

**SNC Former Public Company Limited
and its Subsidiaries**

Financial statements for the year ended
31 December 2023
and
Independent Auditor's Report



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Independent Auditor's Report

To the Shareholders of SNC Former Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of SNC Former Public Company Limited and its subsidiaries (the "Group") and of SNC Former Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2023, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2023 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company 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 is relevant to my audit of the consolidated and separate 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.

Manna.



Key Audit Matters

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

Valuation of inventories	
Refer to notes 3(g) and 8 to the financial statements	
The key audit matter	How the matter was addressed in the audit
<p>The Group's inventories are measured at the lower of cost and net realisable value. The Group manufactures parts for automobile and electric appliances. As the industry's sales volumes are highly depends on the production of the manufacturers in the automobile and electric appliances industries, high competition in determining of selling prices, fluctuation of raw materials price, and the current economic conditions, there is the risk that inventories may be slow-moving, long-outstanding and obsolescence and, the cost of inventory may be stated above its net realisable value.</p> <p>Because inventories are material to the financial statements and the estimation of allowance for decline in value of inventories involved management's judgement. I considered this as a key audit matter.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> • Understanding the Group's policies and procedures relating to estimation of allowance for decline in value of inventories and considering the Group's compliance with the policies; • Testing on sampling basis, the calculation of inventory aging in the inventory aging report with supporting documents; • Evaluating the reasonableness of assumption the Group applied in estimating allowance for decline in value of obsolescence and slow-moving inventories; • Testing on sampling basis, the net realisable value, including costs necessary to make the sale with relevant sales document, testing calculation; • Considering the reasonableness of historical accuracy of the allowance for decline in value of inventories for evaluating the appropriateness of the assumptions applied in the current year; and • Evaluating the adequacy of the disclosure in accordance with Thai Financial Reporting Standards.

Mairisa.



Valuation of investments in subsidiaries and property, plant and equipment of subsidiaries	
Refer to notes 3(b), 3(i), 3(m), 11 and 13 to the financial statements	
The key audit matter	How the matter was addressed in the audit
Due to economic circumstances, some subsidiaries of the Group reported decrease in revenue and operating loss. As a result, this fact is an indicator suggesting that investments in and property, plant and equipment of some subsidiaries may be impaired. Management considered the impairment at the end of the reporting period by estimating the recoverable amount based on the value in use, which is derived from a discounted expected future operating cash flows. Significant assumptions used in the estimation depend on a high level of management's judgement. Therefore, I considered this a key audit matter.	<p>My audit procedures included:</p> <ul style="list-style-type: none"> • understanding procedures in identifying indicators of expected impairments and the consideration in assessing the recoverable amount of investments in and property, plant and equipment of subsidiaries; • assessing the reasonableness of significant assumptions used by management to forecast future profit, expected future cash flows and property, plant and equipment of subsidiaries by comparing with internal and external sources of information and expected performance according to operating plan approved by management to actual operating results, as well as considering the appropriateness of financial models used in calculating the estimates and the discount rate; • evaluating the sensitivity of key assumptions used in estimating future cash flows to determine impacts on the recoverable amount; • evaluating the adequacy of the disclosures in accordance with Thai Financial Reporting Standards.

Other Information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

Manisa.



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

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company'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 and the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Marisa



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

I also provide those charged with governance with a statement that 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, actions taken to eliminate threats or safeguards applied.

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

Marisa 

(Marisa Tharathornbunpakul)
Certified Public Accountant
Registration No. 5752

KPMG Phoomchai Audit Ltd.
Bangkok
16 February 2024

SNC Former Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Assets	Note	2023	2022	2023	2022
		(in Baht)			
<i>Current assets</i>					
Cash and cash equivalents	6	1,093,662,932	2,528,766,319	360,765,724	359,869,438
Trade accounts receivable	5, 7	1,445,801,959	2,932,134,025	41,034,796	46,924,316
Other receivables	5	40,198,367	49,403,589	9,091,600	47,690,083
Short-term loans to related parties	5	25,632,653	25,632,653	115,632,653	30,632,653
Inventories	8	627,723,940	1,820,505,877	11,525,779	11,091,537
Other current assets	9	37,975,205	138,117,913	211,639	472,240
Total current assets		3,270,995,056	7,494,560,376	538,262,191	496,680,267
<i>Non-current assets</i>					
Other non-current financial assets	25	53,642,160	53,648,187	53,642,160	53,648,187
Investments in subsidiaries	11	-	-	5,986,144,081	4,097,045,081
Investments in associate	10	-	-	-	-
Investment properties	12	2,630,912,822	348,945,704	-	-
Property, plant and equipment	13, 18	5,152,172,983	5,314,199,601	152,934,310	172,406,722
Right-of-use assets	15	203,455,350	223,974,320	31,395,026	36,627,531
Intangible assets	16	38,348,674	46,865,258	23,728,675	27,230,383
Rights to service under concession arrangement					
under construction	14	211,285,879	65,506,103	-	-
Deferred tax assets	23	51,732,113	23,985,049	3,701,094	3,435,338
Non-current financial assets pledged as collateral	18	5,000,000	5,000,000	-	-
Other non-current assets	17	80,994,822	80,524,073	17,132,070	14,565,396
Total non-current assets		8,427,544,803	6,162,648,295	6,268,677,416	4,404,958,638
Total assets		11,698,539,859	13,657,208,671	6,806,939,607	4,901,638,905

The accompanying notes form an integral part of the these financial statements.

SNC Former Public Company Limited and its Subsidiaries

Statement of financial position

Liabilities and equity	Note	Consolidated financial		Separate financial	
		statements		statements	
		31 December		31 December	
		2023	2022	2023	2022
		(in Baht)			
Current liabilities					
Short-term loans from financial institutions	18	820,000,000	1,338,172,031	620,000,000	1,020,000,000
Trade and other payables	5	1,713,703,070	4,139,028,591	77,887,680	79,022,944
Dividend payable		887,522	772,485	887,522	772,485
Accounts payable - acquisition of assets	12	240,185,261	249,897,764	-	2,393,532
Short-term loans from related parties	5, 18	-	-	1,118,000,000	160,000,000
Current portion of long-term loans from financial institutions	18	499,477,477	567,385,534	-	-
Current portion of lease liabilities	18, 25	34,478,376	36,993,690	5,027,878	4,819,033
Corporate income tax payable		14,261,367	70,299,207	-	-
Other current liabilities		49,778,787	21,323,041	1,200,021	3,752,411
Total current liabilities		3,372,771,860	6,423,872,343	1,823,003,101	1,270,760,405
Non-current liabilities					
Non-current accounts payable - acquisition of assets	12	420,000,000	-	-	-
Long-term loans from financial institutions	18	1,661,535,976	1,665,036,397	-	-
Lease liabilities	18, 25	170,537,291	191,092,503	28,602,952	33,630,831
Debentures	18, 25	981,666,740	-	981,666,740	-
Provisions for employee benefits	19	67,061,862	59,038,114	12,904,486	10,417,198
Other non-current liabilities		55,838,754	58,803,512	-	-
Total non-current liabilities		3,356,640,623	1,973,970,526	1,023,174,178	44,048,029
Total liabilities		6,729,412,483	8,397,842,869	2,846,177,279	1,314,808,434

The accompanying notes form an integral part of the these financial statements.

