuarial principles by a qualified independent actuary using the projected unit credit method. Such estimates are made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and inflation rate.

Actuarial gains and losses for post-employment benefits of the employees will be recognized immediately in other comprehensive income as a part of retain earing.

4.13 Provisions

A provision is recognized in the statement of financial position when the Company and its subsidiaries have a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

4.14 Foreign currency transactions

Transactions in foreign currencies throughout the years are recorded in Baht at prevailing Bank of Thailand rates at the transaction dates. Outstanding monetary assets and liabilities denominated in foreign currencies at the statement of financial position dates are translated into Baht at the prevailing rates at those dates. Gain or loss arising from translation are credited or charged against current operations.

4.15 Income tax

Income tax comprises current income tax and deferred tax.

Current tax

The Company and its subsidiaries record income tax expense, if any, based on the amount currently payable under the Revenue Code at the income tax rates (20%) of net profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax.

Deferred tax

Deferred tax assets and liabilities are provided on the temporary differences between the carrying amount and the tax bases of assets and liabilities at the end of the reporting period. Changes in deferred tax assets and liabilities are recognized as deferred tax income or deferred tax expense which are recognized in the profit or loss except to the extent that it relates to items recognized directly in shareholders' equity or in other comprehensive income.

The deductible temporary differences are recognized as deferred tax assets when it is probable that the Company and its subsidiaries will have future taxable profit to be available against which the deferred tax assets can be utilized. The taxable temporary differences on all taxable items are recognized as deferred tax liabilities. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that the Company and its subsidiaries expect to apply to the period when the deferred tax assets are realised or the deferred tax liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

At the end of each reporting period, the carrying amount of deferred tax assets are reviewed and reduced the value when it is probable that the Company and its subsidiaries will have no longer the future taxable profit that is sufficient to be available against which all or some parts of deferred tax assets are utilized.

Deferred tax assets and deferred tax liabilities are offset when there is the legal right to settle on a net basis and they relate to income taxes levied by the same tax authority on the same taxable entity.

4.16 Earnings (loss) per share

Basis earnings (loss) per share is determined by dividing profit (loss) for the year by the weighted average number of ordinary shares held by outsiders and outstanding during the year.

4.17 Related parties

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

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

4.18 Financial instruments

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss. The classification of financial assets at initial recognition is driven by the Company and its subsidiaries' business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Equity instruments can be classified and cannot be changed by two types of measurement which are measuring fair value through profit or loss or measuring fair value through other comprehensive income that without recycling to profit or loss.

The initial recognition of financial assets that are not measured at fair value through profit or loss with fair value plus or deduct transaction cost directly related to the acquisition or issuance. Financial assets that are measured at fair value through profit or loss, transaction costs are recognized as expense in profit or loss.

Subsequent measurement of debt instruments by 3 methods depend on the classification of debt instruments.

- Financial assets measured at amortized cost when financial assets are held to receive cash flow under the agreement and condition of the agreement of the financial assets that generate cash flow to pay the principal and interest from the principal balance on the specified date only. Such financial assets have to be calculated using the effective rate and are subject to impairment assessment. Profit or loss arising from derecognized, modified or impaired will be recognized in profit or loss.
- Financial assets measured at fair value through other comprehensive income when financial assets are held to receive cash flow under the agreement and to sell financial assets and the agreement condition of financial assets generating cash flow that only pays the principal and interest from the principal balance on the specified date. The change of value of financial assets is recognized through other comprehensive income except loss on impairment and interest income and gain and loss on exchange rate are recognized as profit or loss upon recognized of financial assets. Earning or deficit previously recognized in other comprehensive income has to be reclassified into profit or loss. Such financial asset has to be calculated using the effective interest rate same as financial assets measured at amortized cost.

- Financial assets measured at fair value through profit or loss when financial assets that do not meet the criteria for amortized cost or financial assets measured at fair value through other comprehensive income will be presented in the statement of financial position at fair value by recognizing the net change of fair value in profit or loss.

Subsequent valuation of equity instruments must present equity instruments using the fair value and record profit/loss from change in fair value through profit or loss or other comprehensive income depending on equity instruments classification.

Classification and valuation of financial liabilities

The Company and its subsidiaries are recognized initially of financial liabilities at fair value net of transaction costs and classified as financial liabilities as financial liabilities subsequently measured at amortized cost using the effective rate. The amortized cost is calculated taking into account fees or costs that are an integral part of the effective rate. Amortization by the effective rate is presented as part of financial costs in profit or loss.

Derivative

Derivative is recognized at fair value and measured fair value at the end of the reporting period. Profit or loss from fair value remeasurement is recognized in profit or loss immediately unless that derivative is used for hedge.

Derecognition of financial instruments

Financial assets will be derecognized from the account when the right to receive cash flow of such asset has ended or when the right to receive cash flow of the assets is transferred including upon the transfer of all risk and consideration of that asset or transfer of internal control in that asset although there is no transfer or maintaining of nearly all risk and consideration of such asset.

Financial liabilities will be derecognized from the account when the obligation of such liabilities has been complied, the obligation is cancelled or the obligation has ended. In case existing financial liabilities are changed to new liabilities from one single lender with considerably different requirements or there is a significant amendment in the requirements of existing liabilities, these are considered as recognition old liabilities and recognizing new liabilities by recognizing the difference of such carrying value under profit or loss.

Impairment of financial assets

Expected credit loss for financial assets measured at amortized cost or debt instrument financial asset measured at fair value through other comprehensive income and assets arising from credit facility obligation and financial guarantee agreement are assessed without having to wait for the credit event to occur first. The Company and its subsidiaries use the general approach in considering the allowance for loss on impairment. For trade receivables, the Company and its subsidiaries apply a simplified approach in calculating ECLs. The Company and its subsidiaries recognize a loss based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

Offset of financial instruments

Financial assets and liabilities will be offset and presented at net balance in the statement of financial position in the case legally enforced in offsetting the recognized amount. The Company and its subsidiaries intend to pay the net balance or intends to receive assets and settle payment of liabilities at the same time.

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 amounts reported in the financial statements and disclosures and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Construction and services contract revenue

The Company and its subsidiaries recognise construction and services income by reference to the progress of performance obligation of the construction contract activity, when the outcome of a construction contract can be estimated reliably. The progress of performance obligation is measured by the cost incurred to the satisfaction of a performance obligation relative to the total expected cost to the satisfaction of that performance obligation and consider the suitability by comparing with the progress of performance obligation measured by reference to surveys of works and estimates performed by the project engineer. The management is required to exercise judgement and make estimates based on past experience and information obtained from the project engineer.

Construction and services costs estimation

In calculating cost of construction projects, the Company and its subsidiaries have to estimate all project construction costs, comprising design, material and labor costs for construction, subcontracting costs and other related costs. The management estimates these costs based on business experience and taking into account the tendency of prices of construction supplies, wages and other expenses to change, and revisits the estimations on a periodical basis or when the actual costs incurred differ significantly from the estimates.

Provision for loss on projects

The management estimates loss incurred on each project based on estimates of future costs, taking into account the progress of actual costs incurred, changes in prices of construction supplies and wages and current circumstances.

Leases

In determining the lease term of contracts with renewal and termination options, the Company and its subsidiaries determine the lease term as the non-cancellable term of the lease, 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. The management is required to use judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease, considering all relevant factors that create an economic incentive to exercise either the renewal or termination. After the commencement date, the Company and its subsidiaries reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Allowance for expected credit losses

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates the expected credit loss based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables such as GDP, the unemployment rate and the consumer price index.

Allowance for declining in value of inventory

The determination of allowance for declining in the value of inventory, requires management to make judgements and estimates of the loss expected to occur. The allowance for decline in net realizable value is estimated based on the selling price expected in the ordinary course of business less selling expense.

Property, plant and equipment, right-of-use assets and intangible assets /Depreciation and amortization

In determining depreciation of plant and equipment and right-of-use assets and amortization of intangible asset, the management is required to make estimates of the useful lives and residual values of the Company's and its subsidiaries' plant and equipment and to review estimate useful lives and residual values when there are any changes.

Allowance for impairment of assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount.

Deferred tax assets

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

Estimating the incremental borrowing rate

The Company and its subsidiaries cannot readily determine the interest rate implicit of the lease. Therefore, the incremental borrowing rate of the Company and its subsidiaries are used to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Company and its subsidiaries would have to pay for necessary borrowing to acquire the assets, or assets with close value to right-of-use assets in similar economic environment, borrowing period and borrowing security.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. RELATED PARTIES TRANSACTION

6.1 The nature of relationship with related parties were summarized as follows:

Related parties name	Country of incorporation / nationality	Relationship
<u>Subsidiaries</u>		
Seven Wire Company Limited	Thailand	Direct major shareholder
General Engineering Mauritius Limited	Mauritius	Direct major shareholder
General Nippon Concrete Industries Company Limited	Thailand	Direct major shareholder
<u>Associate company</u>		
Mctric Public Company Limited	Thailand	Direct shareholder
<u>Joint venture</u>		
Wisdom Tree Investment (S) PTE. Limited	Singapore	Joint venture
Millcon Thiha GEL Limited	Myanmar	Joint venture's subsidiary
<u>Related company</u>		
Millcon Steel Public Company Limited	Thailand	Invested company
Millcon Thiha Limited	Myanmar	Invested company's subsidiary
Kobelco Millcon steel Company Limited	Thailand	Invested company's joint venture
Nippon Concrete Industries Company Limited	Japan	Shareholder of the subsidiary
<u>Related person</u>		
Key management personnel	Thailand	Persons having authority and responsibility for management

6.2 Pricing policies

The Company and its subsidiaries have pricing policy for transaction with related parties as follows:

Transactions	Pricing policies
Revenue from sales and services	Market price
Rental income	Agreed price
Other service income	Agreed price
Interest income	MLR - 0.5, MOR and MLR - 1 percent p.a.
Penalty for late payment	7.5 percent p.a.
Purchase of raw materials	Market price
Purchase of finished goods and services	Agreed price
Construction cost	Agreement price
Interest expense	MLR - 0.5 and MLR - 1 percent p.a.
Purchase of assets	Market price
Compensation to management	According to be approved by director and/or shareholders

6.3 Transactions during the year

The Group had significant business transactions with related parties. Such transactions, which arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiary and those related parties.

