

Lanna Resources Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 December 2023

Independent Auditor's Report

To the Shareholders of Lanna Resources Public Company Limited

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

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

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

Revenue recognition

Major revenue of the Group is derived from production and distribution of coal and ethanol. The Group recognised revenue, based on the contractual price, when control of goods is transferred to the customer, generally on delivery goods. The price is based on the market price with adjusted by other factors. Revenue from sales is a significant account because the amount of revenue from sales is material and directly affects the Group's profit or loss. In addition, selling prices are based on the fluctuated market price and current demands. I therefore gave significant attention to the revenue recognition of the Group.

I have examined the revenue recognition of the Group by assessing and testing its internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls, applying a sampling method to select sales agreements to assess whether revenue recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Group's policy, on a sampling basis, examining supporting documents for actual sales transactions occurring during the year and near the end of the accounting period, reviewing credit notes that the Group issued after the period-end and performing analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Coal reserve estimates for the overseas subsidiaries

Coal reserves are estimates of the amounts of coal that can be economically and legally extracted by the subsidiary companies. The subsidiary companies determine and report their coal reserves under the Australasian Code for Reporting, Exploration Results, Mineral Resources and Ore Reserves (Joint Ore Reserves Committee Code).

Estimating coal reserves requires the use of assumptions about a range of geological, technical and economic factors, including production quantities, production techniques, stripping ratio, production costs, transport costs, commodity demand, coal prices and exchange rates.

Estimating the quantity and/or calorific value of coal ore reserves requires the size, shape and depth of coal ore bodies or fields to be determined through an analysis of geological data such as drilling data, samples and topography. The process of making judgements with respect to such geological data is complex and difficult.

Because the economic assumptions used to estimate the reserves change from period to period, and because additional geological data may be generated during the course of operations, the estimates of reserves may change from period to period.

Changes in reported reserves may affect the subsidiary companies' financial results and financial position in a number of ways, including the following:

- Assets' carrying values may be affected by changes in estimated future cash flows.
- Depreciation, depletion and amortisation charges in the statements of income and other comprehensive income may change when such charges are determined by the units of production basis, or when the useful economic lives of assets change.
- Overburden removal costs recorded in the statements of financial position or charged to the statement of income and other comprehensive income may change due to changes in stripping ratios.
- Decommissioning costs and provisions for site and environmental restoration may change due to changes in estimated reserves which result from the timing or cost of these activities.
- The recognised value of deferred tax assets/liabilities may change due to changes in estimates of the recoverable amounts of the tax benefits.

I audited the coal reserve estimates by assessing the competency and capability of the management and the expert used by the management to estimate the subsidiary companies' coal reserves as of 31 December 2023. In addition, I tested the significant assumptions used by the management and the expert in the estimation, especially the assumptions relating to coal prices, production levels and discount rate determination. I also reviewed the disclosure of the accounting policy relating to the estimation of coal reserves in the notes to the financial statements.

Goodwill

As at 31 December 2023, the Company recorded goodwill amounting to Baht 186 million, as disclosed in Note 18 to the financial statements. The assessment of goodwill impairment is a significant accounting estimate requiring the management to exercise a high degree of judgement in identifying the cash generating unit, estimating the cash inflows that are expected to be generated from the group of assets in the future, and setting an appropriate discount rate and long-term growth rate. This will affect the appropriateness of the amount of goodwill.

I assessed the identification of cash generating units and the financial models selected by the management by making enquiry of the management and gaining an understanding of its decision-making process to assess whether the decisions made were consistent with how the assets are utilised. In addition, I tested the significant assumptions applied by the management in preparing estimates of the cash flows expected to be realised from the assets, by comparing those assumptions with information from both internal and external sources and comparing past cash flow projections to actual operating results in order to evaluate the exercise of management judgement in estimating the cash flow projections. I also evaluated the discount rate applied by the management through analysis of the weighted average finance costs of the Company and of the industry, tested the calculation of the recoverable amounts of the assets using the selected financial model and considered the impact of changes in key assumptions on those recoverable amounts, especially changes in the discount rate and long-term revenue growth rates. Moreover, I reviewed the disclosures made with respect to the impairment assessment for goodwill.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

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

Patcharawan Koonarangsri
Certified Public Accountant (Thailand) No. 6650

EY Office Limited
Bangkok: 28 February 2024

Lanna Resources Public Company Limited and its subsidiaries

Statements of financial position

As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements	
		31 December 2023	31 December 2022 (Restated)	1 January 2022	31 December 2023	31 December 2022
Assets						
Current assets						
Cash and cash equivalents	7	1,701,749,746	3,028,665,581	2,163,717,638	986,124,056	987,797,900
Restricted bank deposits	7	1,015,202,288	-	-	-	-
Trade and other receivables	6, 8	2,123,602,962	1,879,511,509	1,666,080,907	681,828,114	485,253,319
Inventories	9	570,023,420	583,222,248	525,524,689	125,018,859	207,636,155
Value added tax refundable		985,071,520	814,917,047	692,662,696	-	-
Prepaid income tax		200,695,400	66,446,656	124,011,809	-	-
Advance payments for goods	6, 10	35,013,261	584,317,937	316,458,238	-	56,925,943
Other current financial assets	11	1,595,888,347	1,443,575,752	551,099,427	1,594,800,000	1,442,502,000
Other current assets		405,530,453	264,066,430	130,312,145	2,973,059	2,550,936
Total current assets		8,632,777,397	8,664,723,160	6,169,867,549	3,390,744,088	3,182,666,253
Non-current assets						
Restricted bank deposits	7	393,422,374	434,882,799	343,225,261	-	-
Investments in subsidiaries	12	-	-	-	788,090,830	794,314,501
Investment in associated companies	13	496,503,007	383,383,012	173,043,466	59,328,216	59,328,216
Long-term loans to related party	6	32,801,780	90,193,557	105,810,553	32,801,780	90,193,557
Investment properties	14	46,668,628	50,149,229	57,532,539	28,690,851	29,451,251
Biological assets	15	18,965,621	15,168,924	11,577,452	-	-
Property, plant and equipment	16	3,967,190,725	3,997,391,238	4,027,175,313	340,376,508	335,704,558
Right-of-use assets	17	60,328,616	71,420,363	89,885,000	29,446,866	34,890,032
Goodwill	18	185,999,788	185,999,788	185,999,788	-	-
Intangible assets	19	39,144,616	75,255,851	106,572,894	36,338,782	73,127,534
Deferred tax assets	31	41,569,684	70,338,379	51,637,098	56,701,678	61,637,889
Other non-current financial assets		7,217,264	5,718,268	7,948,761	4,783,005	3,307,380
Other non-current assets	20	909,417,327	909,177,690	691,702,949	-	-
Total non-current assets		6,199,229,430	6,289,079,098	5,852,111,074	1,376,558,516	1,481,954,918
Total assets		14,832,006,827	14,953,802,258	12,021,978,623	4,767,302,604	4,664,621,171

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

Lanna Resources Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements	
		31 December 2023	31 December 2022	1 January 2022	31 December 2023	31 December 2022
			(Restated)			
Liabilities and shareholders' equity						
Current liabilities						
Short-term loans from financial						
institutions	21	1,247,364,889	1,303,948,048	763,613,321	-	-
Trade and other payables	6, 22	577,604,845	743,885,759	529,705,439	45,083,874	43,360,506
Current portion of lease liabilities	17	29,325,364	29,607,889	30,422,602	13,409,479	11,737,171
Current portion of long-term loans from						
financial institutions	23	191,741,700	321,043,567	291,605,339	-	-
Accrued expenses		395,680,623	303,532,000	399,328,641	38,643,047	52,612,002
Income tax payable		319,649,510	1,005,939,280	915,767,113	-	-
Other current financial liabilities		7,648,827	8,348,119	4,578,048	4,063,221	4,761,052
Other current liabilities		<u>201,968,275</u>	<u>346,993,447</u>	<u>278,897,044</u>	<u>10,382,308</u>	<u>8,380,420</u>
Total current liabilities		<u>2,970,984,033</u>	<u>4,063,298,109</u>	<u>3,213,917,547</u>	<u>111,581,929</u>	<u>120,851,151</u>
Non-current liabilities						
Lease liabilities - net of current portion	17	35,714,690	44,846,470	62,536,430	18,241,573	25,193,457
Long-term loans from financial institutions						
- net of current portion	23	309,604,299	384,304,095	619,088,431	-	-
Provision for long-term employee						
benefits	24	201,446,555	203,761,340	203,689,998	50,850,432	51,164,299
Provision for mine reclamation and						
decommissioning costs	25	148,764,300	130,671,719	124,990,028	-	-
Deferred tax liabilities	31	<u>495,561,640</u>	<u>445,161,332</u>	<u>226,332,536</u>	<u>-</u>	<u>-</u>
Total non-current liabilities		<u>1,191,091,484</u>	<u>1,208,744,956</u>	<u>1,236,637,423</u>	<u>69,092,005</u>	<u>76,357,756</u>
Total liabilities		<u>4,162,075,517</u>	<u>5,272,043,065</u>	<u>4,450,554,970</u>	<u>180,673,934</u>	<u>197,208,907</u>

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

Lanna Resources Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 December 2023

(Unit: Baht)

	Consolidated financial statements			Separate financial statements		
	Note	31 December 2023	31 December 2022 (Restated)	1 January 2022	31 December 2023	31 December 2022
Liabilities and shareholders' equity (continued)						
Shareholders' equity						
Share capital						
Registered, issued and fully paid up						
524,999,679 ordinary shares of Baht 1 each		524,999,679	524,999,679	524,999,679	524,999,679	524,999,679
Share premium		680,400,000	680,400,000	680,400,000	680,400,000	680,400,000
Retained earnings						
Appropriated - Statutory reserve	26	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000
Appropriated - General reserve		1,310,600,000	1,310,600,000	1,310,600,000	1,310,600,000	1,310,600,000
Unappropriated		5,377,367,610	4,673,393,408	2,995,597,277	2,018,128,991	1,898,912,585
Other components of shareholders' equity		160,644,463	188,784,486	115,153,382	-	-
Equity attributable to owners of the Company		8,106,511,752	7,430,677,573	5,679,250,338	4,586,628,670	4,467,412,264
Non-controlling interests of the subsidiaries		2,563,419,558	2,251,081,620	1,892,173,315	-	-
Total shareholders' equity		10,669,931,310	9,681,759,193	7,571,423,653	4,586,628,670	4,467,412,264
Total liabilities and shareholders' equity		14,832,006,827	14,953,802,258	12,021,978,623	4,767,302,604	4,664,621,171
		-	-	-	-	-

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

Directors

Lanna Resources Public Company Limited and its subsidiaries

Income statements

For the year ended 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
			(Restated)		
Revenues					
Sales	6	22,873,672,560	25,194,402,675	1,875,874,736	1,954,425,285
Commission and marketing service income	6	-	-	302,739,351	269,218,388
Other income					
Dividend income	6, 12, 13	-	-	1,646,329,887	2,626,489,158
Service income	6	-	-	91,492,350	74,565,775
Gain on exchange		20,128,463	-	17,607,245	35,173,330
Others	6	84,447,279	100,819,818	2,092,694	11,723,389
Total other income		104,575,742	100,819,818	1,757,522,176	2,747,951,652
Total revenues		22,978,248,302	25,295,222,493	3,936,136,263	4,971,595,325
Expenses					
Cost of sales	6	11,690,398,515	10,607,583,383	1,691,999,317	1,705,368,829
Selling and distribution expenses		5,425,858,066	6,372,470,562	196,661,273	180,922,942
Administrative expenses		622,514,274	641,350,150	168,729,705	191,000,038
Loss on exchange		-	51,865,808	-	-
Total expenses	30	17,738,770,855	17,673,269,903	2,057,390,295	2,077,291,809
Operating profit		5,239,477,447	7,621,952,590	1,878,745,968	2,894,303,516
Share of profit from investments in associated companies					
	13	123,787,316	219,041,218	-	-
Finance income	28	72,843,904	29,454,083	34,780,989	10,504,935
Finance cost	6, 29	(85,565,507)	(55,989,975)	(2,456,118)	(2,473,077)
Profit before income tax		5,350,543,160	7,814,457,916	1,911,070,839	2,902,335,374
Income tax expenses	31	(1,977,154,889)	(2,911,481,625)	(401,869,247)	(578,927,728)
Profit for the year		3,373,388,271	4,902,976,291	1,509,201,592	2,323,407,646
Profit attributable to:					
Equity holders of the Company		2,088,106,610	2,965,689,634	1,509,201,592	2,323,407,646
Non-controlling interests of the subsidiaries		1,285,281,661	1,937,286,657		
		3,373,388,271	4,902,976,291		
Basic earnings per share					
	33				
Profit attributable to equity holders of the Company		3.98	5.65	2.87	4.43
Weighted average number of ordinary shares (shares)		524,999,679	524,999,679	524,999,679	524,999,679

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

Lanna Resources Public Company Limited and its subsidiaries

Statements of comprehensive income

For the year ended 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
			(Restated)		
Profit for the year		<u>3,373,388,271</u>	<u>4,902,976,291</u>	<u>1,509,201,592</u>	<u>2,323,407,646</u>
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to income statement in subsequent periods</i>					
Exchange differences on translation of financial statements in foreign currency		<u>(45,436,892)</u>	<u>122,980,127</u>	<u>-</u>	<u>-</u>
Net other comprehensive income to be reclassified to income statement in subsequent periods		<u>(45,436,892)</u>	<u>122,980,127</u>	<u>-</u>	<u>-</u>
<i>Other comprehensive income not to be reclassified to income statement in subsequent periods</i>					
Actuarial gain (loss)	24	17,230,509	(3,456,737)	1,579,954	-
Less: Income tax effect	31	(5,011,188)	809,697	(315,991)	-
Share of other comprehensive income from associates - actuarial loss	13	<u>(22,234)</u>	<u>(117,264)</u>	<u>-</u>	<u>-</u>
Net other comprehensive income not to be reclassified to income statement in subsequent periods - net of income tax		<u>12,197,087</u>	<u>(2,764,304)</u>	<u>1,263,963</u>	<u>-</u>
Other comprehensive income for the year		<u>(33,239,805)</u>	<u>120,215,823</u>	<u>1,263,963</u>	<u>-</u>
Total comprehensive income for the year		<u><u>3,340,148,466</u></u>	<u><u>5,023,192,114</u></u>	<u><u>1,510,465,555</u></u>	<u><u>2,323,407,646</u></u>
Total comprehensive income attributable to:					
Equity holders of the Company		2,067,083,328	3,037,205,507	<u>1,510,465,555</u>	<u>2,323,407,646</u>
Non-controlling interests of the subsidiaries		<u>1,273,065,138</u>	<u>1,985,986,607</u>		
		<u><u>3,340,148,466</u></u>	<u><u>5,023,192,114</u></u>		