SNC Former Public Company Limited and its Subsidiaries

Statement of financial position

Liabilities and equity	Consolidated financial		Separate financial	
	statements		statements	
	31 December		31 December	
	2023	2022	2023	2022
	<i>(in Baht)</i>			
Equity				
Share capital:				
Authorised share capital				
(400,000,000 ordinary shares, par value at Baht 1 per share)	400,000,000	400,000,000	400,000,000	400,000,000
Issued and paid-up share capital				
(362,220,339 ordinary shares, par value at Baht 1 per share)	362,220,339	362,220,339	362,220,339	362,220,339
Share premium on ordinary shares	20 2,086,386,465	2,086,386,465	2,086,386,465	2,086,386,465
Other surpluses (deficits)	(1,844,867)	11,079,536	-	-
Retained earnings				
Appropriated				
Legal reserve	20 50,523,587	50,523,587	50,523,587	50,523,587
Unappropriated	2,374,984,296	2,610,180,163	1,461,918,209	1,087,981,530
Other components of equity	(5,597,686)	(9,840,719)	(286,272)	(281,450)
Equity attributable to owners of the parent	4,866,672,134	5,110,549,371	3,960,762,328	3,586,830,471
Non-controlling interests	102,455,242	148,816,431	-	-
Total equity	4,969,127,376	5,259,365,802	3,960,762,328	3,586,830,471
Total liabilities and equity	11,698,539,859	13,657,208,671	6,806,939,607	4,901,638,905

The accompanying notes form an integral part of the these financial statements.

SNC Former Public Company Limited and its Subsidiaries
Statement of comprehensive income

		Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2023	2022	2023	2022
		(in Baht)			
Continuing operations					
Revenues from sales of goods and rendering of services	21	9,332,608,153	19,070,973,010	296,888,881	419,580,322
Cost of sales of goods and rendering of services	8	(8,713,642,421)	(17,757,140,533)	(261,193,144)	(357,866,242)
Gross profit		618,965,732	1,313,832,477	35,695,737	61,714,080
Interest income		9,624,751	4,046,152	9,916,639	2,851,513
Net foreign exchange gain		91,112,543	189,096,666	-	-
Other income		39,340,189	55,249,752	3,015,889	2,268,931
Dividend income		6,152,500	-	694,709,945	470,207,450
Distribution costs		(103,508,052)	(201,694,681)	(9,085,625)	(12,588,781)
Administrative expenses		(457,863,976)	(328,007,736)	(23,833,853)	(40,364,448)
Direct expenses arising from investment properties		(2,238,578)	(2,012,514)	-	-
Directors and management benefit expenses	5	(33,444,503)	(35,748,035)	(1,896,586)	(1,996,976)
Profit from operating activities		168,140,606	994,762,081	708,522,146	482,091,769
Finance costs		(157,524,730)	(109,677,704)	(96,697,856)	(26,124,544)
Profit before income tax expense		10,615,876	885,084,377	611,824,290	455,967,225
Tax expense	23	(15,757,099)	(134,084,096)	(1,263,096)	(2,625,699)
Profit (loss) for the year		(5,141,223)	751,000,281	610,561,194	453,341,526
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Gain (loss) on cash flow hedges		5,309,819	(11,949,086)	-	-
Income tax relating to items that will be reclassified subsequently to profit or loss	23	(1,061,964)	2,389,817	-	-
Total items that will be reclassified subsequently to profit or loss		4,247,855	(9,559,269)	-	-
Items that will not be reclassified subsequently to profit or loss					
Gain (loss) on investments in equity instruments designated at FVOCI		(6,027)	7,306,164	(6,027)	7,306,163
Loss on remeasurments of defined benefit plans	19	(2,315,876)	-	(1,501,475)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	23	464,380	(1,461,233)	301,500	(1,461,232)
Total items that will not be reclassified subsequently to profit or loss		(1,857,523)	5,844,931	(1,206,002)	5,844,931
Other comprehensive income (expense) for the year, net of tax		2,390,332	(3,714,338)	(1,206,002)	5,844,931
Total comprehensive income (expense) for the year		(2,750,891)	747,285,943	609,355,192	459,186,457

The accompanying notes form an integral part of the these financial statements.

SNC Former Public Company Limited and its Subsidiaries
Statement of comprehensive income

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2023	2022	2023	2022
	<i>(in Baht)</i>			
Profit (loss) attributable to:				
Owners of the parent	(17,781,313)	727,234,683	610,561,194	453,341,526
Non-controlling interests	12,640,090	23,765,598	-	-
	<u>(5,141,223)</u>	<u>751,000,281</u>	<u>610,561,194</u>	<u>453,341,526</u>
Total comprehensive income (expense) attributable to:				
Owners of the parent	(15,346,791)	723,520,345	609,355,192	459,186,457
Non-controlling interests	12,595,900	23,765,598	-	-
	<u>(2,750,891)</u>	<u>747,285,943</u>	<u>609,355,192</u>	<u>459,186,457</u>
Basic earnings (loss) per share	<u>(0.05)</u>	<u>2.01</u>	<u>1.69</u>	<u>1.25</u>

The accompanying notes form an integral part of the these financial statements.

SNC Former Public Company Limited and its Subsidiaries

Statement of changes in equity

Consolidated financial statements												
		Retained earnings			Other components of equity							
		Issued and paid-up share capital	Share premium	Other surpluses (deficits)	Legal reserve	Unappropriated	Cash flow hedge reserve (in Bnfl)	Fair value reserve	Total other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Year ended 31 December 2022												
Balance at 1 January 2022		362,220,339	2,086,386,465	11,079,536	50,523,587	2,281,327,058	-	(6,126,381)	(6,126,381)	4,785,410,604	125,288,625	4,910,699,229
Transactions with owners, recorded directly in equity												
Contributions by and distributions to owners												
24	Dividends to owners of the Company	-	-	-	-	(398,381,578)	-	-	-	(398,381,578)	-	(398,381,578)
	Total contributions by and distributions to owners	-	-	-	-	(398,381,578)	-	-	-	(398,381,578)	-	(398,381,578)
Changes in ownership interests in subsidiaries												
Acquisition of non-controlling interests with a change in control												
	Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	(237,792)	(237,792)
	Total transactions with owners, recorded directly in equity	-	-	-	-	(398,381,578)	-	-	-	(398,381,578)	(237,792)	(398,619,370)
Comprehensive income for the year												
	Profit or loss	-	-	-	-	727,234,683	-	-	-	727,234,683	23,765,598	751,000,281
	Other comprehensive income	-	-	-	-	-	(9,559,269)	5,844,931	(3,714,338)	(3,714,338)	-	(3,714,338)
	Total comprehensive income for the year	-	-	-	-	727,234,683	(9,559,269)	5,844,931	(3,714,338)	723,520,345	23,765,598	747,285,943
Balance at 31 December 2022		362,220,339	2,086,386,465	11,079,536	50,523,587	2,610,180,163	(9,559,269)	(281,450)	(9,840,719)	5,110,549,371	148,816,431	5,259,365,802

The accompanying notes form an integral part of these financial statements.

Statement of changes in equity

The accompanying notes form an integral part of these financial statements.

SNC Former Public Company Limited and its Subsidiaries
Statement of changes in equity

		Separate financial statements					Other components of	
		Retained earnings			equity			
Note	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated reserve	Fair value reserve	Total equity		
							(in Baht)	
Year ended 31 December 2022								
Balance at 1 January 2022	362,220,339	2,086,386,465	50,523,587	1,033,021,582	(6,126,381)	3,526,025,592		
Transactions with owners, recorded directly in equity								
<i>Contributions by and distributions to owners</i>								
24	-	-	-	(398,381,578)	-	(398,381,578)		
	-	-	-	(398,381,578)	-	(398,381,578)		
Comprehensive income for the year								
Profit or loss	-	-	-	453,341,526	-	453,341,526		
Other comprehensive income	-	-	-	-	5,844,931	5,844,931		
Total comprehensive income for the year	-	-	-	453,341,526	5,844,931	459,186,457		
Balance at 31 December 2022	362,220,339	2,086,386,465	50,523,587	1,087,981,530	(281,450)	3,586,830,471		

The accompanying notes form an integral part of the these financial statements.