Revenues and expenses with the related parties for the year ended December 31, 2022 and 2021 were summarized as follows:

Transactions with subsidiaries

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Purchase asset	-	-	1,171	-
Rental income	-	-	5,000	5,000
Other income	-	-	9,650	8,123
Interest income	-	-	1,962	2,465
Purchase of raw materials	-	-	245,871	56,058
Purchase of finished goods and services	-	-	2,000	1,342
Penalty for late payment	-	-	-	1,559
Other expenses	-	-	2,285	109
Interest expense	-	-	2,247	6,148

Transactions with associate

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Revenue from sales	6,140	2,293	-	95
Other expenses	12	-	-	-

Transactions with related parties

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Revenues from sales and services	115	184	115	184
Purchase of raw materials	256,880	77,715	256,880	77,018
Penalty for late payment	-	3	-	-
Other expense	-	272	-	272
Interest expenses	263	-	263	-

Management's compensations

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Short-term employee benefit	32,173	34,359	26,293	26,339
Post-retirement benefits	719	1,052	343	688
Other long-term benefits	5	5	2	2
Total	32,897	35,416	26,638	27,029

6.4 Balances of the account at ending of year

Balances of the accounts with the related parties As at December 31, 2022 and 2021 were summarized as follows:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade receivables and other current receivables				
Subsidiaries	-	-	17,012	29,688
Associate	497	268	-	-
Related companies	9,358	-	9,358	-
Total	9,855	268	26,370	29,688
Loans and accrued interest income				
Subsidiary	-	-	-	72,682
Total	-	-	-	72,682
Trade and other current payables				
Subsidiaries	-	-	80,569	12,908
Associate	9,938	16,211	-	-
Related companies	57,897	51,722	44,874	18,674
Total	67,835	67,933	125,443	31,582
Loans and accrued interest expense				
Subsidiary	-	-	-	116,123
Total	-	-	-	116,123

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Lease liability				
Related person	5,015	-	5,015	-
Total	5,015	-	5,015	-
Provision for employee benefits				
Key management	11,274	10,841	7,661	7,315
Total	11,274	10,841	7,661	7,315

Loan and interest receivable to subsidiary

Changes in loan and interest receivable to subsidiary for the years ended December 31, 2022 and 2021 was as follows:

	Thousand Baht			
	As at December 31, 2021	During the year		As at December 31, 2022
		Increase	Decrease	
Loan	72,185	27,385	(99,570)	-
Interest receivable	497	1,962	(2,459)	-
Total	72,682	29,347	(102,029)	-

	Thousand Baht			
	As at December 31, 2020	During the year		As at December 31, 2021
		Increase	Decrease	
Loan	24,057	51,165	(3,037)	72,185
Interest receivable	75	2,465	(2,043)	497
Total	24,132	53,630	(5,080)	72,682

Loans to subsidiary are carrying interest rates of MLR - 0.5, MOR and MLR - 1 per annum. The loans are unsecured and repayable at call.

Short-term loan from related person

Changes in short-term loan from related person for the year ended December 31, 2022 was as follows:

	Thousand Baht			
	Consolidated financial statements / Separate financial statements			
	As at December	Transactions during the year		As at December
	31, 2021	Increase	Decrease	31, 2022
Short-term loan	-	5,000	(5,000)	-
Total	-	5,000	(5,000)	-

Short-term loan from related person is non-interest-rated and unsecured loan. The Company repaid the loan on October 17, 2022.

Loan and interest payable from subsidiary

Changes in loan and interest payable from subsidiary for the year ended December 31, 2022 and 2021 was as follows:

	Thousand Baht			
	Separate financial statements			
	As at December	During the year		As at December
	31, 2021	Increase	Decrease	31, 2022
Loan	115,264	-	(115,264)	-
Interest payable	859	2,247	(3,106)	-
Total	116,123	2,247	(118,370)	-

	Thousand Baht			
	Separate financial statements			
	As at December	During the year		As at December
	31, 2020	Increase	Decrease	31, 2021
Loan	171,689	-	(56,425)	115,264
Interest payable	10,316	6,148	(15,605)	859
Total	182,005	6,148	(72,030)	116,123

Loans from subsidiary are carrying interest rates of MLR - 0.5 and MLR - 1 per annum. The loans are unsecured and repayable at call.

7. FAIR VALUE

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.

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

- Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 Inputs for the asset or liability that are not based on observable market data.

As at December 31, 2022 and 2021, financial assets measured at fair value were as follows:

	Thousand Baht	
	Consolidated financial statements / Separate financial statements	
	Level 1	
	2022	2021
<u>Financial assets</u>		
Derivative - Warrant	-	5,599
Investment in equity	570,627	808,130
	<u>570,627</u>	<u>813,729</u>

As at December 31, 2022 and 2021, fair value and carrying amount of financial assets and financial liabilities measured were as follows:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<u>Financial assets</u>				
Financial assets at amortised cost				
Cash and cash equivalents	83,668	15,128	83,540	15,029
Trade and other current receivables	724,782	294,506	734,841	317,278
Retention receivables	144,850	100,302	144,801	97,508
Loan and interest receivable to subsidiary	-	-	-	72,682
Restricted deposits with financial institutions	51,820	17,360	51,820	17,360
Financial assets measured at fair value through profit or loss				
Derivative - Warrant	-	5,599	-	5,599
Financial assets at fair value through other comprehensive income				
Investment in equity	570,627	808,130	570,627	808,130
<u>Financial liabilities</u>				
Liabilities at amortised cost				
Bank overdrafts and short-term loan from financial institutions	908,461	631,420	696,225	427,738
Trade and other current payables	768,813	630,480	786,405	528,668
Short-term loans from other person	19,620	10,122	19,620	10,122
Loans and interest payable from subsidiary	-	-	-	116,123
Long-term loans from financial institutions	826,563	902,346	159,014	214,180
Lease liabilities	80,920	87,555	79,344	84,787

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash	314	208	264	159
Bank deposits - current accounts	78	3,694	32	3,691
- savings accounts	83,170	11,167	83,138	11,120
- fixed deposits	106	59	106	59
Total	83,668	15,128	83,540	15,029

As at December 31, 2022 and 2021, bank deposits in savings accounts and fixed deposits carried interests between 0.15% - 0.55% per annum and 0.05% - 0.15% per annum, respectively.

9. TRADE AND OTHER CURRENTS RECEIVABLES

Trade and other current receivables consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade receivable				
<u>Trade receivable - related parties</u>				
Not yet due	-	-	1,731	6,833
Past due				
Not over 3 months	-	-	9,323	17,386
3 - 6 months	-	-	-	2
6 - 12 months	230	-	-	-
More than 12 months	-	-	-	-
Total	230	-	11,054	24,221
<u>Less Allowance for expected credit losses</u>	-	-	-	-
Total	230	-	11,054	24,221

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<u>Trade receivable - other companies</u>				
Unbilled receivables				
Not yet due	461,586	213,072	456,007	209,054
Past due				
Not over 3 months	198,971	51,696	198,756	49,352
3 - 6 months	32,714	3,415	32,494	3,415
6 - 12 months	17,978	15,992	17,904	15,992
More than 12 months	52,476	44,225	51,064	42,003
Total	763,725	328,400	756,225	319,816
<u>Less</u> Allowance for expected credit losses	(50,389)	(42,436)	(48,976)	(40,213)
Total	713,336	285,964	707,249	279,603
Total trade receivables - net	713,566	285,964	718,303	303,824
Other current receivables				
Other current receivables - related parties				
Prepayment for goods and services	9,358	-	9,358	-
Others receivables	267	267	5,958	5,467
Total	9,625	267	15,316	5,467
Other current receivable - other companies				
Prepaid expenses	6,186	8,127	5,674	7,462
Advance	7,492	4,174	7,309	3,990
Revenue Department receivables	36,733	41,471	-	924
Deposit	541	609	504	573
Prepayment for goods and services	61,814	33,650	55,807	33,255
Others	10,417	7,667	10,076	7,415
Total	123,183	95,698	79,370	53,619
Other current receivables - net	132,808	95,965	94,686	59,086
Total trade and other current receivables - net	846,374	381,929	812,989	362,910

Movement of the allowance for expected credit losses of trade and other currents receivables for the years ended December 31, 2022 and 2021 were summarized as follows :

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Beginning balance of the year	42,436	46,398	40,213	42,061
Additional during the year	9,140	-	8,763	-
Deduction during the year	(1,187)	(3,962)	-	(1,848)
Ending balance at end of year	<u>50,389</u>	<u>42,436</u>	<u>48,976</u>	<u>40,213</u>

10. CURRENT CONTRACT ASSETS - CURRENT

Current contract assets - current consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Construction and service contracts				
Unbilled receivables	<u>382,142</u>	<u>230,488</u>	<u>382,142</u>	<u>230,488</u>
Total	<u>382,142</u>	<u>230,488</u>	<u>382,142</u>	<u>230,488</u>

As at December 31, 2022 and 2021 the Company has a balance of unbilled receivables for Baht 382.14 million and Baht 230.49 million, respectively, expected to be collected within 1 year.

11. RETENTION RECEIVABLES

Retention receivables consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Retention receivables				
- Other companies	147,019	104,564	146,970	101,770
- Related parties	-	-	-	-
Total	<u>147,019</u>	<u>104,564</u>	<u>146,970</u>	<u>101,770</u>
<u>Less</u> : Allowance for expected credit loss	<u>(2,169)</u>	<u>(4,262)</u>	<u>(2,169)</u>	<u>(4,262)</u>
Net	<u>144,850</u>	<u>100,302</u>	<u>144,801</u>	<u>97,508</u>
<u>Less</u> : Current portion	<u>(28,561)</u>	<u>(23,699)</u>	<u>(28,561)</u>	<u>(23,068)</u>
Receive more than one year	<u>116,289</u>	<u>76,603</u>	<u>116,240</u>	<u>74,440</u>

Retention receivable is deducted by customers for guaranteed work at 5-10% of installment and will be refund when the customers accept the project's inspection.

Movement of the allowance for expected credit losses of retention receivables for the years ended December 31, 2022 and 2021 were summarized as follows:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Beginning balance of the year	4,262	6,884	4,262	6,884
Additional during the year	-	-	-	-
Deduction during the year	(2,093)	(2,622)	(2,093)	(2,622)
Ending balance at end of year	<u>2,169</u>	<u>4,262</u>	<u>2,169</u>	<u>4,262</u>

12. INVENTORIES

Inventories consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Finished goods	194,602	198,950	180,333	163,191
Work in process	74,087	30,434	71,910	24,681
Raw materials and spare parts	157,728	121,755	147,734	111,309
Good in transits	8,973	-	8,973	-
Total	435,390	351,139	408,950	299,181
<u>Less</u> : Allowance for defective inventories	(6,663)	(13,784)	(6,319)	(11,713)
Allowance for devaluation of inventories	(3,704)	(3,704)	(3,704)	(3,704)
Net	<u>425,023</u>	<u>333,651</u>	<u>398,927</u>	<u>283,764</u>

The movements in the allowance for defective inventories and devaluation on inventories for the years ended December 31, 2022 and 2021 were as follows:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Beginning Balance	17,488	23,182	15,417	22,568
Increase	-	1,457	-	-
Decrease	(7,121)	(7,151)	(5,395)	(7,151)
Ending Balance	<u>10,367</u>	<u>17,488</u>	<u>10,022</u>	<u>15,417</u>

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Reversal of the decline in value of inventory				
for the years	7,121	5,694	5,395	7,151

13. RESTRICTED DEPOSITS WITH FINANCIAL INSTITUTIONS

As at December 31, 2022 and 2021, saving accounts and fixed deposits pledged with financial institutions to secure credit facilities (Note 22 and 26) and bank guarantee facilities issued by the banks on behalf of the Company (Note 40 and 41).

14. INVESTMENT IN EQUITY AND DERIVATIVE

14.1 Investment in equity consisted of:

	Consolidated financial statements / Separate financial statements					
	Number of shares		Proportion of shareholding		Investment value	
	(Thousand Share)		(Percentage)		(Thousand Baht)	
	2022	2021	2022	2021	2022	2021
Millcon Steel Public Company Limited						
Investment in common share	731,573	667,876	13.17	14.43	1,024,363	1,028,690
Unrealized gain (loss)					(453,736)	(220,560)
Net					<u>570,627</u>	<u>808,130</u>

Movements of investment in equity for the years ended December 31, 2022 and 2021 were as follows:

	Thousand Baht	
	Consolidated financial statements / Separate financial statements	
	2022	2021
Book value - beginning balance of the year	808,130	708,490
Purchase of investment	-	95
Disposal of investment (Book value)	(4,327)	(250,506)
Unrealized gain	(233,176)	350,051
Book value - ending balance of the year	<u>570,627</u>	<u>808,130</u>

For the years ended December 31, 2022 and 2021, the Company sold 2.81 million shares and 159.92 million shares of Millcon Steel Public Company Limited at the price of Baht 1.14 - 1.25 per share and Baht 1.17 - 2.19 per share, amounting to Baht 3.26 million and Baht 254.23 million, respectively through the stock exchange of Thailand. The Company had a gain (loss) from the disposal of investments amounting to Baht (1.07) million and Baht 3.73 million, respectively included in other comprehensive income.