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

Lanna Resources Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the year ended 31 December 2023

(Unit: Baht)

Consolidated financial statements													
Equity attributable to owners of the Company													
	Retained earnings					Other component of equity							
	Note	Issued and paid up share capital	Share premium	Appropriated		Unappropriated	Exchange differences on translation of financial statements in foreign currency	Surplus on change in the percentage of shareholding in subsidiary	Capital reserve for share-based payment transactions	Total other component of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
Statutory reserve				General reserve	Other comprehensive income								
Balance as at 31 December 2021													
- as previously reported		524,999,679	680,400,000	52,500,000	1,310,600,000	3,003,444,184	38,648,255	75,948,676	556,451	115,153,382	5,687,097,245	1,894,174,600	7,581,271,845
Cumulative effect of change in accounting policy for property, plant and equipment (Note 3.1)		-	-	-	-	(7,846,907)	-	-	-	-	(7,846,907)	(2,001,285)	(9,848,192)
Balance as at 31 December 2021		524,999,679	680,400,000	52,500,000	1,310,600,000	2,995,597,277	38,648,255	75,948,676	556,451	115,153,382	5,679,250,338	1,892,173,315	7,571,423,653
Profit for the year		-	-	-	-	2,965,689,634	-	-	-	-	2,965,689,634	1,937,286,657	4,902,976,291
Other comprehensive income for the year		-	-	-	-	(1,644,289)	73,160,162	-	-	73,160,162	71,515,873	48,699,950	120,215,823
Total comprehensive income for the year		-	-	-	-	2,964,045,345	73,160,162	-	-	73,160,162	3,037,205,507	1,985,986,607	5,023,192,114
Dividend paid	34	-	-	-	-	(1,286,249,214)	-	-	-	-	(1,286,249,214)	-	(1,286,249,214)
Decrease in non-controlling interests of the subsidiaries from dividend payments of subsidiaries		-	-	-	-	-	-	-	-	-	-	(1,627,230,250)	(1,627,230,250)
Impact from liquidation of subsidiary		-	-	-	-	-	470,942	-	-	470,942	470,942	151,948	622,890
Balance as at 31 December 2022		524,999,679	680,400,000	52,500,000	1,310,600,000	4,673,393,408	112,279,359	75,948,676	556,451	188,784,486	7,430,677,573	2,251,081,620	9,681,759,193

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

Lanna Resources Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the year ended 31 December 2023

(Unit: Baht)

Consolidated financial statements														
Equity attributable to owners of the Company														
	Note	Retained earnings				Other component of equity								
		Issued and paid up share capital	Share premium	Appropriated		Unappropriated	Other comprehensive income	Exchange differences on translation of financial statements in foreign currency	Surplus on change in the percentage of shareholding in subsidiary	Capital reserve for share-based payment transactions	Total other component of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
		Statutory reserve	General reserve											
Balance as at 31 December 2022														
- as previously reported		524,999,679	680,400,000	52,500,000	1,310,600,000	4,676,179,238	112,279,359	75,948,676	556,451	188,784,486	7,433,463,403	2,248,220,302	9,681,683,705	
Cumulative effect of change in accounting policy for property, plant and equipment (Note 3.1)		-	-	-	-	(2,785,830)	-	-	-	-	(2,785,830)	2,861,318	75,488	
Balance as at 31 December 2022														
- as restated		524,999,679	680,400,000	52,500,000	1,310,600,000	4,673,393,408	112,279,359	75,948,676	556,451	188,784,486	7,430,677,573	2,251,081,620	9,681,759,193	
Profit for the year		-	-	-	-	2,088,106,610	-	-	-	-	2,088,106,610	1,285,281,661	3,373,388,271	
Other comprehensive income for the year		-	-	-	-	7,116,741	(28,140,023)	-	-	(28,140,023)	(21,023,282)	(12,216,523)	(33,239,805)	
Total comprehensive income for the year		-	-	-	-	2,095,223,351	(28,140,023)	-	-	(28,140,023)	2,067,083,328	1,273,065,138	3,340,148,466	
Dividend paid	34	-	-	-	-	(1,391,249,149)	-	-	-	-	(1,391,249,149)	-	(1,391,249,149)	
Decrease in non-controlling interests of the subsidiaries from dividend payments of subsidiaries		-	-	-	-	-	-	-	-	-	-	(960,727,200)	(960,727,200)	
Balance as at 31 December 2023		<u>524,999,679</u>	<u>680,400,000</u>	<u>52,500,000</u>	<u>1,310,600,000</u>	<u>5,377,367,610</u>	<u>84,139,336</u>	<u>75,948,676</u>	<u>556,451</u>	<u>160,644,463</u>	<u>8,106,511,752</u>	<u>2,563,419,558</u>	<u>10,669,931,310</u>	

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

Lanna Resources Public Company Limited and its subsidiaries
Statements of changes in shareholders' equity (continued)
For the year ended 31 December 2023

(Unit: Baht)

Separate financial statements

	Note	Retained earnings				Total shareholders' equity	
		Issued and paid up share capital	Share premium	Appropriated			
				Statutory reserve	General reserve		Unappropriated
Balance as at 1 January 2022		524,999,679	680,400,000	52,500,000	1,310,600,000	861,754,153	3,430,253,832
Profit for the year		-	-	-	-	2,323,407,646	2,323,407,646
Other comprehensive income for the year		-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	2,323,407,646	2,323,407,646
Dividend paid	34	-	-	-	-	(1,286,249,214)	(1,286,249,214)
Balance as at 31 December 2022		<u>524,999,679</u>	<u>680,400,000</u>	<u>52,500,000</u>	<u>1,310,600,000</u>	<u>1,898,912,585</u>	<u>4,467,412,264</u>
Balance as at 1 January 2023		524,999,679	680,400,000	52,500,000	1,310,600,000	1,898,912,585	4,467,412,264
Profit for the year		-	-	-	-	1,509,201,592	1,509,201,592
Other comprehensive income for the year		-	-	-	-	1,263,963	1,263,963
Total comprehensive income for the year		-	-	-	-	1,510,465,555	1,510,465,555
Dividend paid	34	-	-	-	-	(1,391,249,149)	(1,391,249,149)
Balance as at 31 December 2023		<u>524,999,679</u>	<u>680,400,000</u>	<u>52,500,000</u>	<u>1,310,600,000</u>	<u>2,018,128,991</u>	<u>4,586,628,670</u>

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

Lanna Resources Public Company Limited and its subsidiaries

Statements of cash flows

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
		(Restated)		
Cash flows from operating activities				
Profit before tax	5,350,543,160	7,814,457,916	1,911,070,839	2,902,335,374
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	1,335,486,991	1,054,856,691	70,515,011	61,129,967
Reversal reduction of inventories to net realisable value	-	(16,311,589)	-	(15,525,688)
Write-off of inventories	-	113,886	-	-
Unrealised gain on change in value of debt instrument investments	(14,595)	(4,947)	-	-
Share of profit from investments in associated companies	(123,787,316)	(219,041,218)	-	-
Allowance for impairment of the investments in subsidiaries	-	-	6,223,671	32,133,453
Gain from liquidation of subsidiary	-	-	-	-1,064,568
Write-off of value added tax refundable and prepaid income tax	380,277	16,367,855	-	-
Gain on disposal of equipment and investment properties	(339,725)	(2,097,144)	(1,346,377)	(617,308)
Loss from write-off of equipment and intangible assets	10,680,256	9,544,188	27	3,812,997
Gain on write-off of right-of-use assets from contract cancellation	(221,579)	(52,016)	(47,039)	-
Allowance for impairment loss on assets (reversal)	(1,826,792)	32,476,540	-	-
Loss on write-off of deferred stripping costs	49,220,600	-	-	-
Reversal of dividend payable	(114,431)	(403,483)	(114,431)	(403,483)
Dividend income	-	-	(1,646,329,887)	(2,626,489,158)
Provision for long-term employee benefits	25,589,528	8,113,777	3,667,154	3,578,618
Provision for mine reclamation and decommissioning costs	35,007,937	39,502,231	-	-
Unrealised loss (gain) on exchange	22,120,060	(24,883,213)	5,608,068	(2,119,051)
Unrealised loss on derivative	2,832,561	3,707,241	2,832,561	3,707,241
Finance income	(72,843,904)	(29,454,083)	(34,780,989)	(10,504,935)
Finance cost	85,672,259	55,337,841	2,456,118	2,473,077
Profit from operating activities before changes in operating assets and liabilities	6,718,385,287	8,742,230,473	319,754,726	352,446,536

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

Lanna Resources Public Company Limited and its subsidiaries

Statements of cash flows (continued)

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
		(Restated)		
Operating assets (increase) decrease				
Trade and other receivables	(240,289,183)	(210,731,630)	(193,481,668)	(159,839,892)
Inventories	13,198,828	(41,502,891)	82,617,296	62,645,373
Value added tax refundable	(192,382,878)	(107,975,529)	-	8,824,584
Advance payments for goods	549,304,676	(268,276,251)	56,925,943	(14,905,981)
Other current financial assets	-	30,622	-	6,500
Other current assets	(141,464,023)	(133,754,285)	(422,123)	288,102
Operating liabilities increase (decrease)				
Trade and other payables	(163,053,153)	207,894,295	5,314,108	(14,465,413)
Accrued expenses	91,678,208	(94,504,486)	(13,968,955)	8,487,061
Other current financial liabilities	(3,417,421)	572,594	(3,415,961)	517,923
Other current liabilities	(145,439,026)	68,471,592	1,588,034	2,444,251
Cash paid for long-term employee benefits	(12,772,108)	(3,962,691)	(2,401,067)	-
Cash paid for mine reclamation	(21,428,543)	(26,753,199)	-	-
Cash from operating activities	6,452,320,664	8,131,738,614	252,510,333	246,449,044
Interest income	69,041,634	26,755,111	30,980,022	7,806,692
Cash paid for interest expenses	(75,771,606)	(47,615,871)	-	-
Refund of income tax	27,217,256	104,018,635	-	-
Cash paid for income tax	(2,719,968,812)	(2,685,030,612)	(396,835,173)	(583,340,193)
Net cash from (used in) operating activities	3,752,839,136	5,529,865,877	(113,344,818)	(329,084,457)
Cash flows from investing activities				
Increase in fixed deposits	(152,298,000)	(892,502,000)	(152,298,000)	(892,502,000)
Increase in restricted bank deposits	(978,008,602)	(79,923,964)	-	-
Decrease in long-term loans to related party	57,001,341	18,618,264	57,001,341	18,618,264
Dividend received from subsidiaries and associated company	10,645,087	8,584,409	1,646,329,887	2,626,489,158
Cash received from subsidiary due to liquidation	-	-	-	18,828,938
Proceeds from disposals of equipment	2,765,560	4,058,245	2,116,685	617,397
Acquisitions of plant and equipment	(329,387,986)	(296,171,355)	(26,999,010)	(29,065,166)
Acquisitions of computer software	(3,685,520)	(587,436)	(1,880,994)	(259,300)
Acquisitions of biological asset	(3,796,697)	(3,591,472)	-	-
Decrease (increase) in other non-current financial assets	(1,514,907)	2,285,960	(1,475,625)	754,940
Increase in other non-current assets	(984,330,247)	(856,129,122)	-	-
Net cash from (used in) investing activities	(2,382,609,971)	(2,095,358,471)	1,522,794,284	1,743,482,231

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

Lanna Resources Public Company Limited and its subsidiaries

Statements of cash flows (continued)

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
		(Restated)		
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions - net	(57,183,159)	540,334,727	-	-
Cash paid for principal portion of lease liabilities	(29,732,872)	(29,285,150)	(12,850,951)	(11,834,509)
Cash paid for interest expense of lease liabilities	(4,076,254)	(4,922,239)	(2,456,118)	(2,473,077)
Cash received from long-term loans from financial institutions	103,150,361	87,066,142	-	-
Repayment of long-term loans from financial institutions	(306,615,258)	(296,206,160)	-	-
Dividend paid	(2,351,976,349)	(2,913,479,464)	(1,391,249,149)	(1,286,249,214)
Increase (decrease) in non-controlling interests of the subsidiaries	(17,296,869)	49,971,915	-	-
Net cash used in financing activities	(2,663,730,400)	(2,566,520,229)	(1,406,556,218)	(1,300,556,800)
Decrease in translation adjustments	(28,847,508)	(2,765,491)	-	-
Net increase (decrease) in cash and cash equivalents	(1,322,348,743)	865,221,686	2,893,248	113,840,974
Cash and cash equivalents at beginning of year	3,028,665,581	2,163,717,638	987,797,900	874,230,669
Effect of change in foreign exchange rate on cash at bank balance	(4,567,092)	(273,743)	(4,567,092)	(273,743)
Cash and cash equivalents at end of year (Note 7)	1,701,749,746	3,028,665,581	986,124,056	987,797,900

Supplemental cash flows information:

Non-cash items consist of

Transferred provision for long-term employee benefits

to accrued expenses	118,869	957,972	-	-
Additions to right-of-use assets and lease liabilities	22,894,273	12,508,492	9,105,470	2,615,668
Payables from purchases of plant and equipment and intangible assets	5,598,675	8,769,136	2,331,631	5,865,071

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

Lanna Resources Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2023

1. General information

Lanna Resources Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is Siam City Cement Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in the manufacture and distribution of coal. The registered office of the Company is at 888/99 Mahathun Plaza Building 9th floor, Ploenchit Road, Lumpini, Pathumwan, Bangkok.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Lanna Resources Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Relationship	Country of incorporation	Shareholding percentage	
				<u>2023</u> Percent	<u>2022</u> Percent
<u>Held by the Company</u>					
Local subsidiaries					
Lanna Power Generation Company Limited	Investment business and power generation and distribution services	Direct holding and common directors	Thailand	100.00	100.00
Thai Agro Energy Public Company Limited	Ethanol production and distribution	Direct holding and common directors	Thailand	51.00	51.00
Overseas subsidiaries					
PT. Singlurus Pratama	Coal production and distribution	Direct holding and common directors	Indonesia	65.00	65.00
PT. Lanna Harita Indonesia	Coal production and distribution	Direct holding and common directors	Indonesia	55.00	55.00
<u>Held by subsidiary</u>					
SRT Power Pellet Company Limited	Wood pellet production and distribution	Direct holding and common directors	Thailand	99.99	99.99

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the shareholders' equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.

- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated income statement and within equity in the consolidated statement of financial position.
- h) The excess of the cost of investment in a subsidiary company over the Company's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary acquired as at the investment date has been shown as "Goodwill" and separately presented as non-current asset in the consolidated statement of financial position and is measured at cost less any accumulated impairment losses (if any).

2.3 The separate financial statements present investments in subsidiaries and associated company under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements except for the following standard, which involves changes to key principles, as summarised below.

TAS 16, Property, Plant and Equipment

The amendment prohibits entities from deducting from cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in the income statement.

The Group has changed this accounting policy in the current period and restated the prior year's financial statements only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented. The cumulative effect of the change in accounting policy is presented as a separate item in the statement of changes in shareholders' equity.

The amounts of the adjustments affecting the statement of financial position and the income statement are as follows:

	(Unit: Thousand Baht)	
	Increase (decrease)	
	31 December 2022	1 January 2022
Statement of financial position		
Inventories	8,512	-
Property, plant and equipment	114	(6,451)
Deferred tax assets	(8,551)	(3,397)
Total assets	75	(9,848)
Retained earnings	75	(9,848)
Total shareholders' equity	75	(9,848)

	(Unit: Thousand Baht)	
	Increase (decrease)	
	For the year ended	
	31 December 2022	
Income statement		
Sales		25,766
Cost of sales		10,688
Income tax expenses		5,154
Net profit for the year		9,924
Earnings per share (Baht)		
Basic earnings per share		0.01

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

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

4. Significant accounting policies

4.1 Revenue and expense recognition

Sales of goods

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

Income from coal sales are recorded according to the weight as recorded at the Company's site or the customer's site. Adjustments of the sales price due to quality and weight considerations are recognised in the month in which notification is received from customers.

Commission and marketing service income

Commission and marketing service income are recognised on an accrual basis when overseas subsidiaries sell coal to the buyer who the Company provides to subsidiaries.

Service income

Service income is recognised on an accrual basis when overseas subsidiary sells coal which is produced from its concession area to the buyer.

Interest income

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

Dividends

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

Finance cost

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

Finished goods and work in process are valued at the lower of cost (under the weighted average method) and net realisable value. Such cost includes cost of material, labour and overheads.

Raw materials, supplies and spare parts are value at the lower of cost (under the weighted average method) and net realisable value and are charged to production costs whenever consumed.

Allowance for diminution in inventory value is provided for the excess of cost over the net realisable value of inventories and for slow moving or deteriorated inventories.

Net realisable value is selling price in normal course of business less other costs incurred to sell the goods.

4.4 Investments in subsidiaries and associated companies

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

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

4.5 Investment properties

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

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 10 - 20 years. Depreciation of the investment properties is included in determining income.

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

4.6 Agriculture

The subsidiary's biological assets consist of Mangium and Black Wattle which were measured at its fair value less costs to sell. The fair value of Mangium and Black Wattle is determined based on discounted cash flows reference to price of Mangium and Black Wattle at the point of harvest. Gains or losses on changes in fair value of biological assets is recognised in the income statement.

In case the fair value cannot be measured reliably, this biological assets shall be measured at their cost less any accumulated depreciation and any accumulated impairment losses. Once the fair value of such a biological assets become reliably measurable, the subsidiary shall measure them at their fair value less costs to sell. The agricultural produce is included in inventories.

4.7 Property, plant and equipment and depreciation

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

The cost of property, plant and equipment also includes the initial estimate of the cost of dismantling and removing an item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

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

Land and building improvement	5 - 20 years
Building and amenities	5 - 30, 50 years
Machinery and equipment	4 - 30, 50 years
Furniture and office equipment	3 - 15 years
Vehicles	5 - 10 years

Depreciation is included in determining income.

No depreciation is provided on assets under construction and installation, land improvement of a local subsidiary and land, except for mining land which is depleted in accordance with the difference between its purchase cost and fair value and on the basis of units produced in proportion to the total coal reserves.

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

4.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.9 Government grants related to assets

Government grants are recognised when there is reasonable assurance that the grants will be received and all attached conditions will be complied with. Government grants related to assets are presented as a deducting to the value of the related assets and are recognised in the income statement over the useful life of the assets as a reduced depreciation expense.

4.10 Intangible assets

Intangible assets are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses (if any).

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

Intangible asset with finite useful lives, which is computer software, has useful lives of 3 - 10 years.

4.11 Other non-current assets

Assets under exploration for and evaluation of mineral resources

Exploration and evaluation expenditures of the subsidiaries involve expenditures relating to the search for mineral resources after the subsidiaries have obtained legal rights to explore in a specific area, as well as the determination of the technical feasibility and commercial viability of extracting the mineral resource such as license costs, expenditures from topographical, geological, geochemical and geophysical studies, exploratory drilling expenditure and sampling expenditure.

Exploration and evaluation expenditures are recorded as assets except for administration expenditures that are not directly attributable to the specific area are charged to the income statement. Following the initial recognition, exploration and evaluation assets are stated at cost less accumulated allowance for impairment of assets (if any). In case when the future benefit of these assets is in doubt, they are written off to period expenses immediately.

Exploration and evaluation assets are classified as part of deferred exploration and development costs when proven reserves of the specific area are completely determined.

Deferred exploration and development costs

Development expenditures and incorporated costs before the production stage, which are net of proceeds from the sale of coal extracted during the development phase, are capitalised as deferred exploration and development costs. When the mine construction project moves into the production stage, deferred exploration and development costs are amortised as expenses in accordance with the proportion of units produced to total coal reserves.

Deferred stripping costs

Stripping costs/overburden removal expenses during the development phase of the mine are capitalised as part of the deferred stripping costs.

Stripping costs during the production phase are capitalised as part of the deferred stripping costs if, and only if, all of the following are met:

- a) It is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow to the subsidiaries.
- b) The subsidiaries can identify the component of the ore body for which access has been improved.
- c) The costs relating to the stripping activity associated with that component can be measured reliably.

The deferred stripping costs shall be initially recognised at cost and subsequently stated at cost less accumulated amortisation, which is calculated using the proportion of unit produced to total reserves, and accumulated impairment losses (if any). In case when the future benefit of these assets is in doubt, they are written off to period expenses immediately.

4.12 Goodwill

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

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

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

4.13 Leases

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

The Group as a lessee

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

Right-of-use assets

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

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

Land, building and building improvement	2 - 7 years
Machinery and equipment	3 - 5 years
Furniture, fixtures and office equipment	2 - 5 years
Motor vehicles	2 - 5 years

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

Lease liabilities

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

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

Short-term leases and leases of low-value assets

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

4.14 Related party transactions

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

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

4.15 Foreign currencies

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

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

Gains and losses on exchange are included in determining income.

4.16 Impairment of non-financial assets

At the end of each reporting period, the Group perform impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment properties, and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carry out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in the income statement.

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

4.17 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

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

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

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

Past service costs are recognised in the income statement on the earlier of the date of the plan amendment or curtailment and the date that the Group recognise restructuring-related costs.

4.18 Provisions

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

4.19 Provision for mine reclamation and decommissioning costs

The subsidiaries recognise a provision for mine reclamation and decommissioning costs where an obligation exists. The estimated amount of the eventual costs relating to the site restoration and reclamation is discounted to its present value. Such costs are included in the income statement based on the unit-of-production method on the total estimated reclamation and decommissioning costs over the total proven reserves.

4.20 Income tax

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

Current tax

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

Deferred tax

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

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

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

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

4.21 Financial instruments

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value including interest income recognised in the income statement.

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

Dividends on listed equity investments are recognised as other income in the income statement.

Classification and measurement of financial liabilities

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

Regular way purchases and sales of financial assets

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

Derecognition of financial instruments

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

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

Impairment of financial assets

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

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

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

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

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

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

Offsetting of financial instruments

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

4.22 Derivatives

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

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

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

4.23 Fair value measurement

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

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

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

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

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

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

5. Significant accounting judgements and estimates

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

Coal reserve estimates

The subsidiaries determine coal reserve based on best estimate of product that can be economically extracted from the relevant mining area. Such determination is made based on various assumptions including a range of geological, technical and economic factors, quantities, production techniques, stripping ratios, production costs, transport costs, coal prices and exchange rates.

Leases

Determining the lease term with extension and termination option

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

Estimating the incremental borrowing rate

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

Allowance for expected credit losses of trade receivables

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

Allowance for diminution in inventory value

In determining an allowance for diminution in inventory value, the management needs to make judgement in estimating loss from slow moving and deteriorated inventories including the effect from declining in net realisable value of inventories.

Allowance for impairment of investments

The Company treats investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgement of the management.

Property, plant and equipment and depreciation

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

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

Goodwill

The initial recognition and measurement of goodwill, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Tax refundable

The estimated claim for value added tax refund is determined in a net basis between value added tax input and output. The subsidiaries recognise overpayment of value added tax because they generated revenue mostly from export sales which are subject to value added tax at a 0% rate.

The estimated claim for income tax refund is measured at the amount expected to be recovered from tax authority which is the excess of prepaid corporate income tax over the corporate income tax expense during the respective fiscal year. The corporate income tax expense is determined based on the estimated taxable income computed using prevailing tax rates.

The management needs to make judgement which the recoverability of the estimated claims for taxes refund is dependent on the examination by tax authority which gives rise to the complexity and uncertainty exist with respect the interpretation of tax regulations.

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.

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.

Provision for mine reclamation and decommissioning costs

The majority of the decommissioning and reclamation costs is incurred at the end of a mine's life. In determining a provision for such costs, the management needs to make judgement regarding the expected future costs to be incurred, the timing of these expected future costs, largely dependent on the life of the mine, and the estimated future level of inflation.

6. Related party transactions

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Transactions with subsidiaries</u>				
(eliminated from the consolidated financial statements)				
Dividend income	-	-	1,635,685	2,617,905
Commission and marketing service income	-	-	302,739	269,218
Service income	-	-	91,492	74,566
Purchase of coal	-	-	264,911	744,738
<u>Transactions with major shareholder</u>				
Sales of coal	1,434,322	1,322,775	1,434,322	1,322,775
Other income	523	-	523	-
<u>Transactions with associated companies</u>				
Dividend income	-	-	10,645	8,584
Interest income	2,410	3,202	2,410	3,202
Purchase of coal	682,376	357,586	682,376	357,586
Freight charge	349,531	330,286	349,531	330,286
<u>Transactions with related company</u>				
Sales of coal	-	1,833	-	1,833

Transfer pricing policy

Sales of coal	Market price at which equivalent quality coal is sold to the same industry
Purchase of coal	Market price for equivalent quality coal
Commission and marketing service income	At the price agreed between the parties which is general price for the same business
Service income	Rate comparable paid to third parties
Other income	Rate comparable paid to third parties
Dividend income	At the declared rate
Interest income	Interest rate of 3MISBOR+1% and 6MISBOR+1% per annum
Freight change	Price comparable to freight changes paid to third parties

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade and other receivables - related parties</u>				
(Note 8)				
Major shareholder	610,974	384,358	610,974	384,358
Subsidiaries	-	-	29,745	25,488
Associated company	1,026	2,054	1,026	2,054
Total trade and other receivables - related parties	<u>612,000</u>	<u>386,412</u>	<u>641,745</u>	<u>411,900</u>
<u>Advance payments for goods - related parties</u>				
(Note 10)				
Subsidiary	-	-	-	12,949
Associated company	-	43,977	-	43,977
Total advance payment for goods - related parties	<u>-</u>	<u>43,977</u>	<u>-</u>	<u>56,926</u>
<u>Trade and other payables - related parties</u>				
(Note 22)				
Associated company	1,950	-	1,950	-
Total trade and other payables - related parties	<u>1,950</u>	<u>-</u>	<u>1,950</u>	<u>-</u>

Long-term loan to related party

On 31 August 2021, the Company entered into Shareholder Loan Agreement to provide a long-term loan to an associated company. The loan bears interest at 6 months SIBOR plus 1% per annum and on 25 May 2022, the interest rate was adjusted to 3 months SIBOR plus 1% per annum, effective since 1 April 2022. Such loan is repayable on demand. Movement of long-term loan to related party for the year ended 31 December 2023 was summarised below.

	(Unit: Thousand Baht)			
	Consolidated and separate financial statements			
	Balance as at 1 January 2023	Decrease during the year	Unrealised loss on exchange	Balance as at 31 December 2023
<u>Long-term loan to related company</u>				
Associated company	<u>90,194</u>	<u>(57,001)</u>	<u>(391)</u>	<u>32,802</u>

Directors and management's benefits

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	271,159	257,593	78,789	73,003
Post-employment benefits	13,273	5,163	1,937	1,800
Total	<u>284,432</u>	<u>262,756</u>	<u>80,726</u>	<u>74,803</u>

7. Cash and cash equivalents/Restricted bank deposits

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash	126	183	-	40
Bank deposits	3,010,855	3,463,366	886,731	987,758
Short-term investment	99,393	-	99,393	-
Total	<u>3,110,374</u>	<u>3,463,549</u>	<u>986,124</u>	<u>987,798</u>
Less: Restricted bank deposits	(1,015,202)	-	-	-
Restricted bank deposits	<u>(393,422)</u>	<u>(434,883)</u>	<u>-</u>	<u>-</u>
Total	<u>1,701,750</u>	<u>3,028,666</u>	<u>986,124</u>	<u>987,798</u>

As at 31 December 2023, bank deposits in savings accounts and fixed deposits carried interests between 0.01 and 4.00 percent per annum (2022: between 0.01 and 5.75 percent per annum).