SNC Former Public Company Limited and its Subsidiaries
Statement of changes in equity

		Separate financial statements					Other components of	
		Retained earnings			equity			
Note	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated reserve	Fair value reserve	Total equity		
							(in Baht)	
Year ended 31 December 2023								
	Balance at 1 January 2023	362,220,339	2,086,386,465	50,523,587	1,087,981,530	(281,450)	3,586,830,471	
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
24	Dividends to owners of the Company	-	-	-	(235,423,335)	-	(235,423,335)	
	Total contributions by and distributions to owners	-	-	-	(235,423,335)	-	(235,423,335)	
Comprehensive income for the year								
	Profit or loss	-	-	-	610,561,194	-	610,561,194	
	Other comprehensive income	-	-	-	(1,201,180)	(4,822)	(1,206,002)	
	Total comprehensive income for the year	-	-	-	609,360,014	(4,822)	609,355,192	
	Balance at 31 December 2023	362,220,339	2,086,386,465	50,523,587	1,461,918,209	(286,272)	3,960,762,328	

The accompanying notes form an integral part of the these financial statements.

SNC Former Public Company Limited and its Subsidiaries

Statement of cash flows

		Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2023	2022	2023	2022
		(in Baht)			
Cash flows from operating activities					
Profit (loss) for the year		(5,141,223)	751,000,281	610,561,194	453,341,526
Adjustments to reconcile profit (loss) to cash receipts (payments)					
Tax expense	23	15,757,099	134,084,096	1,263,096	2,625,699
Finance costs		157,524,730	109,677,704	96,697,856	26,124,544
Depreciation of investment properties		5,142,233	1,938,047	-	-
Depreciation of property, plant and equipment	13	599,177,711	597,951,148	26,930,053	21,770,132
Depreciation of right-of-use assets		36,783,720	33,849,635	5,232,504	5,232,504
Amortisation of intangible assets		8,541,611	10,962,242	3,501,709	3,032,074
Provisions for employee benefits		5,695,313	5,380,539	985,812	964,694
Unrealised gain on exchange		(43,814,965)	(91,809,229)	-	-
Unrealised (gain) loss on forward exchange contract		(2,354,921)	1,796,331	-	-
(Reversal of) losses on inventories devaluation	8	(3,640,138)	(59,414,079)	170,780	(105,536)
(Gain) loss on disposal of property, plant and equipment		(326,354)	(2,566,936)	(231,808)	83,718
Loss on written-off of property, plant and equipment		202,223	1,930,253	-	1,746,591
Loss on written-off of intangible assets		-	22,963	-	-
Gain on disposal of investment property		(6,920,121)	-	-	-
Difference from lease modification		(445,251)	(5,213,118)	-	(394,226)
Dividend income		(6,152,500)	-	(694,709,945)	(470,207,450)
Interest income		(9,624,751)	(4,046,152)	(9,916,639)	(2,851,513)
		750,404,416	1,485,543,725	40,484,612	41,362,757
Changes in operating assets and liabilities					
Trade receivables		1,467,206,762	(418,458,961)	5,889,520	18,671,464
Other receivables		9,561,466	46,755,942	38,598,483	(20,035,150)
Inventories		1,196,422,075	1,599,926,161	(605,022)	6,381,005
Other current assets		100,142,708	20,774,935	260,601	(20,407)
Other non-current assets		(1,698,100)	(17,976,484)	(3,794,026)	(1,520,982)
Trade and other payables		(2,406,597,016)	(1,179,679,798)	(13,783,533)	(9,107,415)
Employee benefits paid		-	(1,697,440)	-	-
Other current liabilities		(5,880,469)	(842,885)	(2,552,390)	1,906,765
Other non-current liabilities		(2,187,811)	(1,807,141)	-	-
Net cash generated from operating		1,107,374,031	1,532,538,054	64,498,245	37,638,037
Taxes paid		(98,912,235)	(92,451,272)	-	-
Net cash from operating activities		1,008,461,796	1,440,086,782	64,498,245	37,638,037

The accompanying notes form an integral part of the these financial statements.

SNC Former Public Company Limited and its Subsidiaries

Statement of cash flows

		Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2023	2022	2023	2022
		(in Baht)			
Cash flows from investing activities					
Acquisition of investment/shares increasing in subsidiaries	11	-	-	(1,889,099,000)	(375,649,440)
Acquisition of other equity securities		-	(15,000,000)	-	(15,000,000)
Proceeds from sale of investment properties		81,372,952	-	-	-
Acquisition of investment properties	12	(1,730,311,276)	(295,893,852)	-	-
Proceeds from sale of property, plant and equipment		2,059,942	14,332,278	2,134,799	7,676,432
Acquisition of property, plant and equipment	13	(656,288,980)	(1,094,117,667)	(10,822,092)	(16,054,473)
Acquisition of intangible assets		(972,083)	(12,875,000)	(932,072)	(11,935,400)
Acquisition of rights to service under concession arrangement under construction	14	(108,251,671)	(29,673,633)	-	-
Proceeds from repayment of loans to related parties	5	-	-	738,543,613	38,000,000
Loans to related parties	5	-	-	(823,543,613)	(13,000,000)
Dividend income		6,152,500	-	694,709,945	470,207,450
Interest received		9,759,935	3,998,533	9,916,639	2,884,875
Net cash from (used in) investing activities		(2,396,478,681)	(1,429,229,341)	(1,279,091,781)	87,129,444
Cash flows from financing activities					
Proceeds (payment) from change in ownership interest in subsidiaries		800	(237,792)	-	-
Proceeds from short - loans from financial institutions		-	-	-	300,000,000
Repayment of short - term loans from financial institutions		(518,172,031)	(196,882,056)	(400,000,000)	-
Proceeds from long - loans from financial institutions		538,329,857	2,093,741,231	-	-
Repayment of long - term loans from financial institutions		(608,770,249)	(1,121,524,781)	-	-
Proceeds from issuing debentures	18	977,651,854	-	977,651,854	-
Payment of lease liabilities		(49,188,105)	(48,434,276)	(6,360,001)	(6,499,998)
Proceeds from loans from related parties		-	-	2,293,000,000	60,000,000
Repayment of loans from related parties		-	-	(1,335,000,000)	-
Dividends to owners of the Company	24	(287,373,298)	(398,381,578)	(235,308,298)	(398,381,578)
Interest paid		(129,794,334)	(93,881,069)	(78,493,733)	(25,258,509)
Net cash from (used in) financing activities		(77,315,506)	234,399,679	1,215,489,822	(70,140,085)
Net increase (decrease) in cash and cash equivalents,					
before effect of exchange rate changes		(1,465,332,391)	245,257,120	896,286	54,627,396
Effect of exchange rate changes on cash and cash equivalents		30,229,004	(46,052,083)	-	-
Net increase (decrease) in cash and cash equivalents		(1,435,103,387)	199,205,037	896,286	54,627,396
Cash and cash equivalents at 1 January		2,528,766,319	2,329,561,282	359,869,438	305,242,042
Cash and cash equivalents at 31 December		1,093,662,932	2,528,766,319	360,765,724	359,869,438
Significant non-cash transactions					
Change in liabilities from construction of plant and purchase of equipment		(219,736,299)	(67,288,548)	(1,461,460)	(951,000)
Change in liabilities from acquire of investment properties		633,793,257	-	-	-
Changes in rights to service under concession arrangement under construction		37,528,299	-	-	-

The accompanying notes form an integral part of the these financial statements.