For the year ended December 31, 2022 and 2021, the Company received dividend from Mill Con Steel Public Company Limited at Baht 0.0100 and Baht 0.0033 per share amounting to Baht 6.65 million and Baht 2.43 million, respectively and received stock dividend at the ratio of 1:10 per share and 1:15 per share totaling 66.51 million shares and 49.19 million shares, respectively.

As at December 31, 2022 and 2021, investment in equity pledged as collateral for credit facilities of the Company and its subsidiaries and guaranteed for performance under contracts amounted to 589.89 million shares and 482.20 million shares, respectively, representing a fair value of Baht 583.46 million and Baht 483.71 million, respectively (Note 22, 26 and 41).

14.2 Derivative

As at December 31, 2022, the Company did not have balance of warrants .

As at December 31, 2021, the Company has warrants of Mill Con Steel Public Company Limited as follows:

Consolidated financial statements / Separate financial statements						
Warrants	Numbers (Million unit)	Exercise price (Baht per shares)	Exercise ratio		Fair value (Baht per unit)	Fair value (Thousand Baht)
			per common share	Expire date		
MILL-W6	16.97	1.50	1:1	May 23, 2024	0.33	5,599

During the years ended December 31, 2022 and 2021, the Company receipt warrants (MILL-W6) of Mill Con Steel Public Company Limited of 0.00 million unit and 147.57 million unit and sold of 16.97 million units and 130.60 million units. The Company sold warrants via the Stock Exchange of Thailand. The Company had gain from sale of warrants in the amount of Baht 6.27 million and Baht 60.93 million, respectively.

15. INVESTMENT IN SUBSIDIARIES

Investment in subsidiaries consisted of:

Company's name	Nature of business	Country of incorporation	Registered share capital		Proportion of Shareholding		Cost	
			2022	2021	2022	2021	2022	2021
			(Thousand Baht)		(Percentage)		(Thousand Baht)	
Seven Wire Company Limited	Manufacturing of the special qualified PC Wire and PC Strand	Thailand	280,000	280,000	99.99	99.99	279,999	279,999
General Nippon Concrete Industries Company Limited	Manufacturing of concrete spun pile	Thailand	310,000	200,000	88.71	82.50	275,000	165,000
General Engineering Mauritius Limited	Investment business	Mauritius	338	338	99.99	99.99	338	338
Total							555,337	445,337

In accordance with Extraordinary Meeting of the subsidiary's shareholders, General Nippon Concrete Industries Company Limited, No. 2/2022, held on July 21, 2022, the shareholders approved the increase of registered capital of the subsidiary by Baht 110 million from the existing registered capital of Baht 200 million to the registered capital of Baht 310 million by issuing 1.10 million newly issued ordinary shares with par value of Baht 100 per shares. Non-controlling interests did not exercise their right to maintain their shareholding ratio and the company exercised the right instead. As a result, the Company's shareholding in the subsidiary increased and non-controlling interests decreased in the rate of 6.21% of the total ordinary shares of the subsidiary.

The subsidiary has completed the increase of registered capital and registered the capital increase with the Ministry of Commerce on August 2, 2022.

Differences from changes in the shareholding ratio in subsidiaries

During the year 2022, transactions arising from changes in the Company's shareholding ratio in subsidiaries do not cause the Company to lose control of subsidiaries. Differences arising between the carrying amount of the adjusted non-controlling interests and the consideration received or paid are recognized directly in the Company's equity. The difference can be calculated as follows.

	<u>Thousand Baht</u>
The Company's interest before the capital increase of subsidiary	(48,043)
The Company's interest after the capital increase of subsidiary	<u>45,922</u>
The Company's interest in the subsidiary increased	93,965
Consideration for the capital increase of subsidiary	<u>110,000</u>
Differences from changes in shareholding ratio in subsidiary	<u><u>(16,035)</u></u>

The subsidiary that have material non-controlling interests

The Company has consolidated 1 subsidiary General Nippon Concrete Industries Company Limited that has material non-controlling interest as follow:

Subsidiary's name	Country of Incorporation	Proportion of ownership interests and voting rights held by non-controlling interests (%)		Thousand Baht			
		2022	2021	Comprehensive income (expense) allocated to non-controlling interests		Accumulated non-controlling interests	
				2022	2021	2022	2021
General Nippon Concrete Industries Company Limited	Thailand	11.29	17.50	(9,850)	(13,155)	1,571	(4,616)

Financial information of General Nippon Concrete Industries Company Limited represents amounts before intragroup eliminations as follow

	Thousand Baht	
	2022	2021
Current assets	59,089	65,473
Non-current assets	501,539	529,599
Current liabilities	(179,894)	(263,542)
Non-current liabilities	(366,501)	(357,699)
Net asset	14,233	(26,169)
Non-Controlling interests	(14,464)	(4,616)
Total revenue	60,081	74,738
Loss attributable to the non-controlling interests	(9,933)	(13,265)
Other comprehensive income to the non-controlling interests	83	110
Net cash used in operating activities	(52,647)	(21,114)
Net cash used in investing activities	(668)	(693)
Net cash provided by financing activities	53,300	21,850
Net cash increase	(15)	43

16. INVESTMENT IN ASSOCIATE AND JOINT VENTURE

16.1 Investment in associate and joint venture consisted of:

Company's name	Nature of business	Country of incorporation	Proportion of Shareholding (Percentage)		Consolidated financial statements		Separate financial statements	
					Carrying amounts based on equity method (Thousand Baht)		Carrying amounts based on cost method (Thousand Baht)	
			2022	2021	2022	2021	2022	2021
Associate:								
Metric Public Company Limited	Construction and System installation services	Thailand	32.65	32.65	176,083	206,731	185,633	185,633
<u>Less : Allowance for impairment</u>					<u>(35,512)</u>	<u>-</u>	<u>(45,062)</u>	<u>(8,513)</u>
Net					<u>140,571</u>	<u>206,731</u>	<u>140,571</u>	<u>177,120</u>
Joint Venture:								
Wisdom Tree Investment (S) PTE.Limited	Investment business	Singapore	45.00	45.00	77,063	103,836	177,661	177,661
<u>Less : Allowance for impairment</u>					<u>-</u>	<u>-</u>	<u>(87,126)</u>	<u>(25,337)</u>
Net					<u>77,063</u>	<u>103,836</u>	<u>90,535</u>	<u>152,324</u>
Total					<u>217,634</u>	<u>310,567</u>	<u>231,106</u>	<u>329,444</u>

16.2 Movements of investment in associate and joint venture for years ended December 31, 2022 and 2021 were as follows:

Investment in associate

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Opening net book value	206,731	190,538	177,120	175,041
Additions	-	-	-	-
Share of profit (loss)	(30,648)	16,807	-	-
Share of other comprehensive income (expense)	-	(614)	-	-
Dividend	-	-	-	-
Allowance for impairment of investment	<u>(35,512)</u>	<u>-</u>	<u>(36,549)</u>	<u>2,079</u>
Closing net book value	<u>140,571</u>	<u>206,731</u>	<u>140,571</u>	<u>177,120</u>

Investment in joint venture

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Opening net book value	103,836	102,101	152,323	152,324
Share of profit (loss)	(24,938)	4,129	-	-
Share of other comprehensive income	-	-	-	-
Translation adjustment	(1,835)	(2,394)	-	-
Allowance for impairment of investment	-	-	(61,788)	-
Closing net book value	<u>77,063</u>	<u>103,836</u>	<u>90,535</u>	<u>152,324</u>

Wisdom Tree Investment (S) PTE. Limited has its investment portion at 100% in Millcon Thiha GEL Limited, an entity incorporated in Myanmar and is engaged in manufacture and distribute formed steel products in Myanmar with a capital fund of USD 12 million. The equity method of Wisdom Tree Investment (S) PTE. Limited in the consolidated financial statements has included the operation of Millcon Thiha GEL Limited. Investment in joint venture is important to strategic operation of the Group.

16.3 Summarization of financial information of associate and joint venture

Summarization of information about financial position

	Thousand Baht			
	Investment in associate		Investment in joint venture	
	2022	2021	2022	2021
Current assets	1,151,255	1,059,698	111,355	203,538
Non-current assets	277,471	355,400	431,086	425,975
Current liabilities	(1,215,016)	(1,112,003)	(371,190)	(352,649)
Non-current liabilities	(39,182)	(36,915)	-	(46,118)
Net assets	<u>174,528</u>	<u>266,180</u>	<u>171,251</u>	<u>230,746</u>

Summarization of information about comprehensive income

	Thousand Baht			
	Investment in associate		Investment in joint venture	
	2022	2021	2022	2021
Revenue	1,446,955	2,121,066	149,454	232,381
Profit (loss)	(92,955)	38,412	(55,417)	9,175
Other comprehensive income (expense)	-	(364)	-	-
Total comprehensive income (expense)	<u>(92,955)</u>	<u>38,048</u>	<u>(55,417)</u>	<u>9,175</u>

Reconciliation of the summarized financial information to the carrying amount of the interest

	Thousand Baht			
	Investment in associate		Investment in joint venture	
	2022	2021	2022	2021
Net assets	174,528	266,180	171,251	230,746
Non - controlling interests	190,879	191,793	-	-
Net	365,407	457,973	171,251	230,746
Proportion of the interest (%)	32.65	32.65	45.00	45.00
Goodwill	83,322	83,322	-	-
Adjustments relating to the different of accounting's policies	(26,544)	(26,119)	-	-
Allowance for impairment of investment	(35,512)	-	-	-
Carrying amount of the interest	<u>140,571</u>	<u>206,731</u>	<u>77,063</u>	<u>103,835</u>

16.4 Impairment of investments in associate and joint venture

As at December 31, 2022 and 2021, the Company assesses the recoverable amounts of investments in associate and joint venture by independent experts using the Discounted Cash Flow Approach. The key assumptions were as follows:

Assumption	Associated company		Joint venture	
	2022	2021	2022	2021
Discount rate (percentage per annum)	8.28 - 8.36	10.44 - 10.49	11.96 - 12.51	9.51 - 15.13
Revenue growth rate (percentage per annum)	4	3	0 - 25	15

16.5 Pledge

Investment in associate

The Company has pledged its ordinary shares in Mctric Public Company Limited to secure credit facilities for purchase raw material to a subsidiary with a related trade payables.

Investment in joint venture

The Company has pledged its ordinary shares in Wisdom Tree Investment (S) PTE. Limited to secure credit facilities for foreign joint venture.

17. INVESTMENT PROPERTY

Investment property consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Land	1,001,379	1,001,379	1,294,099	1,294,099
<u>Less</u> Allowance for impairment	(4,872)	(4,872)	(4,872)	(4,872)
Net	996,507	996,507	1,289,227	1,289,227
Buildings and buildings improvement	320	320	320	320
<u>Less</u> Accumulated depreciation	(200)	(200)	(200)	(200)
Net	120	120	120	120
Investment property - net	<u>996,627</u>	<u>996,627</u>	<u>1,289,347</u>	<u>1,289,347</u>

The relevant income and expenses are recognized in profit or loss for the years ended December 31, 2022 and 2021 are as follows:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Rental income from investment property	-	-	5,000	5,000

As at December 31, 2022 and 2021, the whole amount of investment property is pledged as collateral of bank overdraft as disclosed in note 22 and 41

Fair value of the investment properties based on market approach are determined by independent valuers. The fair value level 2 are Baht 1,331.31 million.