As at 31 December 2023, the overseas subsidiaries have restricted bank deposits of USD 29.7 million or approximately Baht 1,015.2 million (2022: Nil) resulting from in this year, the government required the overseas subsidiaries to hold 30% of cash received from export sale in bank account.

As at 31 December 2023, the overseas subsidiaries have restricted bank deposits of USD 11.5 million or approximately Baht 393.4 million (2022: USD 12.5 million or approximately Baht 434.9 million) to secure mine reclamation of the overseas subsidiaries to government and for coal supply of the overseas subsidiaries.

8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade receivables - related parties</u>				
Age on the basis of due dates				
Not yet due	610,974	384,358	632,658	402,561
Total trade receivables - related parties	610,974	384,358	632,658	402,561
<u>Trade receivables - unrelated parties</u>				
Age on the basis of due dates				
Not yet due	1,265,593	1,204,454	33,048	70,786
Past due				
Up to 3 months	190,867	221,517	-	-
Total trade receivables - unrelated parties	1,456,460	1,425,971	33,048	70,786
Total trade receivables	2,067,434	1,810,329	665,706	473,347
<u>Other receivables</u>				
Other receivables - related parties	-	-	8,061	7,285
Other receivables - unrelated parties	48,099	65,506	1	953
Advance - unrelated parties	591	-	591	-
Interest receivable - related parties	1,026	2,054	1,026	2,054
Interest receivable - unrelated parties	6,453	1,623	6,443	1,614
Total other receivables	56,169	69,183	16,122	11,906
Total trade and other receivables	2,123,603	1,879,512	681,828	485,253

The overseas subsidiary has pledged its accounts receivable to secure credit facilities from the financial institutions. As at 31 December 2023, the balance of accounts receivable totaling Rupiah 90,000 million or approximately Baht 191.7 million (2022: Rupiah 90,000 million or approximately Baht 191.0 million) were pledged to secure such credit facilities.

9. Inventories

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u> (Restated)	<u>2023</u>	<u>2022</u>
Coal and work in process	340,075	410,207	125,019	207,636
Finished goods	51,686	44,020	-	-
Work in process	18,410	18,039	-	-
Raw materials	125,774	68,366	-	-
Supplies	25,310	25,970	-	-
Spare parts	8,768	16,620	-	-
Total	<u>570,023</u>	<u>583,222</u>	<u>125,019</u>	<u>207,636</u>

An overseas subsidiary has pledged its finished goods to secure credit facilities from the financial institutions. As at 31 December 2023, the balance of finished goods totaling Rupiah 10,000 million or approximately Baht 21.3 million (2022: Rupiah 10,000 million or approximately Baht 21.2 million) were pledged to secure such credit facilities.

10. Advance payments for goods

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Advance payments for goods - related parties	-	43,977	-	56,926
Advance payments for goods - unrelated parties	41,677	547,005	-	-
Total	41,677	590,982	-	56,926
Less: Allowance for impairment	(6,664)	(6,664)	-	-
Total advance payments for goods	<u>35,013</u>	<u>584,318</u>	<u>-</u>	<u>56,926</u>

11. Other current financial assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Debt instruments at amortised cost</u>				
Fixed deposits	1,594,800	1,442,502	1,594,800	1,442,502
<u>Debt instruments at FVTPL</u>				
Investments in General Fixed Income funds	1,088	1,074	-	-
Total other current financial assets	<u>1,595,888</u>	<u>1,443,576</u>	<u>1,594,800</u>	<u>1,442,502</u>

12. Investments in subsidiaries

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

Company's name	Paid up capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Dividend received for the years ended 31 December	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
			(%)	(%)				
Local subsidiaries								
Lanna Power Generation Company Limited	Baht 300 million	Baht 300 million	100.00	100.00	300,000	300,000	-	-
Thai Agro Energy Public Company Limited	Baht 1,000 million	Baht 1,000 million	51.00	51.00	510,000	510,000	-	-
Overseas subsidiaries								
PT. Singlurus Pratama (Incorporated in Indonesia)	Rp 10,500 million	Rp 10,500 million	65.00	65.00	22,421	22,421	1,349,778	1,840,023
PT. Lanna Harita Indonesia (Incorporated in Indonesia)	USD 8 million	USD 8 million	55.00	55.00	155,023	155,023	285,907	777,882
Total investment in subsidiaries					987,444	987,444	<u>1,635,685</u>	<u>2,617,905</u>
Less: Allowance for impairment of the investment					(199,353)	(193,129)		
Total investments in subsidiaries - net					<u>788,091</u>	<u>794,315</u>		

Overseas subsidiaries

The Company has 2 overseas subsidiaries (2022: 2 overseas subsidiaries) in which the Company has shareholding percentage between 55.00% and 65.00% (2022: 55.00% and 65.00%) and, as at 31 December 2023, such subsidiaries had unappropriated retained earnings of the Company's portion totaling USD 81.5 million or approximately Baht 2,719.9 million (2022: USD 65.6 million or approximately Baht 2,172.4 million). The Group may have obligations regarding withholding tax deducted at source in Indonesia when the subsidiaries pay dividends from such amount in the future.

During 2018, PT. Singlurus Pratama (“SGP”) and PT. Lanna Harita Indonesia (“LHI”) sign amendment to each of their coal mining concession or the Coal Contract of Work (“CCOW”) with the Ministry of Energy and Mineral Resources in respect of divestment obligation to reduce the proportion of foreign or non-Indonesian shareholding to not more than 49 percent of the paid up capital. The Company has to completely reduce such divestment within October 2019. After the divestment, the Company will have the percentage of shareholding in SGP and LHI at 49 percent and 41.4615 percent, respectively. In 2019, the subsidiaries evaluated their shares and proposed to Indonesian government sectors which was in accordance with the regulation about the divestment prescribed by Indonesia government sectors. Currently, Indonesian government sectors have been considering the purchase of such shares.

Local subsidiary

SRT Power Pellet Company Limited

On 20 July 2023, the Extraordinary General Meeting of SRT Power Pellet Company Limited passed a resolution approving the dissolution of the subsidiary. The subsidiary registered its dissolution with the registrar on 20 July 2023. Currently, the subsidiary is in the process of liquidation.

12.2 Details of investments in subsidiaries that have material non-controlling interests.

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit/loss allocated to non-controlling interests during the year		Other comprehensive income allocated to non-controlling interests during the year		Translation adjustment allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(%)	(%)	(Restated)	(Restated)	(Restated)	(Restated)	(Restated)	(Restated)	(Restated)	(Restated)	(Restated)	(Restated)
Thai Agro Energy Public Co., Ltd.	49.00	49.00	810	795	15	(37)	-	(1)	-	-	-	-
PT. Singlurus Pratama	35.00	35.00	1,101	888	952	1,293	(1)	(1)	(12)	27	(727)	(991)
PT. Lanna Harita Indonesia	45.00	45.00	661	576	318	681	6	-	(5)	23	(234)	(636)

12.3 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling interests.

Summarised information about financial position

(Unit: Million Baht)

	Thai Agro Energy		PT. Singlurus		PT. Lanna Harita	
	Public Co., Ltd.		Pratama		Indonesia	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Restated)					
Current assets	488	923	3,057	2,816	1,646	1,711
Non-current assets	2,604	2,691	1,891	1,881	508	517
Current liabilities	(1,211)	(1,640)	(1,179)	(1,586)	(499)	(756)
Non-current liabilities	(227)	(351)	(416)	(366)	(195)	(189)

Summarised information about comprehensive income

(Unit: Million Baht)

For the year ended 31 December

	Thai Agro Energy		PT. Singlurus		PT. Lanna Harita	
	Public Co., Ltd.		Pratama		Indonesia	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Restated)					
Revenue	2,680	2,031	12,415	13,338	6,289	8,721
Profit (loss)	30	(76)	2,721	3,695	696	1,506
Other comprehensive income	-	(2)	(2)	(1)	12	1
Total comprehensive income	30	(78)	2,719	3,694	708	1,507

Summarised information about cash flow

(Unit: Million Baht)

For the year ended 31 December

	Thai Agro Energy		PT. Singlurus		PT. Lanna Harita	
	Public Co., Ltd.		Pratama		Indonesia	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Restated)					
Cash flow from (used in) operating activities	691	(218)	1,940	4,383	562	1,484
Cash flow used in investing activities	(95)	(86)	(1,043)	(916)	(154)	(125)
Cash flow from (used in) financing activities	(571)	289	(1,761)	(2,678)	(521)	(1,391)
Net increase (decrease) in cash and cash equivalents	25	(15)	(864)	789	(113)	(32)

13. Investment in associated companies

13.1 Detail of associated companies

		(Unit: Thousand Baht)							
						Consolidated financial statements		Separate financial statements	
		Paid up capital		Shareholding percentage		Carrying amounts based on equity method		Cost	
Company's name	Nature of Business	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
				(%)	(%)				
United Bulk Shipping Pte. Ltd. (Incorporated in Singapore)	Shipping business and coal distribution	SGD 0.1 million	SGD 0.1 million	49	49	23,952	23,599	891	891
PT. Pesona Khatulistiwa Nusantara (Incorporated in Indonesia)	Manufacture and distribution of coal	Rp 580,891 million	Rp 580,891 million	10	10	472,551	359,784	58,437	58,437
Total						<u>496,503</u>	<u>383,383</u>	<u>59,328</u>	<u>59,328</u>

13.2 Share of comprehensive income and dividend received

During the years, the Company recognised its share of profit from investments in associated companies in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements				Separate financial statements	
	Share of profit from investments in associated companies for the years ended 31 December		Share of other comprehensive income from investments in associated companies for the years ended 31 December		Dividend received for the years ended 31 December	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
United Bulk Shipping Pte. Ltd.	10,998	11,165	-	-	10,645	8,584
PT. Pesona Khatulistiwa Nusantara	112,789	207,876	(22)	(117)	-	-

Share of profit from the associated companies for the years ended 31 December 2023 and 2022 had been calculated from the financial statements prepared by the management of the associated companies and not being audited by their auditors.

The Company's management believes that the management accounts of the associated companies would not be significantly different from the account audited by their auditors.

13.3 Summarised financial information about material associated companies

Summarised information about financial position

(Unit: Million Baht)

	United Bulk Shipping Pte. Ltd.		PT. Pesona Khatulistiwa Nusantara	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current assets	57	89	3,747	3,911
Non-current assets	-	-	2,265	1,995
Current liabilities	(5)	(37)	(1,389)	(1,820)
Non-current liabilities	-	-	(598)	(1,148)
Net assets	52	52	4,025	2,938
Carrying amounts of associates based on equity method	24	24	473	360

Summarised information about comprehensive income

(Unit: Million Baht)

For the years ended 31 December

	United Bulk Shipping Pte. Ltd.		PT. Pesona Khatulistiwa Nusantara	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue	349	345	7,315	8,932
Profit	22	23	1,128	2,079
Other comprehensive income	-	-	-	(1)
Total comprehensive income	22	23	1,128	2,078

14. Investment properties

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cost	71,708	72,468	28,691	29,451
Less: Accumulated depreciation	(20,069)	(17,349)	-	-
Less: Allowance for impairment	(4,970)	(4,970)	-	-
Net book value	<u>46,669</u>	<u>50,149</u>	<u>28,691</u>	<u>29,451</u>

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Net book value as at 1 January 2023	50,149	57,533	29,451	29,451
Disposal/ write-off - net book value at disposals/ write-off date	(760)	(91)	(760)	-
Depreciation charged	(2,720)	(2,732)	-	-
Allowance for impairment	-	(4,561)	-	-
Net book value as at 31 December 2023	<u>46,669</u>	<u>50,149</u>	<u>28,691</u>	<u>29,451</u>

As at 31 December 2023, the Company had investment properties, which mainly are plots of land of Paka mine, with an aggregate net book value of approximately Baht 28.7 million (2022: Baht 29.4 million) and land and building of the local subsidiary with an aggregate net book value of approximately Baht 18.0 million (2022: 20.7 million). The Group is considering making use and/or selling such assets to other parties.

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

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
The fair value of land awaiting sales	43.4	45.0	43.4	45.0
The fair value of land and building	29.4	29.0	-	-

The fair value of the investment properties determined based on the price appraised by the Department of Land and the valuation performed by an accredited independent valuer. The fair value of land and building has been determined using the cost approach.