SNC Former Public Company Limited and its Subsidiaries
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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements and were approved and authorised for issue by the Board of Directors on 16 February 2024.

1 General information

SNC Former Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand in October 2004. The Company’s registered office at 333/3 Moo 6, Bangphriang sub district, Bang bo district, Samutprakarn. The Company has 2 branches in Samutprakarn.

The Company’s major shareholder was SNC Holding Company Limited (25.1% shareholding), incorporated in Thailand and Kittanamongkolchai family group (14.1% shareholding).

The principal activities of the Company and its subsidiaries (the Group) are engaged in the manufacturing of component parts for cooling machines, component parts for air conditioners for automobile, contract manufacturing and assembly of air conditioners for household use, manufacturing of heat pump for water heat pump and manufacturing of insulation copper price kit used for the installation of cooling machine and foam pipe insulation. Details of the Company’s subsidiaries and associate as at 31 December 2023 and 2022 are given in notes 10 and 11.

2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies, described in the note 3, have been applied consistently to all periods presented in these financial statements.

New and revised TFRS are effective for annual accounting periods beginning on or after 1 January 2023. The initial application of these new and revised TFRS has no material impact on the financial statements in the period of initial application.

In addition, the Group has not early adopted a number of new and revised TFRS, which are not yet effective for the current period in preparing these financial statements. The Group has assessed the potential initial impact on the financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions that are described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

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3 Significant accounting policies

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associate.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree. In addition, when there is a change in the Group’s interest in a subsidiary that does not result in a loss of control, any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received from the acquisition or disposal of the non-controlling interests with no change in control is accounted for as other surplus/deficit in shareholders’ equity.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

The Group recognised investments in associates using the equity method in the consolidated financial statements in which the equity method is applied. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements in which the equity method is applied include the Group’s dividend income and share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence ceases.

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation. Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Group’s interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Investments in subsidiaries and associates

Investments in subsidiaries and associates in the separate financial statements are measured at cost less allowance for impairment losses. Dividend income is recognised in profit or loss on the date on which the Group’s right to receive payment is established. If the Company disposes of part of its investment, the deemed cost of the part sold is determined using the weighted average method. Gains and losses on disposal of the investments are recognised in profit or loss.

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(c) Foreign currencies

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies of each entity in the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date.

Foreign currency differences are generally recognised in profit or loss.

(d) Financial instruments

(d.1) Classification and measurement

Financial assets and financial liabilities (except trade accounts receivables (see note 3 (l)) are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

Equity investments measured at FVOCI are subsequently measured at fair value. Dividend income is recognised as income in profit or loss on the date on which the Group's right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(d.2) Derecognition and offset

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

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Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(d.3) Derivatives

Derivative are recognised at fair value and remeasured at fair value at each reporting date. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged (see note 3(d.4)).

(d.4) Hedging

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in interest rates.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the risk, the economic relationship between the hedged item and the hedging instrument, including consideration of the hedge effectiveness at the inception of the hedging relationship and throughout the remaining period to determine the existence of economic relationship between the hedged item and the hedging instrument.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

For all other hedged forecast transactions, the amount accumulated in the cash flow hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the cash flow hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the cash flow hedging reserve are immediately reclassified to profit or loss.

(d.5) Impairment of financial assets other than trade accounts receivables

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

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The Group recognises ECLs for low credit risk financial asset as 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group takes action such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

(d.6) Write offs

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(d.7) Interest

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments which have maturities of three months or less from the date of acquisition.

(f) Trade accounts receivable

A trade receivable is recognised when the Group has an unconditional right to receive consideration. A trade receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find the ECLs rates. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is calculated using the weighted average cost principle. Cost includes direct costs incurred in acquiring the inventories. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

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(h) *Investment properties*

Investment properties are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed assets includes capitalised borrowing costs.

Depreciation is calculated on a straight-line basis over the estimated useful lives of buildings and recognised in profit or loss.

Buildings

5 - 30 years

No depreciation is charged on freehold land and asset under construction.

Differences between the proceeds from disposal and the carrying amount of investment property are recognised in profit or loss.

Reclassification to property, plant and equipment

When the use of an investment property changes such that it is reclassified as property, plant and equipment, its book value at the date of reclassification becomes its cost for subsequent accounting.

(i) *Property, plant and equipment*

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss.

Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at book value.

Subsequent costs

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

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land and assets under construction.

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The estimated useful lives are as follows:

Land improvement	5 - 30 years
Buildings	5 - 30 years
Building improvement	5 - 30 years
Machinery, tool and equipment	5 - 20 years
Office equipment	5 years
Vehicles	5 years

(j) *Rights to service under concession arrangement*

Rights to service under concession arrangement is right derived from service concession arrangements for waste-to-energy plant construction and management from the government. Amortisation of rights to service under concession arrangement is calculated on a straight-line basis over the concession arrangement for a period 20 years and recognised in profit or loss.

Service concession arrangements are arrangements between government (the grantor) and a private sector entity (an operator) which involve the operator constructing the infrastructure used to provide the public service or upgrading it, operating and maintaining that infrastructure for a specified period of time. The operator is paid for its services over the period of the arrangement. The grantor controls or regulates that services that the operator must provide with the infrastructure, to whom it must provide them, and service fee and the grantor control-through ownership, beneficial entitlement or otherwise - any significant residual interest in the infrastructure at the end of the term of the arrangement.

If the Group as the operator provides construction or upgrade services, revenue and costs relating to construction or upgrade services shall be accounted for based on the stage of completion on the construction contract. The consideration received or receivable by the operator shall be recognised at its fair value of a financial asset or an intangible asset.

The Group shall recognise financial assets to extent that it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services and recognise an intangible asset to the extent that it receives a right (a licence) to charge users of the public service. Revenue and costs relating to operation services shall be recognised when service is provided by reference to the contract term.

Contractual obligations to maintain or restore infrastructure, except for any upgrade element shall be recognised and measured at the best estimate of expenditure that would be required to settle the present obligation at the end of the reporting period.

Currently, the Group has service concession arrangements recognised rights to service under concession arrangement under construction as intangible assets.

(k) *Intangible assets*

Intangible assets are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss.

The estimated useful lives are as follows:

Software licenses	5 - 10 years
Production licenses	10 years

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(I) Leases

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

As a lessee

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property the Group has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which are recognised as an expense on a straight-line basis over the respective lease terms.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the Group's incremental borrowing rate to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

At inception or on modification of a contract, the Group allocates the consideration in the contract to each component on the basis of their relative standalone prices.

At lease inception, the Group considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

The Group recognises lease payments received under operating leases in profit or loss on a straight-line basis over the lease term as part of other income. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as other income in the accounting period in which they are earned.

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(m) *Impairment of non-financial assets*

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing 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. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss of asset recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) *Deferred income*

Deferred income is recognised in profit or loss on a systematic basis over the useful life of the asset over 25 years.

(o) *Employee benefits*

Defined contribution plans

Obligations for contributions to the Group's provident funds are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

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Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(p) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(q) 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 market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

(r) Revenue from contracts with customers

Revenue recognition

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers. For the sales that permit the customers to return the goods, the Group estimates the returns based on the historical return data, does not recognise revenue and cost of sale for the estimated products to be returned.