18. PROPERTY PLANT AND EQUIPMENT

Movements of the property, plant and equipment for the years ended December 31, 2022 and 2021 were summarized as follows:

	Thousand Baht						total
	Consolidated financial statements						
	Land and land improvement	Buildings and building improvements	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Construction in progress	
At cost							
Balance as at January 1, 2021	1,156,368	841,999	1,496,388	64,122	81,067	135,557	3,775,501
Acquisitions	-	135	52,957	5,966	8,379	63,459	130,896
Capitalised borrowing costs	-	-	-	-	-	3,057	3,057
Transferred in (out)	-	803	32,951	63	-	(33,817)	-
Disposals and write-off	-	(317)	(1,909)	(8,130)	(1,874)	-	(12,230)
Balance as at December 31, 2021	1,156,368	842,620	1,580,387	62,021	87,572	168,256	3,897,224
Acquisitions	90	24,925	80,297	624	3,499	74,232	183,667
Capitalised borrowing costs	-	-	-	-	-	2,349	2,349
Transferred in (out)	-	53,444	48,387	-	-	(82,179)	19,652
Disposals and write-off	-	-	(13,414)	-	(7,377)	-	(20,791)
Balance as at December 31, 2022	1,156,458	920,989	1,695,657	62,645	83,694	162,658	4,082,101
Accumulated depreciation							
Balance as at January 1, 2021	(995)	(109,277)	(411,292)	(49,566)	(75,001)	-	(646,131)
Depreciation	(385)	(34,399)	(84,275)	(6,442)	(3,979)	-	(129,480)
Transferred in (out)	-	-	-	-	-	-	-
Disposals and write-off during the year	-	121	1,871	8,124	1,719	-	11,835
Balance as at December 31, 2021	(1,380)	(143,555)	(493,696)	(47,884)	(77,261)	-	(763,776)
Depreciation	(386)	(35,961)	(113,446)	(3,669)	(3,240)	-	(156,702)
Transferred in (out)	-	-	-	-	-	-	-
Disposals and write-off during the year	-	-	13,414	-	7,377	-	20,791
Balance as at December 31, 2022	(1,766)	(179,516)	(593,728)	(51,553)	(73,124)	-	(899,687)
Net book value							
Balance as at December 31, 2021	1,154,988	699,065	1,086,691	14,137	10,311	168,256	3,133,448
Balance as at December 31, 2022	1,154,692	741,473	1,101,929	11,092	10,570	162,658	3,182,414

	Thousand Baht						
	Seperate financial statements						
	Land and land improvement	Buildings and building improvements	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Construction in Progress	total
At cost							
Balance as at January 1, 2021	755,782	535,926	918,884	50,733	81,066	95,021	2,437,412
Acquisitions	-	135	52,661	5,498	8,379	63,228	129,901
Capitalised borrowing costs	-	-	-	-	-	3,057	3,057
Transferred in (out)	-	802	32,138	-	-	(32,940)	-
Disposals and write-off	-	(317)	(1,909)	(8,130)	(1,873)	-	(12,229)
Balance as at December 31, 2021	755,782	536,546	1,001,774	48,101	87,572	128,366	2,558,141
Acquisitions	-	24,925	79,769	538	3,499	73,708	182,439
Capitalised borrowing costs	-	-	-	-	-	2,349	2,349
Transferred in (out)	-	53,444	48,387	-	-	(82,180)	19,651
Disposals and write-off	-	-	(13,414)	-	(7,377)	-	(20,791)
Balance as at December 31, 2022	755,782	614,915	1,116,516	48,639	83,694	122,243	2,741,789
Accumulated depreciation							
Balance as at January 1, 2021	-	(78,359)	(351,891)	(44,250)	(75,000)	-	(549,500)
Depreciation	-	(19,931)	(53,521)	(3,596)	(3,979)	-	(81,027)
Transferred in (out)	-	-	-	-	-	-	-
Disposals and write-off during the year	-	121	1,871	8,124	1,718	-	11,834
Balance as at December 31, 2021	-	(98,169)	(403,541)	(39,722)	(77,261)	-	(618,693)
Depreciation	-	(21,497)	(80,918)	(2,582)	(3,240)	-	(108,237)
Transferred in (out)	-	-	-	-	-	-	-
Disposals and write-off during the year	-	-	13,414	-	7,377	-	20,791
Balance as at December 31, 2022	-	(119,666)	(471,045)	(42,304)	(73,124)	-	(706,139)
Net book value							
Balance as at December 31, 2021	755,782	438,377	598,233	8,379	10,311	128,366	1,939,448
Balance as at December 31, 2022	755,782	495,249	645,471	6,335	10,570	122,243	2,035,650

	Thousand Baht			
	Consolidated financial statements		Seperate financial statements	
	2022	2021	2022	2021
Depreciation for the year				
Cost of sales and service	152,461	121,886	107,020	77,428
Selling and administrative expenses	4,240	7,594	1,217	3,599
Total	156,701	129,480	108,237	81,027
Gain from sale of assets	4,205	635	4,205	635

As at December 31, 2022 and 2021, the Company and the subsidiary had building and equipment, which were fully depreciated but they are still in use with gross carrying amounts of Baht 345.73 million and Baht 327.43 million, (for the Company: Baht 344.98 million and Baht 327.43 million), respectively.

As at December 31, 2022 and 2021, partial of land and its construction and machinery of the group company are pledged for credit line with a local bank (Note 22, 26, 40 and 41)

19. RIGHT-OF-USE ASSETS

Movements of the right-of-use assets for the years ended December 31, 2022 and 2021 were summarized as follows

	Thousand Baht			
	Consolidated financial statements			
	Land and building	Machinery and equipment	Vehicles	Total
At cost				
As at January 1, 2021	64,569	-	22,823	87,392
Addition	-	43,458	2,522	45,980
Change in condition/written-off	-	-	(2,458)	(2,458)
As at December 31, 2021	64,569	43,458	22,887	130,914
Addition	6,116	13,084	2,666	21,866
Change in condition/written-off	-	-	-	-
As at December 31, 2022	70,685	56,542	25,553	152,780
Accumulated amortization				
As at January 1, 2021	(16,187)	-	(7,978)	(24,165)
Amortization	(16,142)	(6,616)	(5,120)	(27,878)
Change in condition/written-off	-	-	1,965	1,965
As at December 31, 2021	(32,329)	(6,616)	(11,133)	(50,078)
Amortization	(17,161)	(304)	(4,385)	(21,850)
Change in condition/written-off	-	-	-	-
As at December 31, 2022	(49,490)	(6,920)	(15,518)	(71,928)
Net book value				
As at December 31, 2021	32,240	36,842	11,754	80,836
As at December 31, 2022	21,195	49,622	10,035	80,852

	Thousand Baht			
	Seperate financial statements			
	Land and building	Machinery and equipment	Vehicles	Total
At cost				
As at January 1, 2021	64,569	-	14,863	79,432
Written-off	-	43,458	1,864	45,322
As at December 31, 2021	64,569	43,458	16,727	124,754
Written-off	6,116	13,084	2,666	21,866
As at December 31, 2022	70,685	56,542	19,393	146,620
Accumulated amortization				
As at January 1, 2021	(16,187)	-	(4,393)	(20,580)
Amortization	(16,142)	(6,616)	(3,184)	(25,942)
As at December 31, 2021	(32,329)	(6,616)	(7,577)	(46,522)
Amortization	(17,162)	(303)	(3,290)	(20,755)
As at December 31, 2022	(49,491)	(6,919)	(10,867)	(67,277)
Net book value				
As at December 31, 2021	32,240	36,842	9,150	78,232
As at December 31, 2022	21,194	49,623	8,526	79,343

	Thousand Baht			
	Consolidated financial statements		Seperate financial statements	
	2022	2021	2022	2021
Amortization for the year				
Cost of sales and service	13,883	24,905	13,741	24,066
Selling and administrative expenses	7,967	2,972	7,014	1,874
Total	21,850	27,877	20,755	25,940

20. INTANGIBLE ASSETS

Movements of the intangible assets for the year ended December 31, 2022 and 2021 were summarized as follows

	Thousand Baht	
	Computer software	
	Consolidated financial statements	Seperate financial statements
At cost		
As at January 1, 2021	26,935	26,854
Additions	-	-
Writen off	(20)	(20)
As at December 31, 2021	26,915	26,834
Additions	50	-
Writen off	-	-
As at December 31, 2022	26,965	26,834
Accummulated amortization		
As at January 1, 2021	(7,456)	(7,425)
Amortization	(1,896)	(1,883)
Writen off	19	19
As at December 31, 2021	(9,333)	(9,289)
Amortization	(1,893)	(1,876)
Writen off	-	-
As at December 31, 2022	(11,226)	(11,165)
Net book value		
As at December 31, 2021	17,582	17,545
As at December 31, 2022	15,739	15,669

	Thousand Baht			
	Consolidated financial statements		Seperate financial statements	
	2022	2021	2022	2021
Amortization for the year				
Administrative expenses	1,893	1,896	1,876	1,883
Total	1,893	1,896	1,876	1,883

As at December 31, 2022 and 2021, the Company and the subsidiary had intangible assets which were fully amortized but they are still in use with gross carrying amounts of Baht 1.02 million and Baht 0.58 million, (for the Company : Baht 1.02 million and Baht 0.58 million), respectively.

21. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

Deferred tax assets and deferred tax liabilities as follows:

	Thousand Baht			
	Consolidated financial statements		Seperate financial statements	
	2022	2021	2022	2021
Deferred tax assets	-	64,276	-	62,498
Deferred tax liabilities	-	(1,119)	-	(1,119)
	-	63,157	-	61,379

Changes in deferred tax assets and deferred tax liabilities for the years ended December 31, 2022 and 2021, were summarized as follows:

	Thousand Baht			
	Consolidated financial statements			
	As at	Income (expense) during the year		As at
	December	In profit or loss	In other	December
	31, 2021		comprehensive	31, 2022
			income	
Deferred tax assets:				
Allowance for expected credit losses	9,762	(9,762)	-	-
Loss on diminution in value of inventories	3,083	(3,083)	-	-
Investment in equity	44,112	-	(44,112)	-
Lease agreement	356	(356)	-	-
Employee benefit obligation	6,333	(6,333)	-	-
Provision for decommissioning costs	630	(630)	-	-
	64,276	(20,164)	(44,112)	-
Deferred tax liabilities				
Other current financial asset	(1,119)	1,119	-	-
	(1,119)	1,119	-	-
Deferred tax assets (liabilities), net	63,157	(19,045)	(44,112)	-

	Thousand Baht			
	Consolidated financial statements			
	As at	Income (expense) during the year		As at
	December 31, 2020	In profit or loss	In other comprehensive income	December 31, 2021
Deferred tax assets:				
Allowance for expected credit losses	10,656	(894)	-	9,762
Loss on diminution in value of inventories	4,514	(1,431)	-	3,083
Investment in equity	114,122	-	(70,010)	44,112
Lease agreement	356	-	-	356
Employee benefit obligation	6,333	-	-	6,333
Provision for decommissioning costs	630	-	-	630
	<u>136,611</u>	<u>(2,325)</u>	<u>(70,010)</u>	<u>64,276</u>
Deferred tax liabilities				
Other current financial asset	-	(1,119)	-	(1,119)
	<u>-</u>	<u>(1,119)</u>	<u>-</u>	<u>(1,119)</u>
Deferred tax assets (liabilities), net	<u>136,611</u>	<u>(3,444)</u>	<u>(70,010)</u>	<u>63,157</u>