15. Biological assets

	(Unit: Thousand Baht)
	Consolidated financial statements
Balance as at 1 January 2023	15,169
Increase due to cost of planting	3,797
Balance as at 31 December 2023	<u><u>18,966</u></u>

16. Property, plant and equipment

Consolidated financial statements

(Unit: Thousand Baht)

	Land	Ore	Land and building improvement	Building and amenities	Machinery and equipment	Furniture and office equipment	Vehicles	Assets under construction and installation	Total
Cost									
31 December 2021	436,975	63,896	223,534	1,409,065	4,059,253	108,887	33,655	590,232	6,925,497
Adjusted form the change in accounting policy (Note 3.1)	-	-	-	-	-	-	-	(6,451)	(6,451)
31 December 2021 - as restated	436,975	63,896	223,534	1,409,065	4,059,253	108,887	33,655	583,781	6,919,046
Additions	-	-	18,343	1,113	24,608	4,907	1,724	251,651	302,346
Disposals/write-off	-	-	(15,647)	(26,968)	(175,845)	(11,001)	(154)	(5,384)	(234,999)
Transfer in (transfer out)	-	-	1,186	20,392	102,324	71	-	(126,867)	(2,894)
Translation adjustment	601	-	603	26,854	36,394	1,681	417	1,046	67,596
31 December 2022 - Restated	437,576	63,896	228,019	1,430,456	4,046,734	104,545	35,642	704,227	7,051,095
Additions	2,240	-	501	18,262	18,683	7,652	1,370	277,271	325,979
Disposals/write-off	-	(1,444)	(11,367)	(1,672)	(40,583)	(6,007)	(3,124)	-	(64,197)
Transfer in (transfer out)	-	-	16,839	4,119	655,554	961	-	(677,473)	-
Translation adjustment	(178)	-	(180)	(8,025)	(11,456)	(483)	(140)	(965)	(21,427)
31 December 2023	439,638	62,452	233,812	1,443,140	4,668,932	106,668	33,748	303,060	7,291,450

(Unit: Thousand Baht)

	Land	Ore	Land and building improvement	Building and amenities	Machinery and equipment	Furniture and office equipment	Vehicles	Assets under construction and installation	Total
Accumulated depreciation									
31 December 2021	-	63,896	72,640	703,408	1,902,537	92,316	26,313	-	2,861,110
Depreciation for the year	-	-	6,976	106,284	200,370	6,939	2,364	-	322,933
Accumulated depreciation of the disposal/written-off	-	-	(2,592)	(17,782)	(158,825)	(10,817)	(154)	-	(190,170)
Translation adjustment	-	-	603	17,339	14,917	1,390	319	-	34,568
31 December 2022	-	63,896	77,627	809,249	1,958,999	89,828	28,842	-	3,028,441
Depreciation for the year	-	-	7,389	101,908	216,111	7,816	2,407	-	335,631
Accumulated depreciation of the disposal/written-off	-	(1,444)	(11,148)	(1,591)	(28,892)	(5,847)	(3,123)	-	(52,045)
Translation adjustment	-	-	(179)	(5,760)	(4,839)	(403)	(108)	-	(11,289)
31 December 2023	-	62,452	73,689	903,806	2,141,379	91,394	28,018	-	3,300,738
Allowance for impairment loss:									
31 December 2021	-	-	11,033	5,240	14,488	-	-	-	30,761
Increase during the year	-	-	920	-	26,910	93	-	-	27,923
Decrease during the year	-	-	(11,735)	(5,240)	(16,406)	(40)	-	-	(33,421)
31 December 2022	-	-	218	-	24,992	53	-	-	25,263
Decrease during the year	-	-	(218)	-	(1,471)	(53)	-	-	(1,742)
31 December 2023	-	-	-	-	23,521	-	-	-	23,521
Net book value									
31 December 2022 - Restated	437,576	-	150,174	621,207	2,062,743	14,664	6,800	704,227	3,997,391
31 December 2023	439,638	-	160,123	539,334	2,504,032	15,274	5,730	303,060	3,967,191
Depreciation for the year									
2022 (Baht 206 million included in manufacturing cost, and the balance in selling, distribution and administrative expenses)									322,933
2023 (Baht 229 million included in manufacturing cost, and the balance in selling, distribution and administrative expenses)									335,631

Separate financial statements

(Unit: Thousand Baht)

	Land	Ore	Land improvement	Building and amenities	Machinery and equipment	Furniture and office equipment	Vehicles	Assets under construction and installation	Total
Cost									
1 January 2022	180,000	63,896	113,608	47,660	125,921	29,178	4,942	8,659	573,864
Additions	-	-	18,191	-	13,277	1,399	84	252	33,203
Transfer in (transfer out)	-	-	1,186	-	2,446	-	-	(3,632)	-
Disposal/write-off	-	-	-	(7,642)	(9,295)	(1,851)	-	-	(18,788)
31 December 2022	180,000	63,896	132,985	40,018	132,349	28,726	5,026	5,279	588,279
Additions	-	-	481	-	6,853	3,946	-	11,947	23,227
Transfer in (transfer out)	-	-	16,839	92	249	-	-	(17,180)	-
Disposal/write-off	-	(1,444)	(10,869)	-	(4,476)	(3,331)	-	-	(20,120)
31 December 2023	180,000	62,452	139,436	40,110	134,975	29,341	5,026	46	591,386
Accumulated depreciation									
1 January 2022	-	63,896	52,321	16,194	84,480	25,576	2,267	-	244,734
Depreciation for the year	-	-	6,795	2,279	6,098	1,956	373	-	17,501
Accumulated depreciation of the disposal/written-off	-	-	-	(2,703)	(5,107)	(1,851)	-	-	(9,661)
31 December 2022	-	63,896	59,116	15,770	85,471	25,681	2,640	-	252,574
Depreciation for the year	-	-	7,389	2,008	6,939	1,835	374	-	18,545
Accumulated depreciation of the disposal/written-off	-	(1,444)	(10,869)	-	(4,466)	(3,331)	-	-	(20,110)
31 December 2023	-	62,452	55,636	17,778	87,944	24,185	3,014	-	251,009

(Unit: Thousand Baht)

	Land	Ore	Land improvement	Building and amenities	Machinery and equipment	Furniture and office equipment	Vehicles	Assets under construction and installation	Total
Allowance for impairment loss:									
1 January 2022	-	-	-	1,126	4,188	-	-	-	5,314
Increase during the year	-	-	-	(1,126)	(4,188)	-	-	-	(5,314)
31 December 2022	-	-	-	-	-	-	-	-	-
31 December 2023	-	-	-	-	-	-	-	-	-
Net book value									
31 December 2022	180,000	-	73,869	24,248	46,878	3,045	2,386	5,279	335,705
31 December 2023	180,000	-	83,800	22,332	47,031	5,156	2,012	46	340,377
Depreciation for the year									
2022 (included in selling, distribution and administrative expenses)									17,501
2023 (included in selling, distribution and administrative expenses)									18,545

During the current year, a local subsidiary capitalised the borrowing costs amounting to Baht 0.1 million to the construction of plant (2022: Baht 2.7 million). The weighted average rate of 3.3 percent per annum has been used to determine the amount of borrowing costs eligible for capitalisation (2022: 2.1 to 3.3 percent per annum).

The local subsidiaries have mortgaged part of their land and construction thereon and machinery with net book value as at 31 December 2023 amounting to approximately Baht 1,119 million (2022: Baht 1,216 million) as collateral for short-term and long-term loans and credit facilities granted by a commercial bank as discussed in Note 21 and 23.

The overseas subsidiary has mortgaged part of its land, machinery, and equipment with net book value as at 31 December 2023 amounting to approximately USD 15.8 million or equivalent to Baht 539.9 million (2022: USD 17.9 million or equivalent to Baht 619.9 million) as collateral for short-term and long-term loans and credit facilities granted by a commercial bank as discussed in Note 21 and 23.

As at 31 December 2023, the Company and subsidiaries had certain plant and equipment which have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 881 million (2022: Baht 602 million) (the Company only: Baht 113 million (2022: Baht 120 million)).

17. Leases

The Group has lease contracts for various items of assets used in its operations. Leases generally have lease terms between 2 - 7 years.

17.1 Right-of-use assets

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

(Unit: Thousand Baht)

	Consolidated financial statements				
	Land, buildings and building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Total
1 January 2022	47,090	445	170	42,180	89,885
Additions	2,616	-	-	9,893	12,509
Write-off - net book value at write-off date	-	-	-	(115)	(115)
Depreciation for the year	(13,650)	(172)	(77)	(17,642)	(31,541)
Translation adjustment	358	-	-	324	682
31 December 2022	36,414	273	93	34,640	71,420
Additions	9,747	-	-	13,147	22,894
Write-off - net book value at write-off date	(1,487)	-	-	(1,054)	(2,541)
Depreciation for the year	(13,984)	(173)	(40)	(17,063)	(31,260)
Translation adjustment	(66)	-	-	(118)	(184)
31 December 2023	30,624	100	53	29,552	60,329

(Unit: Thousand Baht)

	Separate financial statements		
	Buildings	Motor vehicles	Total
1 January 2022	22,352	22,281	44,633
Additions	2,616	-	2,616
Depreciation for the year	(6,135)	(6,224)	(12,359)
31 December 2022	18,833	16,057	34,890
Additions	2,570	6,535	9,105
Write-off - net book value at write-off date	(1,487)	-	(1,487)
Depreciation for the year	(7,097)	(5,964)	(13,061)
31 December 2023	12,819	16,628	29,447

17.2 Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Lease payments	73,284	80,554	36,245	40,869
Less: Deferred interest expenses	(8,244)	(6,100)	(4,594)	(3,939)
Total	65,040	74,454	31,651	36,930
Less: Portion due within one year	(29,325)	(29,608)	(13,409)	(11,737)
Lease liabilities - net of current portion	<u>35,715</u>	<u>44,846</u>	<u>18,242</u>	<u>25,193</u>

Movements of lease liabilities for the year ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Balance at beginning of year	74,454	92,959	36,930	46,149
Additions during the year	22,894	12,508	9,105	2,616
Accretion of interest	4,076	4,922	2,456	2,473
Payment during the year	(33,809)	(34,207)	(15,306)	(14,308)
Decrease from contract cancellation	(2,763)	(167)	(1,534)	-
Translation adjustment	188	(1,561)	-	-
Balance at end of year	<u>65,040</u>	<u>74,454</u>	<u>31,651</u>	<u>36,930</u>

A maturity analysis of lease payments is disclosed in Note 40.2 under the liquidity risk.

17.3 Expenses relating to leases that are recognised in income statement

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Depreciation expenses of right-of-use assets	31,260	31,541	13,061	12,359
Interest expenses on lease liabilities	4,076	4,922	2,456	2,473
Expenses relating to short-term leases	1,795	1,404	540	530
Expenses relating to leases of low-value assets	127	145	103	121
Expenses relating to variable lease payments that do not depend on an index or a rate	33	5	-	-

17.4 Others

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 35.8 million (2022: Baht 35.8 million) (the Company only: Baht 16.0 million (2022: Baht 15.0 million)), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate.

18. Goodwill

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2023</u>	<u>2022</u>
Goodwill	234,769	234,769
Less: Accumulated allowance for impairment loss	<u>(48,769)</u>	<u>(48,769)</u>
Goodwill - net	<u>186,000</u>	<u>186,000</u>

The Company has determined recoverable amounts of its cash-generating units (CGUs) based on value in use using cash flow projections from financial budgets approved by the management.

Key assumptions used in value in use calculations summarise as follows:

	(Unit: Percent per annum)
Terminal growth rate	1
Discount rate	11

The management has considered the growth rate from policy, business plan, expected overall market growth rate, and discount rate which are the rates before income tax which relate to the specific risk in that operating segment.

19. Intangible assets

Details of intangible assets are as follows:

Consolidated financial statements

	(Unit: Thousand Baht)		
	Computer software	Deferred transferred service fees according to contract	Total
Cost			
1 January 2022	23,657	191,939	215,596
Additions	587	-	587
Disposal	(353)	-	(353)
Translation adjustment	116	-	116
31 December 2022	24,007	191,939	215,946
Additions	3,924	-	3,924
Disposal	(686)	-	(686)
Translation adjustment	(35)	-	(35)
31 December 2023	27,210	191,939	219,149
Accumulated amortisation			
1 January 2022	20,475	88,463	108,938
Amortisation for the year	924	30,980	31,904
Disposal	(353)	-	(353)
Translation adjustment	116	-	116
31 December 2022	21,162	119,443	140,605
Amortisation for the year	1,578	38,348	39,926
Disposal	(492)	-	(492)
Translation adjustment	(35)	-	(35)
31 December 2023	22,213	157,791	180,004
Allowance for impairment loss			
1 January 2022	85	-	85
31 December 2022	85	-	85
Decrease during the year	(85)	-	(85)
31 December 2023	-	-	-
Net book value			
31 December 2022	2,760	72,496	75,256
31 December 2023	4,997	34,148	39,145

Separate financial statements

(Unit: Thousand Baht)

	Computer software	Deferred transferred service fees according to contract	Total
Cost			
1 January 2022	8,803	191,939	200,742
Additions	259	-	259
31 December 2022	9,062	191,939	201,001
Additions	2,119	-	2,119
Disposal	(315)	-	(315)
31 December 2023	10,866	191,939	202,805
Accumulated amortisation			
1 January 2022	8,141	88,463	96,604
Amortisation for the year	289	30,980	31,269
31 December 2022	8,430	119,443	127,873
Amortisation for the year	560	38,348	38,908
Disposal	(315)	-	(315)
31 December 2023	8,675	157,791	166,466
Net book value			
31 December 2022	632	72,496	73,128
31 December 2023	2,191	34,148	36,339

Agreement of transferring service fees provided by PT. Indocoal Pratama Jaya

On 9 February 2018, the Company and PT. Indocoal Pratama Jaya (“IPJ”) entered into agreement of transferring service fees for service provided to the concession area of PT. Singlurus Pratama (“SGP”) for 25 million tons of coal, in accordance with the Service Agreement, which stipulates that IPJ is to receive a fee of USD 0.75 per ton of coal produced and distributed from SGP. The Company had negotiated the price of transferring of such right at USD 6 million, or equivalent to Baht 191.9 million. Such right to the fees will be amortised according to the quantity of coal produced and sold from SGP.

20. Other non-current assets

Other non-current assets have been shown net of related accumulated amortisation as at 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2023</u>	<u>2022</u>
Deferred expenses - Indonesia coal mine project	220,767	216,774
Deferred stripping costs	688,650	692,404
Total other non-current assets	<u>909,417</u>	<u>909,178</u>
Amortisation expenses for the year	<u>925,950</u>	<u>665,195</u>

Deferred expenses - Indonesia coal mine project

A reconciliation of the net book value of deferred expenses - Indonesia coal mine project for the years 2023 and 2022 is presented below.

	(Unit: Thousand Baht)		
	Consolidated financial statements		
	Exploration and evaluation assets	Deferred exploration and development costs	Total
As at 1 January 2022	3,210	213,517	216,727
Increase during the year	-	26,728	26,728
Amortisation for the year	-	(34,089)	(34,089)
Translation adjustment	110	7,298	7,408
As at 31 December 2022	<u>3,320</u>	<u>213,454</u>	<u>216,774</u>
Increase during the year	-	41,599	41,599
Amortisation for the year	-	(35,479)	(35,479)
Translation adjustment	(33)	(2,094)	(2,127)
As at 31 December 2023	<u>3,287</u>	<u>217,480</u>	<u>220,767</u>

Deferred stripping costs

A reconciliation of the net book value of deferred stripping costs for the years 2023 and 2022 is presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2023</u>	<u>2022</u>
Net book value at beginning of year	692,404	474,976
Increase during the year	942,731	832,295
Amortisation for the year	(890,471)	(631,105)
Transfer out during the year	(49,221)	-
Translation adjustment	(6,793)	16,238
Net book value at end of year	<u>688,650</u>	<u>692,404</u>

21. Short-term loans from financial institutions

	Interest rate		(Unit: Thousand Baht)	
	(percent per annum)		Consolidated financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Promissory notes	4.50 - 5.45	3.00 - 3.90	984,586	1,303,948
Bill of purchasing line	0.50	-	262,779	-
Total			<u>1,247,365</u>	<u>1,303,948</u>

Movements in short-term loans from financial institutions during the year ended 31 December 2023 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Balance as at 1 January 2023	1,303,948
Add: Increase during the year	4,167,337
Amortisation of transaction costs during the year	600
Less: Repayment during the year	<u>(4,224,520)</u>
Balance as at 31 December 2023	<u>1,247,365</u>

Credit facilities are secured by the mortgage of part of the subsidiary's land and construction thereon and machinery as discussed in Note 16.