Revenue for rendering of services is recognised over time as the services are provided. The related costs are recognised in profit or loss when they are incurred.

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(s) Other income

Other income comprises dividend, interest income and others. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

(t) Income tax

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(u) Earnings per share

Basic earning per share (EPS) is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

(v) Related parties

A related parties is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that is under common control or under the same significant influence as the Group; or a person or entity over which the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making.

(w) Segment reporting

Segment results that are reported to the Group's executive committee (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

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4 Acquisition of subsidiary

Acquisition of Hermes Cooperation Co., Ltd.

On 6 February 2023, the Group has acquired 99.97% of the shares of Hermes Cooperation Co., Ltd. The consideration consisted of a cash payment of Baht 999,700. Its identifiable asset is mainly cash. The transaction was accounted as an acquisition of assets rather than a business combination, given that substantially all the fair value of the gross assets is concentrated in a group of similar identifiable assets.

<i>Identifiable assets acquired and liabilities assumed</i>	<i>(in thousand Baht)</i>
Cash and cash equivalents	1,000
Other liabilities	(20)
Net	980
Net cash acquired with the subsidiary	1,000
Cash paid	(1,000)
Net cash outflows	-

Acquisition of Pattana Phaendinthong Asset Management Co.,Ltd.

On 3 October 2022, the Group has acquired 99.97% of the shares of Pattana Phaendinthong Asset Management Co.,Ltd. The consideration consisted of a cash payment of Baht 999,700. The principal activity of Pattana Phaendinthong Asset Management Co.,Ltd. is buying and as a lessor of real estate, and its identifiable asset is mainly cash. The transaction was accounted as an acquisition of assets rather than a business combination, given that substantially all of the fair value of the gross assets is concentrated in a group of similar identifiable assets.

<i>Identifiable assets acquired and liabilities assumed</i>	<i>(in thousand Baht)</i>
Cash and cash equivalents	1,000
Other liabilities	(40)
Net	960
Net cash acquired with the subsidiary	1,000
Cash paid	(999)
Net cash outflows	1

5 Related parties

Relationships with subsidiaries and associate are described in notes 10 and 11.

<i>Significant transactions with related parties</i> <i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Subsidiaries				
Sales of goods	-	-	57	2,514
Purchases of goods	-	-	149	748
Rendering of services	-	-	-	203
Receiving of services	-	-	3,492	7,928
Rental income	-	-	-	425
Sales of machinery and equipment	-	-	739	4,411
Purchases of machinery and equipment	-	-	2,304	634
Interest income	-	-	6,800	1,649
Interest expense	-	-	40,752	6,597
Dividend income	-	-	688,557	470,207

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<i>Significant transactions with related parties</i> <i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Associate				
Sales of goods	503	977	-	-
Rendering of services	10,593	13,502	-	-
Receiving of services	2,592	1,959	-	-
Rental income	8,442	7,968	-	-
Interest income	1,025	979	1,025	979
Directors and management				
Acquisition of investment	-	-	1,000	999
Directors and management personal compensation				
Short-term benefits	32,794	35,112	1,878	1,978
Post-employment benefits	651	636	19	19
Total directors and management personal compensation	<u>33,445</u>	<u>35,748</u>	<u>1,897</u>	<u>1,997</u>
 <i>Balance with related parties</i> <i>At 31 December</i>				
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Trade accounts receivable				
Subsidiaries	-	-	35	953
Associate	6	36	-	-
Total	<u>6</u>	<u>36</u>	<u>35</u>	<u>953</u>
Less allowance for expected credit loss	-	-	-	-
Net	<u>6</u>	<u>36</u>	<u>35</u>	<u>953</u>
 Other receivables				
Subsidiaries	-	-	31	35,942
Associate	2,079	2,483	-	-
Total	<u>2,079</u>	<u>2,483</u>	<u>31</u>	<u>35,942</u>
Less allowance for expected credit loss	-	-	-	-
Net	<u>2,079</u>	<u>2,483</u>	<u>31</u>	<u>35,942</u>
 Loans to				
Subsidiaries	-	-	90,000	5,000
Associate	25,633	25,633	25,633	25,633
Total	<u>25,633</u>	<u>25,633</u>	<u>115,633</u>	<u>30,633</u>
Less allowance for expected credit loss	-	-	-	-
Net	<u>25,633</u>	<u>25,633</u>	<u>115,633</u>	<u>30,633</u>

SNC Former Public Company Limited and its Subsidiaries

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For the year ended 31 December 2023

<i>Balance with related parties</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<i>Other payables</i>				
Subsidiaries	-	-	378	1,698
Associate	204	353	-	-
Total	204	353	378	1,698
<i>Loans from</i>				
Subsidiaries	-	-	1,118,000	160,000
Total	-	-	1,118,000	160,000

In June 2022, the Company written off loans to subsidiary which is SNC Santec Co., Ltd. The company had fully set allowance for expected credit loss of such loans amounting to Baht 19.60 million.

6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Cash on hand	308	446	63	83
Cash at banks	1,092,691	2,405,641	360,703	359,786
Highly liquid short-term investments	664	122,679	-	-
Total	1,093,663	2,528,766	360,766	359,869

7 Trade accounts receivable

<i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Within credit term	1,439,390	2,916,714	41,035	46,924
Overdue**				
1 – 30 days	1,957	9,314	-	-
31 – 60 days	212	13	-	-
61 – 90 days	308	4	-	-
More than 90 days	4,296	6,450	-	-
Total	1,446,163	2,932,495	41,035	46,924
<i>Less allowance for expected credit loss</i>	<i>(361)</i>	<i>(361)</i>	<i>-</i>	<i>-</i>
Net	1,445,802	2,932,134	41,035	46,924

The normal credit term granted by the Group ranges from 30 days to 180 days.

* Within credit terms means that it was not over the date that the Company and the customer agreed to receive payment.

** Overdue means that the Company is not yet receive payment after the date of payment agreed by the Company and customer.

Information of credit risk is disclose in note 25 (b.1)

SNC Former Public Company Limited and its Subsidiaries
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For the year ended 31 December 2023

8 Inventories

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Finished goods	151,226	558,815	8,369	7,172
Work in progress	149,583	227,004	220	461
Raw materials	286,720	691,979	3,292	3,593
Factory supplies	4,520	16,810	355	405
Goods in transit	86,424	380,287	-	-
Total	678,473	1,874,895	12,236	11,631
Less : allowance for decline in value of inventories	(50,749)	(54,389)	(710)	(539)
Net	627,724	1,820,506	11,526	11,092
Inventories recognised in ‘cost of sales of goods’:				
- Cost	8,717,282	17,816,556	261,022	357,972
- Write-down to net realisable value	-	-	171	-
- Reversal of write-down	(3,640)	(59,415)	-	(106)
Net	8,713,642	17,757,141	261,193	357,866

9 Other current assets

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Revenue department receivable	30,620	124,346	-	-
Withholding tax	565	40	-	-
Others	6,790	13,732	212	472
Total	37,975	138,118	212	472

SNC Former Public Company Limited and its Subsidiaries

10 Investments in associate

Consolidated financial statements									
Type of business	Ownership interest		Paid-up capital		Cost		At equity method		Dividend Income for the year
	2023	2022	2023	2022	2023	2022	2023	2022	
	(%)		(in thousand Baht)						
Associate									
SNC Atlantic Water Heater Asia Co., Ltd.	26.00	26.00	105,000	105,000	27,300	27,300	-	-	-
Total					27,300	27,300	27,300	27,300	-

SNC Former Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

	Separate financial statements							
	Ownership interest		Paid-up capital		Cost		Impairment	
	2023	2022	2023	2022	2023	2022	2023	2022
	(in thousand Baht)							
Associate								
SNC Atlantic Water Heater Asia Co., Ltd.	26.00	26.00	105,000	105,000	27,300	27,300	(27,300)	(27,300)
Total					<u>27,300</u>	<u>27,300</u>	<u>(27,300)</u>	<u>(27,300)</u>

Associate was incorporated and operate in Thailand.