	Thousand Baht			
	Separate financial statements			
	As at	Income (expense) during the year		As at
	December 31, 2021	In profit or loss	In other comprehensive income	December 31, 2022
Deferred tax assets:				
Allowance for expected credit losses	8,895	(8,895)	-	-
Loss on diminution in value of inventories	3,083	(3,083)	-	-
Investment in equity	44,112	-	(44,112)	-
Lease agreement	320	(320)	-	-
Employee benefit obligation	5,458	(5,458)	-	-
Provision for decommissioning costs	630	(630)	-	-
	<u>62,498</u>	<u>(18,386)</u>	<u>(44,112)</u>	<u>-</u>
Deferred tax liabilities				
Other current financial asset	(1,119)	1,119	-	-
	<u>(1,119)</u>	<u>1,119</u>	<u>-</u>	<u>-</u>
Deferred tax assets (liabilities), net	<u>61,379</u>	<u>(17,267)</u>	<u>(44,112)</u>	<u>-</u>

	Thousand Baht			
	Separate financial statements			
	As at	Income (expense) during the year		As at
	December 31, 2020	In profit or loss	In other comprehensive income	December 31, 2021
Deferred tax assets:				
Allowance for expected credit losses	9,789	(894)	-	8,895
Loss on diminution in value of inventories	4,514	(1,431)	-	3,083
Investment in equity	114,122	-	(70,010)	44,112
Lease agreement	320	-	-	320
Employee benefit obligation	5,458	-	-	5,458
Provision for decommissioning costs	630	-	-	630
	<u>134,833</u>	<u>(2,325)</u>	<u>(70,010)</u>	<u>62,498</u>
Deferred tax liabilities				
Other current financial asset	-	(1,119)	-	(1,119)
	<u>-</u>	<u>(1,119)</u>	<u>-</u>	<u>(1,119)</u>
Deferred tax assets (liabilities), net	<u>134,833</u>	<u>(3,444)</u>	<u>(70,010)</u>	<u>61,379</u>

22. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term loans from financial institutions consisted of:

	Thousand Baht					
	Interest rate per annum (%)		Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021	2022	2021
Bank overdrafts	6.350	5.875	24,947	28,220	769	-
Short-term loans	4.650 - 6.070	4.250 - 5.570	788,987	578,152	632,251	421,550
Trust receipts	4.650 - 5.850	3.097 - 5.250	94,527	25,048	63,205	6,188
Total			<u>908,461</u>	<u>631,420</u>	<u>696,225</u>	<u>427,738</u>

As at December 31, 2022 and 2021, the Group had credit facilities mentioned above from two financial institutions amounting to Baht 1,734 million and Baht 914 million, respectively (for the Company of Baht 1,509 million Baht 689 million, respectively).

The credit facilities were secured by partial of the land with construction and machinery of the Group (Note 18 and 41), bank deposit and including the parent company jointly guarantees the subsidiary's credit line and some such credit lines are guaranteed by the company's directors.

23. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade payables				
- Other companies	583,245	456,183	554,073	406,662
- Related parties	57,897	51,722	125,443	31,582
Total trade payables	<u>641,142</u>	<u>507,905</u>	<u>679,516</u>	<u>438,244</u>
Other current payables				
Retention payables				
- Other companies	33,912	16,621	32,143	14,146
- Related parties	7,989	7,989	-	-
Construction payable				
- Other companies	30,068	15,628	29,380	15,157
- Related parties	1,949	8,222	-	-
Accrued expensed and other payables				
- Other companies	54,758	85,219	45,366	61,121
Accrued costs of projects	59,334	49,352	59,333	49,332
Others	15,104	7,767	13,182	4,625
Total other current payables	<u>203,114</u>	<u>190,798</u>	<u>179,404</u>	<u>144,381</u>
Total	<u><u>844,256</u></u>	<u><u>698,703</u></u>	<u><u>858,920</u></u>	<u><u>582,625</u></u>

24. CURRENT CONTRACT LIABILITIES

Current contract liabilities consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Sales of concrete products and of PC wire and PC strand contracts				
Advance received from customers	397,298	141,221	395,864	138,533
Construction and service contracts				
Advance received from customers	26,669	72,186	26,669	72,185
Accrued cost of contracts	1,848	2,558	1,848	2,558
Total	<u>425,815</u>	<u>215,965</u>	<u>424,381</u>	<u>213,276</u>

25. SHORT-TERM LOANS FROM OTHER COMPANY

Movements of short-term loan from other company for years ended December 31, 2022 and 2021 were summarized as follows:

	Thousand Baht	
	Consolidated financial statements / Separate financial statements	
	2022	2021
Book value at the beginning of the year	10,122	-
Addition	39,949	10,222
Loan repayment	(30,451)	-
Book value at the end of the year	<u>19,620</u>	<u>10,222</u>

Short-term loans from other company are loans for purchasing materials and others for use in a project. The interest is charged at the rate of 7.00% per annum. Principal and interest are repaid by deducting money received from the project starting from January 2022 onwards until the loan is completely repaid. The collateral will be received from the project in the amount equal to the loan. Short-term loans guaranteed by the Company's directors and the money that will be received from the work under such project in the amount equal to the loans.

26. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

Long-term loans from financial institutions consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Long-term loans from financial institution	827,866	904,134	159,471	214,834
<u>Less: Deferred financial fee</u>	<u>(1,303)</u>	<u>(1,788)</u>	<u>(457)</u>	<u>(654)</u>
Net	826,563	902,346	159,014	214,180
<u>Less: Portion due within one year</u>	<u>(97,189)</u>	<u>(115,695)</u>	<u>(50,946)</u>	<u>(25,358)</u>
Long-term loans, net	<u>729,374</u>	<u>786,651</u>	<u>108,068</u>	<u>188,822</u>

Movements of long-term loans from financial institutions for the years ended December 31, 2022 and 2021 were as follows:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Book value at the beginning of the year	902,346	934,966	214,180	246,932
Addition	-	22,700	-	22,700
Amortization of financial fee	485	346	197	214
Payment for financial fee	-	-	-	-
Loan repayment	<u>(76,268)</u>	<u>(55,666)</u>	<u>(55,363)</u>	<u>(55,666)</u>
Book value at the end of the period	<u>826,563</u>	<u>902,346</u>	<u>159,014</u>	<u>214,180</u>

As at December 31, 2022 and 2021, the Group had long-term loans mentioned above from financial institutions representing long-term loans from a financial institution for their operations, factory construction and purchase of machines. The aforementioned long-term loan facilities amounted to Baht 1,217 million (for the Company, amounting to Baht 380 million), secured by partial of land and buildings and machinery of the Group (Note 18 and 41) and benefits under the credit protection group life insurance policy in which the company's directors are insured members. The Group and the Company are required to comply with the conditions stipulated in the credit facility agreements and including maintaining certain financial ratios and transfer rights to receive benefits from building insurance policies to financial institutions.

Long-term loans credit facilities of the Company are as follow:

Credit facilities (million Baht)		Interest (%)	Repayment Period		Repayment term	Objective
2022	2021		Formerly	new		
140	140	MLR-1	Apr.21 - Nov. 24	Mar.23 - Nov.24	- May. 22 - Feb. 23, repayment of interest each month - From Mar.23 onwards, repayment with principle Baht 1.95 million per month	Plant construction for prestressed concrete pile
60	60	MLR-1	Apr.21 - Nov.24	Mar.23 - Nov.24	- May. 22 - Feb.23, repayment of interest each month - From Mar.23 onwards, repayment with principle Baht 0.85 million per month	Purchase machinery and equipment for prestressed concrete pile
109	109	MLR	Apr.21 - May.28	Mar.23 - May.28	- May. 22 - Feb.23, repayment of interest each month - From Mar.23 onwards, repayment with principle Baht 1.40 million per month	To improve area and invest in machinery, equipment Project Segment Phase 1
71	71	MLR	Jun.21 - Jul.28	Mar.23 - Jul.28	- May. 22 - Feb.23, repayment of interest each month - From Mar.23 onwards, repayment with principle Baht 0.91 million per month	To improve area and invest in machinery, equipment Project Segment Phase 2
<u>380</u>	<u>380</u>					

Such loan has conditions to maintain debt to equity ratio not over 2.0 times and DSCR not less than 1.20 times of the separate financial statements and the beneficiary of insurance on construction is transferred to bank

Long-term loans credit facilities of the subsidiaries as follow:

Credit facilities (million Baht)		Interest (%)	Repayment Period		Repayment term	Objective
2022	2021		Formerly	new		
174.50	174.50	MLR-2	Apr.22 - May.26	Jun.23 - May.27	- Jun.22 - May.23, repayment of interest each month - Jun.23 - Mar.25, repayment of interest with principle Baht 1.67 million per month - Apr.25 - Mar.26, repayment of interest with principle Baht 2.00 million per month - From Apr.26 onwards, repayment of interest with principle Baht 2.50 million per month	Plant construction for special qualified PC Wire and PC Stand
225.50	225.50	MLR-2	Apr.22 - Mar.26	Jun.23 - Mar.27	- Jun.22 - May.23, repayment of interest each month - Jun.23 - Mar.25, repayment of interest with principle Baht 2.13 million per month - Apr.25 - Mar.26, repayment of interest with principle Baht 2.56 million per month - From Apr.26 onwards, repayment of interest with principle Baht 3.20 million per month	Purchase of machinery and equipment related with manufacturing of special qualified PC Wire and PC Stand

Credit facilities (million Baht)		Interest (%)	Repayment Period		Repayment term	Objective
2022	2021		Formerly	new		
150.00	150.00	MLR-1	May.22 - Mar. 28	Jul.23 - Oct.29	<ul style="list-style-type: none"> - Jul.22 - Jun.23, repayment of interest each month - Jul.23 - Apr.25, repayment of interest with principle Baht 1.00 million per month - May.25 - Apr.27, repayment of interest with principle Baht 1.60 million per month - From May.27 onwards, repayment of interest with principle Baht 2. 75 million per month 	Plant construction for spun pile concrete.
250.00	250.00	MLR-1	May.22 - Mar.28	Jul.23 - Oct.29	<ul style="list-style-type: none"> - Jul.22 - Jun.23, repayment of interest each month - Jul.23 - Apr.25, repayment of interest with principle Baht 2.00 million per month - May.25 - Apr.27, repayment of interest with principle Baht 2.80 million per month - From May.27 onwards, repayment of interest with principle Baht 3.90 million per month 	Purchase of machinery and equipment related with manufacturing of spun pile concrete.
37.00	37.00	MLR-2	Jun.22 - Nov.28	Jul.23 - Nov.29	<ul style="list-style-type: none"> - Jul.22 - Jun.23, repayment of interest each month - Jul.23 - Mar.25, repayment of interest with principle Baht 0.32 million per month - Apr.25 - Mar.26, repayment of interest with principle Baht 0.38 million per month - From Apr.26 onwards, repayment of interest with principle Baht 0.48 million per month 	Purchase of machinery and equipment related with manufacturing of special qualified
<u>837.00</u>	<u>837.00</u>					

Long-term loan of subsidiaries has conditions to maintain debt to equity ratio and debt service coverage ratio and the Company must hold shares in subsidiaries as specified in agreement and the beneficiary of insurance on construction is transferred to bank.

As at 31 December 2022, the Group was unable to maintain the financial ratio as stipulated in the loan agreement with the financial institution which was not compliance with loan agreement's condition. However, the Group has requested the consent letter from financial institution and the financial institution accepted to process as requested within the reporting period.