As at 31 December 2023, the short-term credit facilities of the subsidiaries which have not yet been drawn down amounted to USD 24.3 million or equivalent to Baht 832.4 million and Baht 660.3 million totaling of Baht 1,492.7 million (2022: USD 32.0 million or equivalent to Baht 1,106.0 million and Baht 56.1 million totaling of Baht 1,162.1 million).

22. Trade and other payables

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade payables - related parties	1,950	-	1,950	-
Trade payables - unrelated parties	417,253	605,183	37,730	33,275
Other payables - unrelated parties	158,402	138,703	5,404	10,086
Total trade and other payables	<u>577,605</u>	<u>743,886</u>	<u>45,084</u>	<u>43,361</u>

23. Long-term loans from financial institutions

No.	Credit facilities (Million Baht)	Interest rate (percent per annum)	Repayment schedule	(Unit: Thousand Baht)	
				Consolidated	
				financial statements	
				As at 31 December	
				2023	2022
1	418.0	3M BAYBIBOR + 2.22 (2565: 3M BAYBIBOR + 1.97)	The loan is repayable within 6 years and is repayable the first installment in the last day of the eighteenth month since the subsidiary withdrew the loan (8 June 2018). The principal is payable in 10 semi-annually installments of Baht 42 million during the first to ninth installment, remaining balance is repayable in the tenth installment and interest is repayable every 3 months.	28,769	112,680
2	300.0	3M BAYBIBOR + 2.22 (2565: 3M BAYBIBOR + 1.97)	The loan is repayable within 5 years and is repayable the first installment in the last day of the sixth month since the Company withdrew the loan (15 November 2018). The principal is repayable in 10 semi-annually installments of Baht 30 million each and interest is repayable every 3 months.	-	59,933
3	214.1	5.75 (2022: 5.50)	The loan is repayable within 5 years 7 months and is repayable the principal in 60 monthly installments with the first installment on 23 April 2020 and the interest is repayable on monthly basis with the first payment on 23 September 2019.	172,910	133,195
4	500.0	3M BAYBIBOR + 2.47 (2565: 3M BAYBIBOR + 2.22)	The loan is repayable within 5 years and is repayable the first installment in the last day of the sixth month since the first withdrawal date (16 August 2021). The principal is repayable in 10 semi-annually installments of Baht 50 million each and interest is repayable every 3 months.	299,667	399,540
Total				<u>501,346</u>	<u>705,348</u>
Less: Current portion				<u>(191,742)</u>	<u>(321,044)</u>
Long-term loans, net of current portion				<u>309,604</u>	<u>384,304</u>

Movements in the long-term loans from financial institution during the year ended 31 December 2023 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Balance as at 1 January 2023	705,348
Increase from business combination	103,150
Amortisation of transaction costs during the year	770
Repayment during the year	(306,615)
Translation adjustment	(1,307)
Balance as at 31 December 2023	<u>501,346</u>

The credit facilities of subsidiaries are secured by the pledge of the mortgage of part of the land and construction thereon, machinery.

The loan agreements contain several covenants which, among other things, require the subsidiaries to maintain certain financial ratios according to the agreements such as debt to equity and debt service coverage ratios at the rate prescribed in the agreements. As at 31 December 2023 and 2022, the overseas subsidiary could maintain certain financial ratios as specified in the long-term loan agreements. However, a local subsidiary could not maintain certain financial ratio as specified in the loan agreement. A local subsidiary had negotiated with the bank, and had obtained a waiver letter for the condition to maintain certain financial ratios from that bank on 28 September 2023 and 3 November 2022, respectively.

As at 31 December 2023, the long-term credit facilities of the subsidiaries which have not yet been drawn down amounted to USD 2.4 million or equivalent to Baht 83.4 million (2022: USD 5.5 million or equivalent to Baht 188.4 million).

24. Provision for long-term employee benefits

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Provision for long-term employee benefits at beginning of year	203,761	203,690	51,164	47,586
Included in income statement:				
Current service cost	15,719	16,844	2,931	2,892
Interest cost	10,675	8,149	736	686
Past service costs	(1,295)	(17,387)	-	-
Included in statement of comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	2,758	2,144	2,758	-
Financial assumptions changes	(1,128)	(5,540)	(4,481)	-
Experience adjustments	(18,860)	6,852	143	-
Benefits paid during the year	(11,442)	(1,719)	(2,401)	-
Translation adjustment	1,259	(9,272)	-	-
Provision for long-term employee benefits at end of year	<u>201,447</u>	<u>203,761</u>	<u>50,850</u>	<u>51,164</u>

The Group expects to pay Baht 34.9 million of long-term employee benefits during the next year (2022: Baht 42.1 million).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit is 2 - 13 years (the Company only: 12 years) (2022: 2 - 13 years, the Company only: 10 years).

Significant actuarial assumptions are summarised below:

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	2.76 - 7.06	1.36 - 7.55	2.76	1.36
Salary increase rate	5.00 - 6.00	5.00 - 6.00	5.18	5.73

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

(Unit: Thousand Baht)

	As at 31 December 2023					
	Consolidated financial statements				Separate	
	The group in Thailand		The group in overseas		financial statements	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
	0.5% - 1.0%	0.5% - 1.0%	1.0%	1.0%	0.5%	0.5%
Discount rate	(1,782)	1,910	(7,305)	8,117	(1,304)	1,394
Salary increase rate	2,473	(2,262)	7,481	(6,865)	1,355	(1,281)

(Unit: Thousand Baht)

	As at 31 December 2022					
	Consolidated financial statements				Separate	
	The group in Thailand		The group in overseas		financial statements	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
	0.5% - 1.0%	0.5% - 1.0%	1.0%	1.0%	0.5%	0.5%
Discount rate	(1,764)	1,869	(6,270)	6,964	(1,290)	1,358
Salary increase rate	2,777	(2,580)	7,056	(6,457)	1,783	(1,706)

25. Provision for mine reclamation and decommissioning costs

(Unit: Thousand Baht)

	Consolidated financial statements		
	Provision for		Total
	Provision for mine reclamation	decommissioning costs	
As at 1 January 2022	103,142	21,848	124,990
Increase during the year	39,502	-	39,502
Interest expenses	1,217	-	1,217
Decrease from actual paid	(26,753)	-	(26,753)
Translation adjustment	(6,931)	(1,353)	(8,284)
As at 31 December 2022	110,177	20,495	130,672
Increase during the year	35,008	-	35,008
Interest expenses	3,145	-	3,145
Decrease from actual paid	(21,429)	-	(21,429)
Translation adjustment	1,155	213	1,368
As at 31 December 2023	128,056	20,708	148,764

26. Statutory reserve

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

27. Provident fund

The Group and their employees jointly established a provident fund, in accordance with the Provident Fund Act B.E. 2530. The fund is contributed by employees at a rate of 5% of their basic salaries and the Group also contribute a certain amount. The fund, which is managed by the Bank of Ayudhaya Public Co., Ltd., will be paid to employee upon termination in accordance with the fund rules of the Group. The contributions of the Group for the year 2023 amounting to Baht 9.2 million (the Company only: Baht 6.3 million) (2022: Baht 9.1 million (the Company only: Baht 6.0 million)) were recognised as expenses.

28. Finance income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Interest income at amortised cost	72,844	29,454	34,781	10,505
Total	<u>72,844</u>	<u>29,454</u>	<u>34,781</u>	<u>10,505</u>

29. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Interest expenses on borrowings	78,345	49,851	-	-
Interest expenses on mine reclamation	3,145	1,217	-	-
Interest expenses on lease liabilities	4,076	4,922	2,456	2,473
Total	<u>85,566</u>	<u>55,990</u>	<u>2,456</u>	<u>2,473</u>

30. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
		(Restated)		
Purchase of finished goods	1,330,651	905,010	1,609,382	1,658,249
Raw materials and consumables used	2,075,498	1,687,000	-	-
Changes in inventories of finished goods and work in process decrease (increase)	62,095	(13,273)	82,617	62,646
Royalty fee	2,873,278	3,977,004	-	-
Freight and transportation of goods expenses	1,941,224	1,796,202	95,487	80,456
Coal winning and conveyance expenses	5,094,006	5,464,754	-	-
Depreciation and amortisation expenses	1,335,487	1,054,857	70,515	61,130
Reversal reduction of inventories to net realisable value	-	(16,312)	-	(15,526)
Allowance for impairment of the investment in subsidiaries	-	-	6,224	32,133
Reversal allowance for impairment loss on assets	-	(937)	-	-
Salaries, wages and other employee benefits	305,649	313,750	60,220	74,966
Management benefit expenses	284,432	262,756	80,726	74,803
Electricity and fuel expenses	194,256	127,968	9,265	8,201
Repair and maintenance expenses	102,114	84,146	14,084	14,542

31. Income tax

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
		(Restated)		
Current income tax:				
Current income tax charge	1,463,433	2,133,190	-	-
Adjustment in respect of income tax of previous year	39,255	4,611	-	-
Withholding tax deducted at source recognised as expenses during the year	70,112	57,254	397,249	582,965
Deferred tax:				
Relating to origination and reversal of temporary differences	404,355	716,427	4,620	(4,037)
Income tax expenses reported in income statements	<u>1,977,155</u>	<u>2,911,482</u>	<u>401,869</u>	<u>578,928</u>

The amount of income tax related to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follow:

	(Unit: Thousand Baht)			
	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax relating to actuarial gain (loss)	<u>5,011</u>	<u>(810)</u>	<u>316</u>	<u>-</u>

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u> (Restated)	<u>2023</u>	<u>2022</u>
Accounting profit before tax	5,350,543	7,814,458	1,911,071	2,902,335
Applicable tax rate	10% - 30%	10% - 30%	20%	20%
Accounting profit before tax multiplied by income tax rate	1,548,454	2,259,381	382,214	580,467
Adjustment in respect of income tax of previous year	39,255	4,611	-	-
Withholding tax deducted at source recognised as expenses during the year	70,112	57,254	397,249	582,965
Effects of:				
Non-deductible expenses	11,415	16,565	4,317	4,219
Income not subject to tax	(24,642)	(22,919)	(329,266)	(525,298)
Additional expense deductions allowed	(5,350)	(4,672)	(3,512)	(3,090)
Taxable withholding tax deducted at source expenses	(65,427)	(105,142)	(65,427)	(105,142)
Others	(154)	1,471	-	-
Total	(84,158)	(114,697)	(393,888)	(629,311)
Investments in subsidiaries	385,558	655,808	-	-
Write-down of previous deferred tax assets	6,010	-	4,660	-
Deductible temporary differences and unrecognised tax loss as deferred tax assets	11,909	49,135	11,634	44,807
Translation adjustment	15	(10)	-	-
Income tax expenses reported in income statements	<u>1,977,155</u>	<u>2,911,482</u>	<u>401,869</u>	<u>578,928</u>

A reconciliation of the book value of deferred tax assets and deferred tax liabilities for the years ended 31 December 2023 and 2022 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements				Separate financial statements				
	As at 31 December 2022	Recognise to income statement	Recognise to statement of comprehensive income	Translation adjustment	As at 31 December 2023	As at 1 January 2023	Recognise to income statement	Recognise to statement of comprehensive income	As at 31 December 2023
	(Restated)								
Deferred tax assets									
Provision for long-term employee benefits	55,166	(290)	(5,011)	(524)	49,341	10,233	(4,659)	(316)	5,258
Allowance for impairment loss of investment in subsidiary	-	-	-	-	-	38,626	328	-	38,954
Accumulated depreciation - ore, plant and equipment	17,826	(978)	-	(21)	16,827	12,779	(289)	-	12,490
Inventories	8,430	(5,842)	-	(9)	2,579	-	-	-	-
Government grants	3,383	(667)	-	-	2,716	-	-	-	-
Lease	363	297	-	(8)	652	-	-	-	-
Unrecognised tax loss	44,349	(23,089)	-	-	21,260	-	-	-	-
Total	129,517	(30,569)	(5,011)	(562)	93,375	61,638	(4,620)	(316)	56,702

(Unit: Thousand Baht)

	Consolidated financial statements				Separate financial statements				
	As at 31 December 2022	Recognise to income statement	Recognise to statement of comprehensive income	Translation adjustment	As at 31 December 2023	As at 1 January 2023	Recognise to income statement	Recognise to statement of comprehensive income	As at 31 December 2023
	(Restated)								
Deferred tax liabilities									
Accumulated amortisation - deferred exploration and development costs and deferred stripping costs	249,575	2,527	-	(2,733)	249,369	-	-	-	-
Investments in subsidiaries	230,367	53,418	-	-	283,785	-	-	-	-
Accumulated depreciation - machinery	2,994	(155)	-	-	2,839	-	-	-	-
Lease	21,404	(9,998)	-	(32)	11,374	-	-	-	-
Total	504,340	45,792	-	(2,765)	547,367	-	-	-	-
Deferred tax assets (liabilities) - net	<u>(374,823)</u>				<u>(453,992)</u>	<u>61,638</u>			<u>56,702</u>
Deferred tax assets					41,570				56,702
Deferred tax liabilities					<u>(495,562)</u>				<u>-</u>
Deferred tax assets (liabilities) - net					<u>(453,992)</u>				<u>56,702</u>

(Unit: Thousand Baht)