None of the Group and the Company's associate is publicly listed and consequently do not have published price quotations.

The Group has not recognised losses relating to certain investments accounted for using the equity method where its share of losses exceeds the carrying amount of that investments. As at 31 December 2023, the Group's cumulative share of unrecognised losses was Baht 103.90 million (31 December 2022: Baht 51.48 million), of which Baht 52.42 million were the Group's share of losses for the year (2022: Baht 22.19 million). The Group has no obligation in respect of these losses.

Impairment of investment in associate

Management reviewed and tested impairment in an associate in which impairment indicator existed by determining recoverable amount of investment from the value in use of the factories which are cash-generating unit. The discounted cash flow projections ("DCF") have been prepared with reference to forecasted performance results considering historical data adjusted with projected revenue growth. The Group has fully impairment of investment in associate.

SNC Former Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

11 Investments in subsidiaries

Separate financial statements												
	Type of business	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net of impairment		Dividend income for the year
		2023		2022		2023		2023		2022		
		(%)						(in thousand Baht)				
Direct subsidiaries												
SNC Serenity Co., Ltd.	Manufacturing of cooling parts and manufacturing and assembly of cooling machines	99.99	99.99	1,220,000	1,220,000	1,212,010	1,212,010	-	-	1,212,010	1,212,010	150,060
(SNC Pyongsan Evolution Co., Ltd.)												
SNC Cooling Supply Co., Ltd.	Manufacturing automotive air conditioner parts	99.99	99.99	30,000	30,000	30,000	30,000	-	-	30,000	30,000	-
Immortal Parts Co., Ltd.	Production of cooling parts	99.99	99.99	70,000	70,000	70,000	70,000	-	-	70,000	70,000	55,000
Paradise Plastic Co., Ltd.	Manufacturing plastic parts for electric appliance and automobile	99.99	99.99	30,000	30,000	29,999	29,999	-	-	29,999	29,999	30,000
SNC Creativity Anthology Co., Ltd.	Manufacturing household and automotive air conditioner parts	99.99	99.99	1,934,758	1,934,758	2,192,008	2,192,008	-	-	2,192,008	2,192,008	235,147
SNC Atlantic Heat Pump Co., Ltd.	Manufacturing of heat pump for water heat pump	74.00	74.00	45,000	45,000	33,300	33,300	-	-	33,300	33,300	-
Odin Power Co., Ltd.	Investing in alternative power plant	65.00	65.00	250,000	250,000	154,079	154,079	-	-	154,079	154,079	-
Mercury Transform Co., Ltd.	Electric vehicle	99.99	99.99	450,000	350,650	450,000	350,650	-	-	450,000	350,650	-
Pattana Phaendinthong Asset Management Co., Ltd.	Purchase and transfer of assets	99.99	99.99	93,750	25,000	93,749	24,999	-	-	93,749	24,999	-
Hermes Cooperation Co., Ltd.	Industrial Estate	99.99	-	1,700,000	-	1,700,000	-	-	-	1,700,000	-	-
99 Industrial Solution Co., Ltd.	Designing and manufacturing machine and equipment for industrial automatic system	99.99	-	1,000	-	1,000	-	-	-	1,000	-	-

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Separate financial statements										
	Type of business	Ownership interest		Paid-up capital		Cost		At cost - net of impairment		Dividend income for the year
		2023	2022	2023	2022	2023	2022	2023	2022	
		(%)						(in thousand Baht)		
Infinity Parts Co., Ltd.*	Manufacturing household and automotive air conditioner parts	99.99	-	20,000	-	19,999	-	19,999	-	30,000
Total						5,986,144	4,097,045	5,986,114	4,097,045	470,207
Indirect subsidiaries										
Infinity Parts Co., Ltd.*	Manufacturing household and automotive air conditioner parts	-	99.99	-	20,000	-	-	-	-	-
Yalafahsaard Co., Ltd.	Generating biomass electric plant garbage	65.00	65.00	190,000	150,000	-	-	-	-	-
Meisou SNC Precision Co., Ltd.	Liquidation	-	99.99	-	100,000	-	-	-	-	-
SSM Automation Co., Ltd.	Liquidation	-	99.99	-	360,000	-	-	-	-	-
Total										

* Became direct subsidiaries on 7 February 2023

All subsidiaries were incorporated and operate in Thailand.

SNC Former Public Company Limited and its Subsidiaries
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For the year ended 31 December 2023

Material movement

Year ended 31 December

**Separate
financial statements**
2023 2022
(in thousand Baht)

Establish Mercury Transform Co., Ltd.	-	1,000
Increase capital in Mercury Transform Co., Ltd.	99,350	349,650
Acquire investment in Pattana Phaendinthong Asset Management Co., Ltd.	-	999
Increase capital in Pattana Phaendinthong Asset Management Co., Ltd.	68,750	24,000
Acquire investment in Hermes Cooperation Co., Ltd.	1,000	-
Increase capital in Hermes Cooperation Co., Ltd.	1,699,000	-
Establish a new company, named 99 Industrial Solution Co., Ltd.	1,000	-
Acquire investment in Infinity Parts Co., Ltd.	19,999	-

Acquire investment in subsidiaries

During the period, Mercury Transform Co., Ltd. has called for an additional capital payment of Baht 99.35 million. The total paid-up capital is Baht 450 million or 45%. The proportion of ownership of the Group remains unchanged.

On 30 January 2023, a new company was established under the name “99 Industrial Solution Co., Ltd.” with authorized share capital 10,000 shares, par value at Baht 100 per share. The Company had invested in these company 99.97% of authorized share capital, amounting to Baht 999,700 and on 18 August 2023, the company changed the name to 99 Industrial Solution Co., Ltd.

On 6 February 2023, the Group has acquired 99.97% of the shares of Hermes Cooperation Co., Ltd. The consideration consisted of a cash payment of Baht 999,700. Its identifiable asset is mainly cash. The transaction was accounted as an acquisition of assets rather than a business combination, given that substantially all the fair value of the gross assets is concentrated in a group of similar identifiable assets. In which, the Group has net cash acquired with the subsidiary of Baht 1,000,000 and cash paid of Baht 999,700. Therefore, the net cash inflow was Baht 300. During the period, Hermes Cooperation Co., Ltd. registered additional ordinary shares from 10,000 shares to 17,000,000 shares, with a par value of Baht 100 per share. The Company had invested in these additional shares, amounting to Baht 1,699 million. The proportion of ownership increase from 99.97% to 99.99%.

On 7 February 2023, the Company acquired the share of Infinity Parts Co., Ltd. for 199,996 shares from SNC Serenity Co., Ltd. (Formerly known as SNC Pyongsan Evolution Co., Ltd.), a subsidiary company, amounting to Baht 19,999,600. The Company had invested in these company 99.99% of authorised share capital. The proportion of ownership of the Group remains unchanged.