27. LEASES LIABILITIES

The movement of lease liabilities for the years ended December 31, 2022 and 2021 are presented below

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
As at January 1,	87,555	65,009	84,787	60,448
Addition	19,522	40,421	19,522	39,762
Cancelation of contract	-	(525)	-	-
Repayments	(26,157)	(17,350)	(24,965)	(15,423)
As at December 31,	80,920	87,555	79,344	84,787
<u>Less: Portion due within one year</u>	<u>(45,428)</u>	<u>(33,039)</u>	<u>(44,239)</u>	<u>(31,847)</u>
Lease liabilities - net of current portion	<u>35,492</u>	<u>54,516</u>	<u>35,105</u>	<u>52,940</u>

The following are the amounts recognized in profit or loss for the years ended December 31, 2022 and 2021

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Depreciation of right-of-use assets	21,850	27,877	20,755	25,940
Interest expense on lease liabilities	4,256	4,555	4,141	4,332
Expense relating to short-term lease	8,154	7,469	8,154	7,469
Total	<u>34,260</u>	<u>39,901</u>	<u>33,050</u>	<u>37,741</u>

28. PROVISIONS FOR EMPLOYEE BENEFIT

Provisions for employee benefit consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Post - employee benefits	27,563	34,636	23,517	30,121
Other long-term employee benefits	708	1,273	587	1,109
Total	28,271	35,909	24,104	31,230
<u>Less Current portion</u>	<u>(3,723)</u>	<u>(4,858)</u>	<u>(2,121)</u>	<u>(4,858)</u>
Net	<u>24,548</u>	<u>31,051</u>	<u>21,983</u>	<u>26,372</u>

Movement of provisions for employee benefit for the years ended December 31, 2022 and 2021 were as follow:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Beginning balance	35,909	31,662	31,230	27,296
Benefits paid by the plan during the period	(4,296)	(673)	(4,296)	(673)
Current service costs	4,323	4,391	3,362	3,431
Interest during the year	515	472	432	407
Actuarial (gains) losses on re-measurement of defined benefit plans	(7,671)	(32)	(6,192)	623
Actuarial (gains) losses of other long-term employee benefit	(510)	89	(432)	146
<u>Less</u> Provision for employee benefit due within one year	(3,722)	(4,858)	(2,121)	(4,858)
Ending balance	<u>24,548</u>	<u>31,051</u>	<u>21,983</u>	<u>26,372</u>

Expense recognized in the statements of comprehensive income:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Actuarial (gains) losses of other long-term employment benefit	(510)	89	(432)	146
Current service costs				
Cost of sales	2,054	2,124	1,691	1,752
Selling and administrative expenses	2,269	2,267	1,671	1,679
Interest on obligation	515	472	432	407
	<u>4,838</u>	<u>4,863</u>	<u>3,794</u>	<u>3,838</u>
Total	<u>4,328</u>	<u>4,952</u>	<u>3,362</u>	<u>3,984</u>

Actuarial (gain) losses on re-measurement of defined benefit plans

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Actuarial (gain) losses arising form				
Changes in demographic assumptions	-	-	-	-
Changes in financial assumptions	(4,184)	580	(3,646)	522
Experience adjustments	(3,487)	(612)	(2,546)	101
Total	<u>(7,671)</u>	<u>(32)</u>	<u>(6,192)</u>	<u>623</u>

Sensitivity analysis

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2022 and 2021 are summarized below:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Discount rate				
1% increase	(2,299)	(2,961)	(1,977)	(2,486)
1% decrease	2,659	3,449	2,276	2,875
Salary increase rate				
1% increase	2,498	3,560	2,134	2,975
1% decrease	(2,200)	(3,109)	(1,889)	(2,616)
Turnover rate				
20% increase	(2,233)	(3,244)	(2,011)	(2,858)
20% decrease	2,682	4,003	2,425	3,542

Principal actuarial assumptions at the reporting date

	%			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Discount rate	2.52 - 3.45	1.17 - 1.82	2.52 - 3.15	1.17 - 1.49
Salary increase rate	4.00	4.00	4.00	4.00
Employee turnover rate	1.91 - 30.08	1.91 - 30.08	3.34 - 30.08	3.34 - 30.08
Disability rate	Included in mortality	Included in mortality	Included in mortality	Included in mortality
Mortality rate	105.00 of Thai mortality table 2017	105.00 of Thai mortality table 2017	105.00 of Thai mortality table 2017	105.00 of Thai mortality table 2017

29. SHARE CAPITAL

29.1 Share Premium

Section 51 of the Public Limited Companies Act B.E. 2535, requires a company to set aside share subscription monies received in excess amount of the par value of the shares issued to a reserve account (“share premium”). Share premium is not available for dividend distribution.

Movement of the share capital and premium (discount) on ordinary shares for the year ended December 31, 2022 were summarized as follows:

	Thousand shares		Thousand Baht		
	Authorized shares capital	Issued and paid-up	Authorized share capital	Issued and paid-up	Premium (discount) on ordinary shares
		shares capital		shares capital	
Balance as at December 31, 2021	5,397,877	5,397,877	4,588,196	4,588,196	71,131
Increase in share capital	2,698,939	1,641,439	2,294,097	1,395,223	(1,017,692)
Attributable expenses of increase in share capital	-	-	-	-	(1,318)
Balance as at December 31, 2022	8,096,816	7,039,316	6,882,293	5,983,419	(947,879)

According to the 2022 Annual General Meeting of shareholders held on April 29, 2022, the shareholders resolved to approve the following significant matters:

- (1) The increase the Company's registered capital for the amount of Baht 2,294,097,804.90 from Baht 4,588,195,610.65 to Baht 6,882,293,415.55 by issuing 2,698,938,594 new ordinary shares at par value of 0.85 Baht per share.
- (2) The allotment of newly issued ordinary shares not exceeding 1,799,292,396 shares at par value 0.85 Baht per share offered to the existing shareholders in proportion to their shareholdings (Rights Offering) at the ratio of 3 existing ordinary shares to 1 newly issued ordinary share at offering price of 0.23 Baht per share, the fraction of a share from allotment calculation shall be totally rounded off.
- (3) The issuance and allotment warrants to purchase ordinary shares of the Company No. 5 ("GEL-W5 warrants") not exceeding 899,646,198 units to the existing shareholders of the Company, who subscribed and received the allotment of new ordinary shares issued and offered to the existing shareholders in proportion to their shareholdings (Rights Offering), the detail are as follow:

Type	Registered certificate and transferable
Issuing date	June 22, 2022
Number of warrants	820,719,448 units
Number of shares reserved to accommodate the exercise of the warrants	Not exceeding 899,646,198 shares (at the par value of THB 0.85) equivalent to 11.11 percent of the total issued shares of the Company after the offer for sale of the newly issued ordinary shares to the existing shareholders in proportion to 1,799,292,396 shares.
Offering method / Allocation ratio	The Company allocates warrant to the existing shareholders of the Company who have subscribed and been allocated for newly-issued ordinary shares in proportion to their existing shareholding at the allocation ratio of 2 newly-issued ordinary shares per 1 unit of warrants. In this regard, in the case where there are fractions of warrants from the calculation of the allocation, the fraction shall be rounded down.
Offering price per unit	Baht 0 per unit

Exercise ratio	1 unit of the Warrants is entitled to purchase 1 newly-issued ordinary share with the exception for the case of the adjustment of rights in accordance with the adjustment conditions.
Exercise price	Baht 0.50 per share with the exception of the case of the adjustment of rights in accordance with the adjustment conditions.
Term of warrants	3 years from the issuance date of Warrants
Exercise period	The last business day of June and December throughout the term of the warrants, if such date is a holiday, it has to postpone to the previous business day. The first exercise date is on July 19, 2022, and the last exercise date is the last business day of the 3-year maturity date from the issuance date (June 30, 2025).

- (4) The allotment of the increased capital shares not exceeding 899,646,198 shares at par value of 0.85 Baht per share reserving for the exercise of the warrants to purchase the ordinary shares of the Company No.5 (“GELW5” Warrants).

The Company has completed the action mentioned in (1) - (4) and registered the capital increase with the Ministry of Commerce on June 10, 2022.

29.2 Legal Reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

30. OTHER INCOMES

Other incomes consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Revenue from sales of steel and concrete	-	-	881	443
Management fee income	-	-	6,750	6,750
Rental income	-	-	5,000	5,000
Revenue from sales - supply used	19,296	7,183	12,813	7,782
Gain on disposal of fixed assets	4,205	635	4,205	635
Interest income	187	145	2,148	2,501
Gain from reversal of liabilities	7,162	-	7,162	-
Other services	4,696	-	4,696	-
Others income	6,322	5,763	7,032	5,315
Total	<u>41,868</u>	<u>13,726</u>	<u>50,687</u>	<u>28,426</u>

31. EXPENSES BY NATURE

Expenses by nature consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Changes in finished goods and work in progress	(39,505)	19,903	(64,371)	31,052
Purchase of finished goods	34,415	78,795	28,191	65,644
Raw materials and supplies used	1,367,617	719,592	1,093,386	673,904
Employee benefit expenses	273,639	234,203	247,011	208,851
Service fees	414,095	154,298	431,541	151,439
Installation costs	129,434	108,277	120,669	94,937
Labor costs	168,374	133,116	164,044	128,162
Depreciation and amortization expenses	180,444	159,254	130,869	108,851
Transportation expenses	132,000	64,591	128,484	58,165
Expected credit loss (reversal)	5,860	(6,585)	6,670	(4,470)
Reversal of allowance for devaluation on inventories	(7,122)	(5,694)	(5,395)	(7,151)
Losses from impairment of investment (reversal)	35,512	-	98,337	(2,080)

32. TAX EXPENSE

32.1 Major component of tax expense for the year ended December 31, 2022 and 2021 included:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Tax expense shown in profit or loss:				
Current tax expense:				
Tax expense for the year	-	-	-	-
Deferred tax expense :				
Changes in temporary differences relating to the original recognition and reversal	19,045	3,444	17,267	3,444
Total	19,045	3,444	17,267	3,444
Income tax relating to components of other comprehensive income:				
Gain (loss) on re-measurement of defined benefit plans	-	-	-	-
Gain (loss) from re-measurement of investment	44,112	70,010	44,112	70,010
Total	44,112	70,010	44,112	70,010

32.2 A numerical reconciliation between tax expense and the product of accounting profit multiplied by the applicable tax rate for the years ended December 31, 2022 and 2021 which were summarized as follows

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Accounting profit (loss) for the year	(131,684)	(103,264)	(68,595)	8,945
The applicable tax rate (%)	20	20	20	20
Tax expense (income) at the applicable tax rate	(26,337)	(20,653)	(13,719)	1,789
Reconciliation items:				
Tax effect of expenses that are not deductible in determining tax profit:				
- Expenses not allowed as expenses in determining taxable profit	24,422	772	24,552	241
Tax effect of income or profit that are not required in determining taxable profit:				
- Exemption of non-taxable dividend income	(1,354)	(487)	(1,330)	(487)
Tax effect of additional expense deductions allowed	-	(19)	-	(15)
Unrecognized tax losses on deferred tax assets	22,314	23,831	7,764	1,916
Total reconciliation items	45,382	24,097	30,986	1,655
Total tax expense (income)	19,045	3,444	17,267	3,444

As at December 31, 2022 and 2021, the Company and its subsidiaries had an accumulated loss (in tax) that was still unused of approximately Baht 760.41 million and Baht 682.31 million, respectively (for the Company : Baht 292.03 million and Baht 343.80 million), respectively. The Company and its subsidiaries above did not record deferred tax assets from such loss because there was an uncertainty whether the Company and its subsidiaries would have enough profit to utilize the benefits from deferred tax assets or not.