	Consolidated financial statements				Separate financial statements				
	As at 1 January 2022	Recognise to income statement	Recognise of comprehensi ve income	Translation adjustment	As at 31 December 2022	As at 1 January 2022	Recognise to income statement	Recognise of comprehensi ve income	As at 31 December 2022
					(Restated)				
Deferred tax assets									
Provision for long-term employee benefits	55,712	(2,834)	810	1,478	55,166	9,518	715	-	10,233
Reduction of inventories to net realisable value	3,224	(3,224)	-	-	-	3,105	(3,105)	-	-
Allowance for impairment loss of investment in subsidiary	-	-	-	-	-	32,199	6,427	-	38,626
Accumulated depreciation - ore, plant and equipment	18,245	(581)	-	162	17,826	12,779	-	-	12,779
Inventories	15,636	(7,403)	-	197	8,430	-	-	-	-
Government grants	4,050	(667)	-	-	3,383	-	-	-	-
Lease	490	(127)	-	-	363	-	-	-	-
Unrecognised tax loss	21,684	22,665	-	-	44,349	-	-	-	-
Provision for domestic market sales obligation penalty	16,308	(16,476)	-	168	-	-	-	-	-
Decrease in assets from fair value adjustment from the acquisition	1,273	(1,273)	-	-	-	-	-	-	-
Total	136,622	(9,920)	810	2,005	129,517	57,601	4,037	-	61,638

(Unit: Thousand Baht)

	Consolidated financial statements				Separate financial statements				
	As at 1 January 2022	Recognise to statement of		Translation adjustment	As at 31 December 2022	As at 1 January 2022	Recognise to statement of		As at 31 December 2022
		Recognise to income statement	comprehensi ve income				comprehensi ve income		
				(Restated)					
Deferred tax liabilities									
Accumulated amortisation - deferred exploration and development costs and deferred stripping costs	179,226	63,140	-	7,209	249,575	-	-	-	
Investments in subsidiaries	98,346	132,021	-	-	230,367	-	-	-	
Accumulated depreciation - machinery	3,149	(155)	-	-	2,994	-	-	-	
Lease	30,597	(10,094)	-	901	21,404	-	-	-	
Total	311,318	184,912	-	8,110	504,340	-	-	-	
Deferred tax assets (liabilities) - net	(174,696)				(374,823)	57,601		61,638	
Deferred tax assets					70,338			61,638	
Deferred tax liabilities					(445,161)			-	
Deferred tax assets (liabilities) - net					(374,823)			61,638	

As at 31 December 2023, the Group have deductible temporary differences and unused tax losses totaling Baht 510.3 million (the Company only: Baht 426.5 million) (2022: 436.8 million (the Company only: Baht 374.1 million)), on which deferred tax assets have not been recognised as the Group believe future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses amounting to Baht 616.6 million will expire by year 2024 - 2028.

32. Promotional privileges

Thai Agro Energy Public Company Limited, a subsidiary, has been granted the promotional privileges under the Investment Promotion Act B.E. 2520 as approved by the Board of Investment as follows:

Certificate No.	2078(9)/2551	62-0394-1-04-1-0
Date	19 November 2008	22 April 2019
1. Promotional privileges for	Manufacture of ethanol (99.5%)	Manufacture of alcohol
2. Significant privileges		
2.1 Exemption from corporate income tax on income derived from the promoted operations (commencing from the date of earning operating income) and exemption from income tax on dividend paid from the income of the promoted operations throughout the period in which the corporate income tax is exempted.	8 years (expired on 1 April 2020)	3 years or not exceed 50 percent of the investment (expired on 22 April 2022)
2.2 Allowance to carry-forward the annual loss from promoted operations incurred during the corporate income tax exemption period to offset with net income incurred thereafter (after exemption period in 2.1).	5 years	5 years
2.3 Exemption from import duty on raw and essential materials or products used for manufacture for export commencing from the first import date.	1 year	-
3. Date of first earning operating income	2 April 2012	23 April 2019

As a promoted company, the subsidiary has to comply with certain conditions and restrictions provided for in the promotional certificate.

The subsidiary's operating revenues for the years ended 31 December 2023 and 2022 were domestic sales, which were divided between promoted and non-promoted operations, are summarised below:

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u> (Restated)
Revenues from sales		
Promoted operations	-	342,130
Non-promoted operations	2,644,781	1,687,613
Total	<u>2,644,781</u>	<u>2,029,743</u>

33. Earnings per share

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

34. Dividend paid

Dividends paid by the Group for the years ended 31 December 2023 and 2022 are as follows:

The Company

Dividends	Approved by	Total Dividends (Thousand Baht)	Dividend per share (Baht)	Paid on
<u>2023</u>				
Final dividends for 2022	Annual General Meeting of the shareholders on 24 April 2023	813,750	1.55	23 May 2023
Interim dividends for 2023	Board of Directors' meeting on 21 August 2023	577,499	1.10	20 September 2023
Total		<u>1,391,249</u>	<u>2.65</u>	
<u>2022</u>				
Final dividends for 2021	Annual General Meeting of the shareholders on 18 April 2022	525,000	1.00	17 May 2022
Interim dividends for 2022	Board of Directors' meeting on 22 August 2022	761,249	1.45	20 September 2022
Total		<u>1,286,249</u>	<u>2.45</u>	

Overseas subsidiaries

PT. Lanna Harita Indonesia

Dividends	Approved by	Total Dividends (Thousand US Dollar)	Dividend per share (US Dollar)	Paid on
<u>2023</u>				
The third interim dividends for 2022	Board of Directors' meeting on 21 March 2023	5,000	625.0	28 March 2023
Final dividends for 2022	Annual General Meeting of the shareholders on 12 June 2023	5,000	625.0	22 June 2023
The first interim dividends for 2023	Board of Directors' meeting on 22 November 2023	5,000	625.0	27 November 2023
Total		15,000	1,875.0	
<u>2022</u>				
The third interim dividends for 2021	Board of Directors' meeting on 28 March 2022	5,000	625.0	25 May 2022
Final dividends for 2021	Annual General Meeting of the shareholders on 30 June 2022	10,000	1,250.0	30 June 2022
The first interim dividends for 2022	Board of Directors' meeting on 20 September 2022	10,000	1,250.0	28 September 2022
The second interim dividends for 2022	Board of Directors' meeting on 14 December 2022	15,000	1,875.0	22 December 2022
Total		40,000	5,000.0	

During the year 2023, the Company recorded dividend income at 55 percent for a total of USD 8.3 million or equivalent to Baht 285.9 million. The Company had been withheld the withholding tax deducted at source of Baht 57.2 million. (2022: USD 22.0 million or equivalent to Baht 777.9 million. The Company had been withheld the withholding tax deducted at source of Baht 156.1 million.)

PT. Singlurus Pratama

<u>Dividends</u>	<u>Approved by</u>	<u>Total dividends (Thousand US Dollar)</u>	<u>Dividend per share (US Dollar)</u>	<u>Paid on</u>
<u>2023</u>				
The third interim dividends for 2022	Board of Directors' meeting on 23 March 2023	20,000	1,904.8	27 March 2023
Final dividends for 2022	Annual General Meeting of the shareholders on 12 June 2023	20,000	1,904.8	27 June 2023
The first interim dividends for 2023	Board of Directors' meeting on 22 November 2023	10,000	952.4	29 November 2023
The second interim dividends for 2023	Board of Directors' meeting on 18 December 2023	10,000	952.4	20 December 2023
Total		<u>60,000</u>	<u>5,714.4</u>	
<u>2022</u>				
The third interim dividends for 2021	Board of Directors' meeting on 28 March 2022	10,000	952.4	10 May 2022
Final dividends for 2021	Annual General Meeting of the shareholders on 30 June 2022	20,000	1,904.8	30 June 2022
The first interim dividends for 2022	Board of Directors' meeting on 20 September 2022	20,000	1,904.8	20 September 2022
The second interim dividends for 2022	Board of Directors' meeting on 14 December 2022	30,000	2,857.1	21 December 2022
Total		<u>80,000</u>	<u>7,619.1</u>	

During the year 2023, the Company recorded dividend income at 65 percent for a total of USD 39.0 million or equivalent to Baht 1,349.8 million. The Company had been withheld the withholding tax deducted at source of Baht 270.0 million. (2022: USD 52.0 million or equivalent to Baht 1,840.0 million. The Company had been withheld the withholding tax deducted at source of Baht 369.6 million.)

35. Segment information

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

For management purposes, the Group are organised into business units based on its products, in which the Group recognised revenue at the point in time, and have four reportable segments as follows:

1. Domestic coal segment, which purchases and sells coal
2. Overseas coal segment, which produces and sells coal
3. Ethanol segment, which produces and sells ethanol and soil conditioner
4. Wood pellet segment, which produces and sells wood pellet

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

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and 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.

The following tables present revenue, profit and total assets information regarding the Company's and its subsidiaries' operating segments for the years ended 31 December 2023 and 2022, respectively.

(Unit: Million Baht)

	For the years ended 31 December															
	Domestic		Overseas		Ethanol business				Wood Pellet		Total segments		Adjustments and		Consolidated	
	coal business		coal business		Ethanol business		business		Total segments		eliminations		Consolidated			
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>		
						(Restated)				(Restated)				(Restated)		
Revenue from external customers	1,876	1,954	18,353	21,211	2,645	2,029	-	-	22,874	25,194	-	-	22,874	25,194		
Inter-segment revenue	433	375	265	745	-	-	-	-	698	1,120	(698)	(1,120)	-	-		
Finance income	35	11	36	18	1	-	1	-	73	29	-	-	73	29		
Finance cost	2	2	14	8	70	46	-	-	86	56	-	-	86	56		
Depreciation and amortisation	71	61	1,078	820	184	170	3	5	1,336	1,056	(1)	(1)	1,355	1,055		
Share of profit from investments in associated companies accounted for by the equity method	124	219	-	-	-	-	-	-	124	219	-	-	124	219		
Tax expenses	402	579	1,493	2,217	8	(15)	16	(6)	1,919	2,775	58	136	1,977	2,911		
Segment profit (loss)	616	624	10,754	14,227	230	101	-	-	11,600	14,952	(417)	(365)	11,183	14,587		
Segment total assets	4,953	4,851	7,103	6,924	3,092	3,608	157	279	15,305	15,662	(473)	(708)	14,832	14,954		
Investment in associated companies accounted for by equity method	497	383	-	-	-	-	-	-	497	383	-	-	497	383		
Additions to non-current assets other than financial instruments and deferred tax assets	(38)	(30)	46	283	(73)	(88)	(3)	(40)	(68)	125	(7)	-	(75)	125		

Geographic information

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

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
		(Restated)
Revenue from external customers		
Thailand	4,505,710	3,964,983
India	9,158,349	12,977,163
Singapore	3,210,895	4,160,173
Indonesia	3,516,866	3,166,141
Dubai	2,481,853	900,176
Total	<u>22,873,673</u>	<u>25,168,636</u>
Non-current assets (other than financial instruments and deferred tax assets)		
Thailand	3,223,213	3,344,630
Indonesia	2,004,502	1,959,933
Total	<u>5,227,715</u>	<u>5,304,563</u>

Major customers

During the year 2023, the Group has revenue from 5 major customers in amount of Baht 9,921 million, arising from sales by the coal business (2022: revenue from 5 major customers in amount of Baht 11,222 million, arising from sales by the coal business, respectively).

36. Significant contracts and agreements

36.1 In 1998, PT. Lanna Harita Indonesia had been granted the right under a Coal Contract of Work (“CCOW”) from the Indonesian government to explore for and exploit coal for a period of thirty years in a total survey area of 30,018 hectares in Tanah Merah in Samarinda and Kutai, East Kalimantan, Indonesia. The subsidiary has a continuing obligation to pay a fee and compensation under the contract. Subsequently on 17 January 2018, the subsidiary amended certain condition in the contract with the Indonesian government.

36.2 In 1997, PT. Singlurus Pratama was granted the right under a Coal Contract of Work (“CCOW”) from the Indonesian government to explore for and exploit coal for a period of thirty years beginning at the commencement of the first mining operation in a total survey area of 24,760 hectares in Kutai, East Kalimantan, Indonesia. The subsidiary has a continuing obligation to pay a fee and compensation under the contract. In February 2009, the subsidiary received the consent from Indonesian government to start the production activities. Subsequently on 17 January 2018, the subsidiary amended certain conditions in the contract with the Indonesian government.

36.3 On 20 May 2009, PT. Singlurus Pratama entered into the marketing and technical service agreements with the Company and entered into assistance service agreement with a company in Indonesia. The service fees are charged on the basis and at the rates as stipulated in the agreements.

Subsequently on 29 October 2016, PT. Singlurus Pratama has made the agreement to amend the service fees to the new rates as stipulated in the agreements. This agreement shall be effective retroactively as of 1 August 2016.

37. Commitments and contingent liabilities

37.1 Capital commitments

As at 31 December 2023, the Group had capital commitments of Baht 10.5 million, relating to fire suppression system installation and other construction projects. (31 December 2022: Baht 11.2 million, relating to the assessment of environmental impact on the construction of the Company's jetty, the construction of the subsidiary's Vinasse Evaporation Plant and other construction projects.)

37.2 Long-term service and purchase commitments

- a) The Group had commitments under several service agreements in respect of the security service, car maintenance service and other services. The terms of the agreements are generally between 1 and 5 years. As at 31 December 2023 and 2022, future minimum payments under these agreements are as follows:

(Unit: Million Baht)

Payable	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
In up to 1 year	1.8	2.0	0.6	0.6
In over 1 year and up to 5 years	0.3	0.6	0.3	0.6

- b) The Group had commitments under service agreements regarding the legal consulting, the consulting for finance and management and other consulting of Baht 29.0 million (the Company only: Baht 29.0 million) (2022: Baht 15.2 million (the Company only: Baht 13.9 million)).
- c) The Company had commitments under the coal purchase agreement and coal shipping agreement with an overseas company which the coal price and freight rate, coal quality and quantity to purchase are stipulated in the agreement.
- d) The local subsidiary entered into a power supply agreement with the Provincial Electricity Authority for a period of one year, and being automatically renewed for every one-year period. The subsidiary shall pay power supply at the rate as stipulated in the agreement.

37.3 Coal supply agreement commitments

PT. Lanna Harita Indonesia and PT. Singlurus Pratama have coal supply commitments to domestic customers in accordance with the Domestic Market Obligation regulation required by the Indonesian government.