On 5 June 2023, a subsidiary company, Pattana Phaendinthong Asset Management Co., Ltd. registered additional ordinary shares from 250,000 shares to 3,000,000 shares, with a par value of Baht 100 per share and with a call payment of 25%. The Company had invested in these additional shares, amounting to Baht 68.75 million. The proportion of ownership of the Group remains unchanged.

On 10 November 2023, a subsidiary company, Yalafahsaard Co., Ltd. registered additional ordinary shares from 1,500,000 shares to 1,900,000 shares, with a par value of Baht 100 per share and the Company had invested in these additional shares, amounting to Baht 40 million. The proportion of ownership of the Group remains unchanged.

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On 18 January 2022, a new company was established under the name “Mercury Transform Co.,Ltd.” with authorised share capital 10,000 shares, par value at Baht 100 per share. The Company had invested in these company 99.97% of authorised share capital, amounting to Baht 1 million. Later on 18 August 2022, Mercury Transform Co.,Ltd. registered additional ordinary shares from 10,000 shares to 10,000,000 shares, with a par value of Baht 100 per share and with a call payment of 35%. The Company had invested in these additional shares, amounting to Baht 350 million. The proportion of ownership increase from 99.97% to 99.99%.

On 3 October 2022, SNC Former Co., Ltd. acquired interest in Pattana Phaendinthong Asset Management Co., Ltd. from related party with 9,997 shares, totalling Bath 999,700. The Company had invested in these company 99.97% of authorised share capital for future business opportunities. Later on 5 October 2022, Pattana Phaendinthong Asset Management Co.,Ltd. registered additional ordinary shares from 10,000 shares to 250,000 shares, with a par value of Baht 100 per share. The Company had invested in these additional shares, amounting to Baht 24 million. The proportion of ownership increase from 99.97% to 99.99%.

Writing off investments in subsidiary

In April 2023, liquidation process of a subsidiaries company, Meisou SNC Precision Co., Ltd. has been completed. The Group transferred other deficits to reduce retained earning amounting to Baht 15.70 million and there is no profit or loss from the business liquidation.

In September 2023, liquidation process of a subsidiary, SSM Automation Co., Ltd. has been completed. The Group transferred other surpluses to increase retained earning amounting to Baht 29.48 million and there is no profit or loss from the business liquidation.

In June 2022, the Company written off investment in subsidiary which is SNC Santec Co., Ltd. The Company had fully set allowance for impairment of such investment amounting to Baht 16 million.

In August 2022, liquidation process of two subsidiaries company, Odin Myanmar Co., Ltd. and Ultimate Parts Co., Ltd. has been completed.

Changing the name of subsidiaries.

On 5 January 2023, a subsidiary company, SNC Pyongsan Evolution Co., Ltd., changed the Company’s name to SNC Serenity Co., Ltd.

Impairment testing for investment in subsidiaries.

Management reviewed and tested impairment in subsidiaries in which impairment indicator existed by determining recoverable amount of investment from the value in use of the factories which are cash-generating unit. The discounted cash flow projections (“DCF”) have been prepared with reference to forecasted performance results considering historical data adjusted with projected revenue growth at 9.77% discount rate.

The recoverable amount of cash-generating unit was higher than carrying amount of investment in subsidiaries. The Company therefore had not recognised an impairment loss in the separate statements of comprehensive income for the year ended 31 December 2023

SNC Former Public Company Limited and its Subsidiaries
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12 Investment properties

		Consolidated financial statements	
	<i>Note</i>	2023	2022
		<i>(in thousand Baht)</i>	
Cost			
At 1 January		362,172	53,216
Additions		2,364,105	295,895
Transfer from (to) property, plant and equipment	13	(2,543)	13,061
Disposals		(74,453)	-
At 31 December		2,649,281	362,172
Depreciation and impairment losses			
At 1 January		13,226	11,288
Depreciation charge for the year	13	5,211	1,938
Transfer to property, plant and equipment		(69)	-
At 31 December		18,368	13,226
Net book value			
At 31 December		2,630,913	348,946

On 11 May 2023, a subsidiary sold land in a group of investment properties amounting to Baht 74.45 million to third party at a price of Baht 81.37 million.

In May 2023, a subsidiary entered into an agreement to purchase and sell land and construction with a non-related seller. Later, in August 2023, the parties have amendement the agreement which agreed to purchase and sell a land of 1,102.7 rai, amounting to Baht 2,000 million. A subsidiary purchased such land with a contract value amounting to Baht 2,000 million as the Group's properties. A subsidiary already paid amounting to Baht 1,370 million, the remaining is Baht 630 million, divided into 3 installments, Baht 210 million for each installment. The first installment will be paid when the seller performs according to the condition specified in the contract. Regarding to the project plan arrange in accordance with relevant laws and regulations, the first installment will be paid within October 2024.

On 11 August 2023, a subsidiary entered into an operating contract with a non-related service provider to convert a land of 1,102.7 rai into industrial development land. Upon the service provider performs the conditions specified in the contract, a subsidiary will pay an operation fee amounting to Baht 95 million.

In addition, during the year 2023, the Group purchase land held which has not yet been specify the purpose of use amounting to Baht 357.69 million

During the year 2022, the Group purchase land held which has not yet been specify the purpose of use amounting to Baht 295.89 million.

Information relating to leases are disclosed in note 15.

	Consolidated financial statements	
Year ended 31 December	2023	2022
	<i>(in thousand Baht)</i>	
Amounts recognised in profit or loss		
Rental income	8,400	7,800

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For the year ended 31 December 2023

Investment properties comprise of land and building held by the Group which has not yet been specify the purpose of use amounting to Baht 2,582.77 million and the rest are land, building and factories lease out to an associate. Each of the leases contains an initial non-cancellable period of 1 year (2022: 1 year). Renewals are negotiated with the lessee. No contingent rents are charged.

The fair value of land and factory lease out to an associate had fair value of Baht 85.65 million, which comprised of fair value of the factory of Baht 73.84 million and land of Baht 11.81 million, determined by independent professional valuers at open market values on an existing use basis for land and discounted cash flow using risk-adjusted discount rates for factory. The fair value of investment property has been categorised as Level 2 and 3 fair values, respectively.

The fair value of land held which has not yet been specify the purpose of use amounting to Baht 2,582.77 million was determined at market values on an existing use basis. The fair value of investment property has been categorised as Level 3 fair value.

Valuation technique

Discounted cash flows: The valuation model considers the present value of net cash flows to be generated from the property, taking into account expected rental growth rate. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality and lease terms.

Significant unobservable inputs

- Discount rates 12%

Inter-relationship between key unobservable inputs and fair value measurement

The estimated fair value increase (decrease) if:

- The discount rate was lower (higher).