32.3 A numerical reconciliation between tax average effective tax rate and the application tax rate for the years ended December 31, 2022 and 2021 were summarized as follows:

	Consolidated financial statements			
	2022		2021	
	Tax amount (Thousand Baht)	Tax rate (%)	Tax amount (Thousand Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	(131,684)		(103,264)	
Tax expense (income) at the applicable tax rate	(26,337)	(20.00)	(20,653)	(20.00)
Reconciliation items	45,382	34.46	24,097	23.33
Tax expense (income) at the average effective tax rate	19,045	14.46	3,444	3.33

	Separate financial statements			
	2022		2021	
	Tax amount (Thousand Baht)	Tax rate (%)	Tax amount (Thousand Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	(68,595)		8,945	
Tax expense (income) at the applicable tax rate	(13,719)	(20.00)	1,789	20.00
Reconciliation items	30,986	45.17	1,655	18.50
Tax expense (income) at the average effective tax rate	17,267	25.17	3,444	38.50

33. OPERATING SEGMENT

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

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

- Manufacturing and distribution of concrete products
- Construction services
- Manufacturing and distribution of PC wire and PC strand

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 total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

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

Revenue and profit (loss) by segment operations

Details of revenue and profit (loss) by segment operations for the years ended December 31, 2022 and 2021 were as follows:

	Million Baht									
	Consolidated financial statements									
	Manufacturing and distribution of concrete products		Construction services		Manufacturing and distribution of PC wire and PC strand		Eliminated items		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenues from external customers	2,269	1,396	406	241	96	25	-	-	2,771	1,662
Revenues from inter-segments	3	2	-	-	255	63	(258)	(65)	-	-
Total revenue	2,272	1,398	406	241	351	88	(258)	(65)	2,771	1,662
Segment results	205	63	(19)	8	32	(19)	3	7	221	59
Dividend income									7	2
Gain from sale of warrants									6	61
Other income									42	14
Distribution costs and administrative expenses									(271)	(202)
Other gains (losses)									(6)	6
Loss from operating activities									(1)	(58)
Finance costs									(75)	(66)
Share of profit (loss) of associate and joint venture									(56)	21
Loss before income tax expense									(132)	(103)
Tax expense									(19)	(4)
Loss for the year									(151)	(107)
Timing of revenue recognition										
At a point in time	1,380	1,072	-	-	351	88	(258)	(65)	1,473	1,095
At a point over time	892	326	406	241	-	-	-	-	1,298	567
									2,771	1,662

	Million Baht									
	Consolidated financial statements									
	Manufacturing and distribution of concrete products and construction services				Manufacturing and distribution of PC wire and PC strand		Eliminated items		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Total assets	7,273	6,691	597	630	(805)	(777)	7,065	6,544		
Total liabilities	2,837	2,312	504	543	(183)	(266)	3,158	2,589		

Geographic information

The Company and its subsidiaries operate in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the year ended December 31, 2022, the Company and its subsidiaries have revenue 1 major customer in amount of Baht 312.81 million.

For the years ended December 31, 2021, the Company and its subsidiaries have revenue from major customers not over 10% of the total revenue.

34. PROMOTIONAL PRIVILEGES

Subsidiaries obtained promotional privileges from the Board of investment under the promotional certificate issued on November 17, 2016 for manufacturing of metal product. Under these privileges, the Company has received an exemption from certain taxes and corporate income tax as specified in such promotional certificate for a period of 7 years, commencing from the first date the subsidiary generates income from operations. As a promoted business, the subsidiary is required to comply with the terms and conditions as specified in such promotional certificate. The subsidiary has not started production from investment promotion benefits and privileges

35. PROVIDENT FUND

The Company and its subsidiaries established a contributory registered provident fund covering all permanent employees in accordance with the Provident Fund Act B.E.2530.

Under the provident fund plan, employees' and Company's and its subsidiaries' contributions are equivalent to certain percentages of employees' basic salaries. The employees are entitled to the Company's and its subsidiaries' contributions in accordance with the rules and regulations of the fund and on the length of service with the Company and its subsidiaries. The Company and its subsidiaries appointed a fund manager to manage the fund in accordance with the terms and conditions prescribed in the Provident Fund Act.

The Company's and its subsidiaries' contributions for the years ended December 31, 2022 and 2021 were amounted to Baht 3.03 million and Baht 3.25 million (for the Company : Baht 2.70 million and Baht 2.82 million), respectively.

36. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Changes in the liabilities arising from financing activities for the years ended December 31, 2022 and 2021 are as follows:

	Thousand Baht			
	Consolidated financial statements			
	Balance as at January 1, 2022	Cash flows Increase (decrease)*	Non-cash transaction Increase	Balance as at December 31, 2022
Short-term borrowings from financial institutions	631,420	277,041	-	908,461
Short-term loans from other person	10,122	9,498	-	19,620
Long-term borrowings from financial institutions	902,346	(76,268)	485	826,563
Liabilities under a finance lease agreement	87,555	(26,157)	19,522	80,920
Total	<u>1,631,443</u>	<u>184,114</u>	<u>20,007</u>	<u>1,835,564</u>

	Thousand Baht			
	Consolidated financial statements			
	Balance as at	Cash flows	Non-cash transaction	Balance as at
	January 1, 2021	Increase (decrease)*	Increase	December 31, 2021
Short-term borrowings from financial institutions	603,108	27,551	761	631,420
Short-term loans from other person	-	10,122	-	10,122
Long-term borrowings from financial institutions	934,966	(32,967)	346	902,345
Liabilities under a finance lease agreement	65,009	(17,349)	39,895	87,555
Total	<u>1,603,083</u>	<u>(12,643)</u>	<u>41,002</u>	<u>1,631,442</u>

	Thousand Baht			
	Separate financial statements			
	Balance as at	Cash flows	Non-cash transaction	Balance as at
	January 1, 2022	Increase (decrease)*	Increase	December 31, 2022
Short-term borrowings from financial institutions	427,738	268,487	-	696,225
Short-term loans from other person	10,122	9,498	-	19,620
Short-term loan and interest payable from subsidiary	116,123	(116,123)	-	-
Long-term borrowings from financial institutions	214,180	(55,363)	197	159,014
Liabilities under a finance lease agreement	84,787	(24,965)	19,522	79,344
Total	<u>852,950</u>	<u>81,534</u>	<u>19,719</u>	<u>954,203</u>

	Thousand Baht			
	Separate financial statements			
	Balance as at	Cash flows	Non-cash transaction	Balance as at
	January 1, 2021	Increase (decrease)*	Increase	December 31, 2021
Short-term borrowings from financial institutions	395,440	32,359	(61)	427,738
Short-term loans from other person	-	10,122	-	10,122
Short-term loan and interest payable from subsidiary	182,005	(65,882)	-	116,123
Long-term borrowings from financial institutions	246,932	(32,967)	215	214,180
Liabilities under a finance lease agreement	60,448	(15,423)	39,762	84,787
Total	<u>884,825</u>	<u>(71,791)</u>	<u>39,916</u>	<u>852,950</u>

* Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows.

37. FINANCIAL INSTRUMENTS

37.1 Risk management

The Company and its subsidiaries manage their financial risk exposure on financial assets and financial liabilities in the normal business by its internal management and control system, and the Company and its subsidiaries do not hold or issue derivative financial instruments for speculative or trading purposes.

37.2 Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade and other receivables, receivables under installment sale agreements and short-term loans to related party. The management of the Company and its subsidiaries manage this risk by establishing appropriate credit control policies and procedures. Therefore, it does not expect to incur material losses from debt collection more than the amount already provided in the expected credit loss. In addition, credit of the Company and its subsidiaries is not concentrated because the Company and its subsidiaries have a diverse and large customer base. The maximum amount that the Company and its subsidiaries may incur on credit is the carrying amount of the receivable. Other receivables and notes receivable presented in the statement of financial position

37.3 Interest rate risk

The Company and its subsidiaries are exposed to interest rate risk relates primarily to its cash at banks, receivables under installment sale agreements, short-term loan to related party, restricted deposits at financial institution, short-term loans from financial institution, short-term loan from related parties, long-term loans from banks and lease liabilities. However, most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market. However, the management believed that the future fluctuation on market interest rate would not provided significant effect to their operations and cash flows, therefore; no financial derivative was adopted to manage such risks.

As at December 31, 2022 and 2021, the significant financial assets and financial liabilities classified by types of interest rates were as follows:

	Thousand Baht				
	Consolidated financial statements				
	2022				
	Fixed interest rate	Floating interest rate	Interest - free	Total	Interest rate (% per annum)
Financial assets					
Cash and cash equivalents	106	83,170	392	83,668	0.15 - 0.55
Trade and other current receivables	-	-	724,782	724,782	-
Retention receivables	-	-	144,850	144,850	-
Restricted deposits at financial institutions	51,820	-	-	51,820	0.35 - 0.55
Investment in equity	-	-	570,627	570,627	-
Financial liabilities					
Short-term loans from financial institutions	-	908,461	-	908,461	4.65 - 6.35
Trade and other current payables	-	-	768,813	768,813	-
Short-term loans from other person	19,620	-	-	19,620	7.00
Long-term loans from financial institutions	-	826,563	-	826,563	MLR, MLR-1, MLR-2
Lease liabilities	80,920	-	-	80,920	4.25 - 6.50

Thousand Baht					
Consolidated financial statements					
2021					
	Fixed interest rate	Floating interest rate	Interest - free	Total	Interest rate (% per annum)
<u>Financial assets</u>					
Cash and cash equivalents	59	11,167	3,902	15,128	0.05 - 0.15
Trade and other current receivables	-	-	294,506	294,506	-
Retention receivables	-	-	100,302	100,302	-
Other current financial asset	-	-	5,599	5,599	-
Restricted deposits at financial institutions	17,360	-	-	17,360	0.125 - 0.250
Investment in equity	-	-	808,130	808,130	-
<u>Financial liabilities</u>					
Short-term loans from financial institutions	-	631,420	-	631,420	3.097 - 5.250
Trade and other current payables	-	-	630,480	630,480	-
Short-term loans from other person	10,122	-	-	10,122	7.00
Long-term loans from financial institutions	-	902,346	-	902,346	MLR, MLR-1, MLR-2
Lease liabilities	87,555	-	-	87,555	4.250 - 6.100

Thousand Baht					
Separate financial statements					
2022					
	Fixed interest rate	Floating interest rate	Interest - free	Total	Interest rate (% per annum)
<u>Financial assets</u>					
Cash and cash equivalents	106	83,138	296	83,540	0.15 - 0.55
Trade and other current receivables	-	-	734,841	734,841	-
Retention receivables	-	-	144,802	144,802	-
Restricted deposits at financial institutions	51,820	-	-	51,820	0.35 - 0.55
Investment in equity	-	-	570,627	570,627	-
<u>Financial liabilities</u>					
Short-term loans from financial institutions	-	696,225	-	696,225	4.65 - 6.35
Trade and other current payables	-	-	786,405	786,405	-
Short-term loans from other person	19,620	-	-	19,620	7.00
Long-term loans from financial institution	-	159,014	-	159,014	MLR, MLR-1
Lease liabilities	79,344	-	-	79,344	4.25 - 6.50

	Thousand Baht				
	Separate financial statements				
	2021				
	Fixed interest rate	Floating interest rate	Interest - free	Total	Interest rate (% per annum)
<u>Financial assets</u>					
Cash and cash equivalents	59	11,120	3,850	15,029	0.050 -0.150
Trade and other current receivables	-	-	317,278	317,278	-
Retention receivables	-	-	97,507	97,507	-
Other current financial asset	-	-	5,599	5,599	-
Short-term loan and interest receivable to subsidiary	-	72,186	496	72,682	MOR, MLR-0.5, MLR-1
Restricted deposits at financial institutions	17,360	-	-	17,360	0.125 - 0.250
Investment in equity	-	-	808,130	808,130	-
<u>Financial liabilities</u>					
Short-term loans from financial institutions	-	427,738	-	427,738	4.25 - 5.57
Trade and other current payables	-	-	528,668	528,668	-
Short-term loans from other person	10,122	-	-	10,122	7.00
Short-term loan and interest payable from subsidiary	-	115,264	859	116,123	MLR-0.5, MLR-1
Long-term loans from financial institution	-	214,180	-	214,180	MLR, MLR-0.5, MLR-1, MLR-2
Lease liabilities	84,787	-	-	84,787	4.250 - 6.100

37.5 Foreign currency risk

The Company and its subsidiary companies incurred risk foreign currencies exchange due to the Company and its subsidiaries had transaction of purchases or sales which were denominated in foreign currencies. the Company and its subsidiaries did not enter into and forward exchange contract to hedge the risk on exchange rates.