37.4 Guarantees

As at 31 December 2023, the Group had bank guarantees of approximately Baht 6.0 million and Rupiah 20,000 million (the Company only: Baht 1.0 million) (2022: Baht 72 million and Rupiah 19,900 million (the Company only: Baht 0.9 million)) issued by banks on behalf of the Group in respect of mine reclamation of the overseas subsidiaries to the government and using of electricity to the Provincial Electricity Authority.

38. Litigation

On September 2011, a company sued the subsidiary for its alleged non-compliance with the cassava chip purchase agreement, claiming a compensation for damage of Baht 186.9 million. The subsidiary submitted the testimony and countersued that company, claiming a compensation for damage of Baht 82.4 million. Both parties defended in three courts. The case has been finalised on 17 April 2019 by the Supreme Court affirmed the judgment of the Civil Court and the Appeal Court to order that company to make payments for purchases of cassava chip that the subsidiary paid in advance of Baht 6.9 million which together with interest expense of 7.5 percent per annum, calculated from 8 November 2011 (the countersue date) until completion of payment.

In addition, on 18 May 2018, the subsidiary sued that company for bankruptcy case. The Bankruptcy court passed the judgment on 29 May 2019 that the case was thrown out as that company has the right to claim with a debtor which is a government agency then that company has not become insolvent yet. The subsidiary has already made attachment of the claim.

On 13 August 2019, the subsidiary received partial payment of Baht 0.2 million. In addition, on 21 January 2022, the court ordered the debtor, a government agency, to submit the funds as they had been withheld to the subsidiary. The debtor failed to submit the funds. As a result, in October 2022, the subsidiary attached of the debtor's bank deposits in full in accordance with the writ of execution. Subsequently, in December 2022, the debtor filed a petition for the revocation of the attachment of claims. However, upon an investigation of the said petition, the Court issued an order dismissing the petition due to the lack of reasonable grounds for revocation. Currently, the debtor has filed an appeal against the Court's order, and the case is now in the appellate process. However, the subsidiary recorded allowance for impairment in advance paid to that company for a whole amount.

39. Fair value hierarchy

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

	(Unit: Thousand Baht)			
	As at 31 December 2023			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	Level 2	Total	Level 2	Total
Assets measured at fair value				
<u>Financial assets measured at FVTPL</u>				
Investment in General Fixed Income				
Funds - open fund	1,088	1,088	-	-
Liability measured at fair value				
<u>Derivatives</u>				
Foreign currency forward contracts	2,833	2,833	2,833	2,833
Assets for which fair value are disclosed				
<u>Financial assets measured at amortised cost</u>				
Investment properties	46,669	46,669	28,691	28,691

(Unit: Thousand Baht)

As at 31 December 2022

	Consolidated		Separate	
	financial Statements		financial Statements	
	Level 2	Total	Level 2	Total
Asset measured at fair value				
<u>Financial assets measured at FVTPL</u>				
Investment in General Fixed Income				
Funds - open fund	1,074	1,074	-	-
Liability measured at fair value				
<u>Derivatives</u>				
Foreign currency forward contracts	3,707	3,707	3,707	3,707
Assets for which fair value are disclosed				
<u>Financial assets measured at amortised cost</u>				
Investment properties	50,149	50,149	29,451	29,451

40. Financial instruments**40.1 Derivatives**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Derivative liabilities				
Derivatives liabilities not designated as hedging instruments				
Foreign exchange forward contracts	2,833	3,707	2,833	3,707
Total derivative liabilities	2,833	3,707	2,833	3,707

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 3 to 6 months.

40.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other accounts receivable, investments, and short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade and other accounts receivable, deposits with banks and financial institutions and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade and other accounts receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Credit term provided to customers normally is between 7 days and 120 days.

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

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty in accordance with the Group's policy. Counterparty credit limits are reviewed by the Group's management or Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's management or Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are two significant types of market risk comprising currency risk and interest rate risk.

Foreign currency risk

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

As at 31 December 2023 and 2022, the Company had balances of financial assets and liabilities denominated in foreign currencies as follows:

As at 31 December 2023				
Foreign currency	Financial assets	Financial liabilities	Exchange rate as at 31 December 2023	
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
			<u>Buying rate</u>	<u>Selling rate</u>
US dollar	8.4	0.1	34.0590	34.3876

As at 31 December 2022				
Foreign currency	Financial assets	Financial liabilities	Exchange rate as at 31 December 2022	
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
			<u>Buying rate</u>	<u>Selling rate</u>
US dollar	6.5	-	34.3913	34.7335

As at 31 December 2023 and 2022, foreign exchange contracts outstanding are summarised below:

As at 31 December 2023			
Foreign currency	Bought amount	Contractual exchange rate for amount bought	Contractual maturity date
	(Million)		
US dollar	2.7	33.94 - 35.87	March - July 2024

As at 31 December 2022			
Foreign currency	Bought amount	Contractual exchange rate for amount bought	Contractual maturity date
	(Million)		
US dollar	2.0	34.59 - 37.50	February - June 2023

Foreign currency sensitivity

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

Currency	2023		2022	
	Increase (decrease)	Effect on profit before tax	Increase (decrease)	Effect on profit before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
US dollar	5	14,226	5	11,188
US dollar	(5)	(14,226)	(5)	(11,188)

Interest rate risk

The Group's exposure to interest rate risk relates primarily to bank deposits, short-term loans, lease liabilities, and long-term borrowings. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Group manages its interest rate risk by providing loans with both fixed and variable interest rates, which must be approved by the Group's management or the Board of Directors. The Group has an interest rate risk management policy by closely monitoring and controlling interest rate risk. Also, monitoring the economic situation, money market and capital market conditions and direction of interest rates that may cause interest rate risk factors. If there is a fluctuation in market interest rates or future direction that will affect the operating results and cash flows, the Group will consider using an interest rate swap contract in order to exchange difference interest amounts between fixed interest rates and variable rates by referencing principal value of the contract at specified intervals.

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

(Unit: Million Baht)

Consolidated financial statements						
As at 31 December 2023						
Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Interest rate	
Within 1 year	1 - 5 years				(% per annum)	
Financial assets						
Cash and cash equivalents	249	-	1,451	2	1,702	0.01 - 4.00
Restricted bank deposits	1,015	-	-	-	1,015	0.10 - 2.25
Trade and other receivables	-	-	-	2,124	2,124	-
Other current financial assets	1,595	-	-	1	1,596	1.45 - 2.50
Restricted bank deposits	393	-	-	-	393	1.50 - 4.00
Long-term loans to related parties	-	-	33	-	33	3MSIBOR+1.00
Other non-current financial assets	-	-	-	7	7	-
	<u>3,252</u>	<u>-</u>	<u>1,484</u>	<u>2,134</u>	<u>6,870</u>	
Financial liabilities						
Short-term loans from financial institutions	1,247	-	-	-	1,247	0.50 - 5.45
Trade and other payables	-	-	-	578	578	-
Lease liabilities	29	36	-	-	65	0.58 - 24.70
Other current financial liabilities	-	-	-	8	8	-
						3M BAYBIBOR + 2.22, 5.75, 3M BAYBIBOR +
Long-term loans	84	89	328	-	501	2.47
	<u>1,360</u>	<u>125</u>	<u>328</u>	<u>586</u>	<u>2,399</u>	

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2022

	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Interest rate (% per annum)
	Within 1 year	1 - 5 years				
Financial assets						
Cash and cash equivalents	472	-	2,533	24	3,029	0.01 - 5.75
Trade and other receivables	-	-	-	1,880	1,880	-
Other current financial assets	1,443	-	-	1	1,444	0.75 - 1.10
Restricted bank deposits	435	-	-	-	435	0.20 - 5.75
Long-term loans to related parties	-	-	90	-	90	3MSIBOR+1.00
Other non-current financial assets	-	-	-	6	6	-
	<u>2,350</u>	<u>-</u>	<u>2,623</u>	<u>1,911</u>	<u>6,884</u>	
Financial liabilities						
Short-term loans from financial institutions	1,304	-	-	-	1,304	3.00 - 3.90
Trade and other payables	-	-	-	744	744	-
Lease liabilities	30	44	-	-	74	0.58 - 22.37
Other current financial liabilities	-	-	-	8	8	-
						3M BAYBIBOR + 1.97, 5.5, 3M BAYBIBOR + 2.22
Long-term loans	<u>77</u>	<u>56</u>	<u>572</u>	<u>-</u>	<u>705</u>	
	<u>1,411</u>	<u>100</u>	<u>572</u>	<u>752</u>	<u>2,835</u>	

(Unit: Million Baht)

Separate financial statements

As at 31 December 2023

	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Interest rate (% per annum)
	Within 1 year	1 - 5 years				
Financial assets						
Cash and cash equivalents	249	-	737	-	986	0.01 - 2.45
Trade and other receivables	-	-	-	682	682	-
Other current financial assets	1,595	-	-	-	1,595	1.45 - 2.50
Long-term loans to related party	-	-	33	-	33	3MSIBOR+1.00
Other non-current financial assets	-	-	-	5	5	-
	<u>1,844</u>	<u>-</u>	<u>770</u>	<u>687</u>	<u>3,301</u>	
Financial liabilities						
Trade and other payables	-	-	-	45	45	-
Lease liabilities	14	18	-	-	32	1.66 - 24.70
Other current financial liabilities	-	-	-	4	4	-
	<u>14</u>	<u>18</u>	<u>-</u>	<u>49</u>	<u>81</u>	

(Unit: Million Baht)

Separate financial statements						
As at 31 December 2022						
	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Interest rate (% per annum)
	Within 1 year	1 - 5 years				
Financial assets						
Cash and cash equivalents	200	-	783	5	988	0.01 - 0.60
Trade and other receivables	-	-	-	485	485	-
Other current financial assets	1,443	-	-	-	1,443	0.75 - 1.10
Long-term loans to related party	-	-	90	-	90	3MSIBOR+1.00
Other non-current financial assets	-	-	-	3	3	-
	<u>1,643</u>	<u>-</u>	<u>873</u>	<u>493</u>	<u>3,009</u>	
Financial liabilities						
Trade and other payables	-	-	-	43	43	-
Lease liabilities	12	25	-	-	37	1.66 - 22.37
Other current financial liabilities	-	-	-	5	5	-
	<u>12</u>	<u>25</u>	<u>-</u>	<u>48</u>	<u>85</u>	

Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of floating rate loans to and loans from affected as at 31 December 2023 and 2022, with all other variables held constant.

Currency	2023		2022	
	Increase (decrease)	Effect on profit before tax	Increase (decrease)	Effect on profit before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Baht	0.5	(1,642)	0.5	2,861
Baht	(0.5)	1,642	(0.5)	(2,861)

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts, loans from financial institutions and lease contracts. The Group has liquidity risk management policy, which must be approved by the Group's management or the Board of Directors, to ensure that the Group maintains sufficient future cash flows for its business activities. By using cash flow projections, these reports will be used to monitor and control liquidity risks. The Group also determined the liquidity ratio at appropriate level. In addition, there is supervision and monitoring of the net cash flow in each interval to ensure that the Group can manage liquidity risk effectively.

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

	(Unit: Thousand Baht)		
	Consolidated financial statements		
	As at 31 December 2023		
	Less than 1 year	1 to 5 years	Total
Non-derivatives			
Short-term loans from financial institutions	1,258,598	-	1,258,598
Trade and other payables	577,605	-	577,605
Lease liabilities	32,964	40,320	73,284
Long-term loans	213,605	325,604	539,209
Other current financial liabilities	4,816	-	4,816
Total non-derivatives	2,087,588	365,924	2,453,512
Derivatives			
Derivative liabilities: net settled	2,833	-	2,833
Total	2,833	-	2,833

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2023

	Less than 1 year	1 to 5 years	Total
Non-derivatives			
Trade and other payables	45,084	-	45,084
Lease liabilities	15,611	20,634	36,245
Other current financial liabilities	1,230	-	1,230
Total non-derivatives	61,925	20,634	82,559
Derivatives			
Derivative liabilities: net settled	2,833	-	2,833
Total derivatives	2,833	-	2,833

(Unit: Thousand Baht)

Consolidated financial statements

As at 31 December 2022

	Less than 1 year	1 to 5 years	Total
Non-derivatives			
Short-term loans from financial institutions	1,314,957	-	1,314,957
Trade and other payables	743,886	-	743,886
Lease liabilities	32,925	47,629	80,554
Long-term loans	345,843	411,261	757,104
Other current financial liabilities	4,641	-	4,641
Total non-derivatives	2,442,252	458,890	2,901,142
Derivatives			
Derivative liabilities: net settled	3,707	-	3,707
Total	3,707	-	3,707

(Unit: Thousand Baht)

	Separate financial statements		
	As at 31 December 2022		
	Less than 1 year	1 to 5 years	Total
Non-derivatives			
Trade and other payables	43,361	-	43,361
Lease liabilities	13,638	27,231	40,869
Other current financial liabilities	1,054	-	1,054
Total non-derivatives	58,053	27,231	85,284
Derivatives			
Derivative liabilities: net settled	3,707	-	3,707
Total derivatives	3,707	-	3,707

40.3 Fair values of financial instruments

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

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

- a) For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, trade and other accounts receivable, accounts payable and short-term loans from financial institutions, the carrying amounts in the statement of financial position approximate their fair value.
- b) The fair value of debt securities is generally derived from quoted market prices or by using the yield curve announced by the Thai Bond Market Association or by other relevant bodies.
- c) The fair value of fixed rate long-term loans is estimated by discounting expected future cash flow by the current market interest rate of loans with similar terms and conditions.

- d) The carrying amounts of long-term loans carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.
- e) The fair value of derivatives has been determined using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies, interest rate yield curves and commodity price yield curves. The Group considers counterparty credit risk when determining the fair value of derivatives.

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

41. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2023, the Group's debt-to-equity ratio was 0.39:1 (2022: 0.54:1) and the Company's debt-to-equity ratio was 0.04:1 (2022: 0.04:1).

42. Events after the reporting period

On 8 January 2024, a fire broke out in a local subsidiary warehouse, affecting the stored cassava chips. A local subsidiary was able to manage the situation, mitigating damage to other areas. The total cost of cassava chips stored in the warehouse on that day amounted to Baht 74.3 million. However, a local subsidiary is covered by insurance against such damage and is currently in the process of claiming compensation from the insurance company.

43. Approval of financial statements

These financial statements were authorised for issue by the Company's authorised directors on 28 February 2024.