As at December 31, 2022 and 2021, outstanding balances of the Company's and subsidiaries' financial assets and liabilities denominated in foreign currencies are summarised below.

	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2022	2021	2022	2021	2022	2021
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per foreign currency unit)	
US Dollar	-	-	242	747	34.5624	33.4199
Euro	-	-	76	12	36.8274	37.8948
Yen	120	68	-	-	0.26091	0.2906
<u>Separate financial statements</u>						
	Financial assets		Financial liabilities		Average exchange rate	
	2022	2021	2022	2021	2022	2021
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per foreign currency unit)	
	2022	2021	2022	2021	2022	2021
US Dollar	-	-	242	184	34.5624	33.4199
Euro	-	-	63	-	36.8274	-

For the years ended December 31, 2022 and 2021, the aggregate net foreign exchange gains (losses) recognized in profit or loss are as follow:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Unrealized gain (loss) on exchange rates	137	(775)	256	61
Gain (loss) on exchange rates				
- Income	849	30	-	-
- administrative expense	(5)	(918)	(55)	(270)
Total net gain (loss) on exchange rate recognized in profit before income tax	<u>981</u>	<u>(1,663)</u>	<u>201</u>	<u>(209)</u>

37.6 Liquidity risk

The Company and its subsidiaries manage its liquidity risk by maintaining adequate level of cash and cash equivalents to support the Company's and its subsidiaries' operations as well as securing short-term credit facilities from financial institutions for reserve as necessary and to reduce the impact of fluctuations in cash flow.

37.7 Fair value of financial instruments

The carrying amount of financial assets and financial liabilities as presented in the statement of financial position are mostly bear floating interest rates or fixed interest rates which are close to market rate. The management believes that the fair value of those financial assets and financial liabilities does not materially differ from their carrying amount.

38. CAPITAL MANAGEMENT

The primary objective of capital management of the Company and its subsidiaries is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern. According to the statement of financial position as at December 31, 2022, the Group's debt-to-equity ratio was 0.81 : 1 (as at December 31, 2021 was 0.65 : 1) and the Company's was 0.52 : 1 (as at December 31, 2021 was 0.38 : 1).

39. EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share is calculated by dividing the profit (loss) 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

Diluted earnings (loss) per share is computed by dividing profit (loss) for the period by the aggregate amount of the weighted average number of ordinary shares issued during the period and the weighted average number of ordinary shares which the Company may have to issue for conversion of warrants to ordinary shares.

However, the Company did not include the warrant GEL-W5 in calculating the diluted earnings per shares from warrant because the average share price during this period was lower than the exercise price.

	Consolidated financial statements		Separate financial statements	
	2022	2021	2021	2020
Profit (loss) for the year of parent company (Thousand Baht)	(140,795)	(93,442)	(85,862)	5,501
Weighted average number of ordinary shares (Thousand shares)	6,319,781	5,397,877	6,319,781	5,397,877
Basic earnings (loss) per share (Baht per share)	(0.02228)	(0.01731)	(0.01359)	0.00102

40. COMMITMENTS AND CONTINGENT LIABILITIES

40.1 Commitments

As at December 31, 2022 and 2021, the Group had opened credit facilities as follows:

	Thousand Baht					
	Consolidated financial statements					
	2022			2021		
	Total	Utilized	Remained	Total	Utilized	Remained
Letters of guarantee	1,117,589	(647,129)	470,460	680,160	(499,539)	180,621
Bank overdraft and others	1,632,388	(1,029,316)	603,072	881,400	(649,953)	231,447
Long-term loan	1,217,000	(1,184,000)	33,000	1,217,000	(1,184,000)	33,000

	Thousand Baht					
	Separate financial statements					
	2022			2021		
	Total	Utilized	Remained	Total	Utilized	Remained
Letters of guarantee	1,057,433	(590,851)	466,582	612,555	(449,274)	163,281
Bank overdraft and others	1,442,388	(848,238)	594,150	691,400	(464,243)	227,157
Long-term loan	380,000	(362,900)	17,100	380,000	(362,900)	17,100

40.2 Service agreement and operating lease commitments

As at December 31, 2022 and 2021, the Group had future minimum lease and service payments required under these service agreements and operating lease agreements were as follows:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Payable:				
In up to 1 year	647	647	618	618
In over 1 and up to 5 years	1,054	1,701	1,029	1,647

40.3 Commitments relating to contracts for sale of goods and services

As at December 31, 2022 and 2021, the Group had contracts for sale of goods and services with customers for which the products or services have not yet been delivered in the amount of Baht 3,609 million and Baht 4,124 million (for the Company amounting to Baht 3,284 million and Baht 3,820 million), respectively.

40.4 Commitments relating to purchase of equipments and subcontracted work commitments

As at at December 31, 2022 and 2021, the Company and its subsidiary have outstanding commitments of Baht 685.29 million and Baht 325.02 million in respect of purchase equipment materials and subcontracted work (for the Company: Baht 684.90 million and Baht 320.16 million), respectively.

40.5 Contingent liabilities relating to guarantees

(1) As at December 31, 2022 and 2021, there were bank guarantees of approximately Baht 543.70 million and Baht 473.11 million (for the Company: Baht 519.74 million and Baht 441.70 million), respectively. issued by banks on behalf of the Company and the subsidiary in respect of certain performance bonds as required in the normal course of business. Details of bank guarantees were as follows:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Guarantee of advance payment bond and retention	347,733	277,930	341,857	272,063
Guarantee of job auction	1,206	2,745	100	600
Other guarantees	194,759	192,432	177,784	169,040
Total	543,698	473,107	519,741	441,703

- (2) As at December 31, 2022 and 2021, the Company had a commitment by issuing a letter of guarantee with a bank together with a related company amounting to Baht 172.81 million (USD 5.00 million) and Baht 167.10 million (USD 5.00 million), respectively to guarantee credit facilities of the joint venture. The credit line is guaranteed by common shares in the joint venture.
- (3) As at December 31, 2022 and 2021, the Company has commitments to provide a guarantee and advance received in the amount of Baht 4.75 million and Baht 2.86 million, respectively.

40.6 Contingent liabilities related to litigation

On February 28, 2022, a company filed a lawsuit with the Civil Court against the subsidiary, for non-compliance with the contract and claiming damages including interest amounting to Baht 3.60 million. At present, the case is in the process of investigating witnesses on May 11-23, 2023. The Company and its subsidiary's management believed that there will be no significant losses to the subsidiary from such lawsuit. Therefore, the provision has not been recorded in the account.

41. ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for credit facilities were as follow:

	Note	Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Non-current assets					
Restricted deposits with financial institutions	13	51,820	17,360	51,820	17,360
Investment in equity	14	460,117	583,462	460,117	583,462
Investment in associate and joint venture	16	217,634	310,567	231,106	329,444
Investment property	17	987,930	987,930	1,280,650	1,280,650
Property, plant and equipment	18	1,953,508	1,946,515	812,200	760,334
Total assets pledged as security		<u>3,671,009</u>	<u>3,845,834</u>	<u>2,835,893</u>	<u>2,971,250</u>

42. EVENTS AFTER THE REPORTING PERIOD

In accordance with the Board of Directors Meeting No. 1/2023 held on January 13, 2023 the Board of Directors passed a resolution to propose to the Annual General Meeting of Shareholders for the year 2023 for consideration and approval the following significant matters:

42.1 The investment in Inno Precast Company Limited ("Inno Precast") representing 51.00% of the total shares of Inno Precast (which consists of 1,020,000 common shares, from the total 2,000,000 common shares of Inno Precast), which the investment will be made by way of the Company acquiring and accepting the transfer of the entire business of Quartz Holding 1 Company Limited ("Quartz Holding 1"), who holds 1,020,000 ordinary shares, representing 51.00% of the total shares of Inno Precast. In this regard, Inno Precast and Quartz Holding 1 are subsidiary companies of Pruksa Holding Public Company Limited ("PSH") group, whereby Inno Precast operates its business by producing and distributing precast (concrete product for use in construction works) and Quartz Holding 1 is a company which engages its core business by holding shares in Inno Precast in the proportion of 51.00%, which was established by PSH under its precast business restructuring plan ("Investment Transaction by way of Accepting the Entire Business Transfer"). The investment in 1,020,000 ordinary shares (51.00%) of Inno Precast by way of accepting the entire business transfer of Quartz Holding 1 above at a total purchase value of Baht 581,910,000, the Company will pay for the whole amount by cash or by way of share swap, by issuing and allocating the newly issued ordinary shares of the Company (Private Placement) in accordance with the value of such investment to Quartz Holding 1 and/or shareholders of Quartz Holding 1 (PSH). The value of such investment can be calculated from the fair value of Inno Precast at 51.00%, upon comparison between the fair value of the Company and after the negotiation, the Board of Directors resolved to approve the issuance and allocation of the newly issued ordinary shares of the Company in the amount of 1,572,729,730 shares by way of private placement, at the par value of Baht 0.85 per share to Quartz Holding 1 and/or shareholders of Quartz Holding 1 (PSH), who are not connected persons of the Company, as a payment for the Investment Transaction by way of Accepting the Entire Business Transfer from Quartz Holding 1. In this regard, the aforementioned newly issued ordinary shares of the Company that will be issued and allocated as a payment represents 18.26% of the total issued ordinary shares of the Company after the capital increase and completion of the transaction, and represented as the offering price at the price of Baht 0.37 per shares ("Issuance of the Newly Issued Ordinary Shares Transaction"), as a result, after the completion of the transaction, the PSH group will acquire shares and be a major shareholder of the Company.

Subsequently, on January 16, 2023, the Company entered into an agreement relating to the acquisition transaction by the entire business transfer and the issuance of newly issued ordinary shares with the PSH Group.

- 42.2 The Company registered capital decrease by Baht 134,175,177.50 from the current registered capital of Baht 6,882,293,415.55 to be the new registered capital of Baht 6,748,118,238.05, by cancelling 157,853,150 ordinary shares of the Company that have not been sold, at the par value of Baht 0.85, which were issued to serve the offering of the newly issued ordinary shares to the existing shareholders of the Company in accordance with their shareholdings (Right Offering), pursuant to the Resolution of the Annual General Meeting of Shareholders for the year 2022, held on April 29, 2022.
- 42.3 The Company registered capital increase by Baht 1,336,820,270.50 from the current registered capital of Baht 6,748,118,238.05 to be the new registered capital of Baht 8,084,938,508.55 by issuing 1,572,729,730 newly issued ordinary shares at the par value of Baht 0.85 per shares as a payment for the Investment Transaction by way of Accepting the Entire Business Transfer.
- 42.4 The allocation of the newly issued ordinary shares of not exceeding 1,572,729,730 shares, at the par value of Baht 0.85 by way of private placement, to Quartz Holding 1 and/or shareholders of Quartz Holding 1 (PSH), who are not connected persons of the Company, as a payment for the Investment Transaction by way of Accepting the Entire Business Transfer. In case of a payment by way for share swap, Quartz Holding 1 and/or shareholders of Quartz Holding 1 will offer the entire business of Quartz Holding, which is 1,020,000 ordinary shares in Inno Precast (representing 51.00% of the total shares of Inno Precast) at the par value of Baht 100, represented as the total value of Baht 581,910,000, as a payment for the newly issued ordinary shares of the Company by other assets instead of paying in cash.

43. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Company's board of directors on February 28, 2023.