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Notes to the financial statements
For the year ended 31 December 2023

13 Property, plant and equipment

Consolidated financial statements									
		Land and land improvement	Buildings and building improvement	Machinery	Tool and equipment <i>(in thousand Baht)</i>	Office equipment	Vehicles	Assets under construction and installation	Total
<i>Cost</i>									
At 1 January 2022		850,864	1,837,850	3,367,488	638,202	115,792	49,573	1,235,884	8,095,653
Additions		11,766	430,779	120,402	60,023	31,030	16,475	356,394	1,026,869
Transfers to investment properties	12	(946)	(12,115)	-	-	-	-	-	(13,061)
Transfers		12,532	887,508	265,094	15,561	600	-	(1,181,295)	-
Disposals		-	(1,687)	(2,529)	(42,579)	(5,897)	-	(4,886)	(57,578)
At 31 December 2022 and 1 January 2023		874,216	3,142,335	3,750,455	671,207	141,525	66,048	406,097	9,051,883
Additions		18,807	112,060	72,266	49,728	12,724	10,384	160,584	436,553
Transfers from (to) investment properties	12	3,447	605	-	-	-	-	(1,509)	2,543
Transfers to intangible assets		-	-	-	-	-	-	(10)	(10)
Transfers		48,302	174,739	89,715	15,708	3,829	8,235	(340,528)	-
Disposals		-	-	(33,781)	(4,291)	(1,094)	-	(1,373)	(40,539)
At 31 December 2023		944,772	3,429,739	3,878,655	732,352	156,984	84,667	223,261	9,450,430

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Consolidated financial statements								
	Land and land improvement	Buildings and building improvement	Machinery	Tool and equipment <i>(in thousand Baht)</i>	Office equipment	Vehicles	Assets under construction and installation	Total
<i>Depreciation and impairment losses</i>								
At 1 January 2022	57,572	407,640	2,108,074	503,300	84,287	22,743	-	3,183,616
Depreciation charge for the year	25,098	143,012	360,250	49,392	11,916	8,283	-	597,951
Disposals	-	(1,180)	(4,643)	(32,190)	(5,871)	-	-	(43,884)
At 31 December 2022 and 1 January 2023	82,670	549,472	2,463,681	520,502	90,332	31,026	-	3,737,683
Depreciation charge for the year	22,500	168,499	323,103	57,398	16,126	11,482	-	599,108
Transfers from investment properties	-	69	-	-	-	-	-	69
Disposals	-	-	(33,222)	(4,287)	(1,094)	-	-	(38,603)
At 31 December 2023	105,170	718,040	2,753,562	573,613	105,364	42,508	-	4,298,257
<i>Net book value</i>								
At 31 December 2022	791,546	2,592,863	1,286,774	150,705	51,193	35,022	406,097	5,314,200
Owned assets	791,546	2,592,863	1,286,774	150,705	51,193	35,022	406,097	5,314,200
At 31 December 2023	839,602	2,711,699	1,125,093	158,739	51,620	42,159	223,261	5,152,173
Owned assets	839,602	2,711,699	1,125,093	158,739	51,620	42,159	223,261	5,152,173

The gross amount of the Group's fully depreciated property, plant and equipment that was still in use as at 31 December 2023 amounted to Baht 475.11 million (2022: Baht 452.45 million).

In 2022, capitalised borrowing costs relating to the construction of the new buildings for the Group are amounted to Baht 2.98 million, with a capitalization rate of 2.55-3.50.

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For the year ended 31 December 2023

Restriction under loan agreements with bank

The Group entered into loan agreements with several local banks. The agreements specified that the Group committed to the banks that the Group will make no commitment with third parties related to the Group's machineries for these aforesaid loan agreements (*note 18*).

Pledge

The subsidiaries has pledged land building on land and machine with the carrying amount is Baht 1,770.55 million (2022: Baht 1,476.00 million) as collateral for long-term borrowings from a commercial bank (*note 18*).

Agreement

On 12 August 2016, the Group has entered into an International consortium agreement with Sharp Corporation to build a solar rooftop system to reduce greenhouse gas emissions and obtaining the subsidy from the Global Environment Centre foundation (GEC) for construction under the requirements of the JCM project. The Group received a grant of JPY 187 million. The Group is obligated to submit JCM credit in a minimum 50% reduction of greenhouse gases to the Japanese government for a period of 10 years, starting within one year from the date of registration for the JCM project.

Impairment testing for property, plant and equipment

Management reviewed and tested impairment in property, plant and equipment of a subsidiary in which impairment indicator existed by determining recoverable amount of property, plant and equipment from the value in use of the factories which are cash-generating unit. The discounted cash flow projections ("DCF") have been prepared with reference to forecasted performance results considering historical data adjusted with projected revenue growth at 9.77% discount rate.

The recoverable amount of cash-generating unit was higher than carrying amount of property, plant and equipment. The Group therefore had not recognised an impairment loss in the consolidated statements of comprehensive income for the year ended 31 December 2023.

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For the year ended 31 December 2023

<i>Cost</i>	Separate financial statements						
	Land and land improvement	Buildings and building improvement	Machinery	Tool and equipment (in thousand Baht)	Office equipment	Vehicles	Assets under construction and installation
At 1 January 2022	31,103	120,664	275,749	28,173	17,920	8,139	18,458
Additions	275	3,887	840	1,440	2,422	2,097	4,142
Transfers	-	-	-	170	23	-	(193)
Disposals	-	(1,687)	(6,960)	-	(662)	-	(4,729)
At 31 December 2022 and 1 January 2023	31,378	122,864	269,629	29,783	19,703	10,236	17,678
Additions	-	3,593	2,458	1,408	626	1,275	-
Transfers	-	911	-	-	-	4,035	(4,946)
Disposals	-	-	(7,820)	(958)	(156)	-	(1,817)
At 31 December 2023	31,378	127,368	264,267	30,233	20,173	15,546	10,915
499,880							
501,271							
9,360							
-							
(10,751)							
499,880							
311,626							
21,769							
(4,531)							
328,864							
26,930							
(8,848)							
346,946							
Depreciation and impairment losses							
At 1 January 2022	934	47,954	221,114	23,897	14,635	3,092	-
Depreciation charge for the year	147	4,358	12,980	1,652	1,552	1,080	-
Disposals	-	(1,180)	(2,713)	-	(638)	-	-
At 31 December 2022 and 1 January 2023	1,081	51,132	231,381	25,549	15,549	4,172	-
Depreciation charge for the year	164	4,913	17,013	1,598	1,585	1,657	-
Disposals	-	-	(7,735)	(958)	(155)	-	-
At 31 December 2023	1,245	56,045	240,659	26,189	16,979	5,829	-
346,946							

SNC Former Public Company Limited and its Subsidiaries
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	Separate financial statements						Total
	Land and land improvement	Buildings and building improvement	Machinery	Tool and equipment (in thousand Baht)	Office equipment	Vehicles	Assets under construction and installation
<i>Net book value</i> At 31 December 2022 Owned assets	30,297	71,732	38,248	4,234	4,154	6,064	172,407
	30,297	71,732	38,248	4,234	4,154	6,064	172,407
At 31 December 2023 Owned assets	30,133	71,323	23,608	4,044	3,194	9,717	152,934
	30,133	71,323	23,608	4,044	3,194	9,717	152,934

The gross amount of the Company's fully depreciated property, plant and equipment that was still in use as at 31 December 2023 amounted to Baht 59.49 million (2022: Baht 50.38 million).

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For the year ended 31 December 2023

14 Rights to service under concession arrangement under construction

The movements of rights to service under concession arrangement for waste-to-energy plant construction and management for the year 2023 were as follows:

	Consolidated financial statements	
	2023	2022
	<i>(in thousand Baht)</i>	
<i>Cost</i>		
At 31 January	65,506	35,832
Addition	145,780	29,674
At 31 December	211,286	65,506

Power purchase agreement with Provincial Electricity Authority

On 14 April 2023, Yala Fahsaard Company Limited, a subsidiary, entered into contract with Provincial Electricity Authority to purchase electricity from very small power producer, the municipal waste electricity produces project 2022 for 20 years, starting from the scheduled commercial operation date (SCOD) or the commercial operation date (COD), whichever comes first. In addition, the subsidiary has to comply with any relevant conditions as specified in the agreements.

Waste-to-energy plant construction and management contract Yala municipality

On 11 June 2021, Yala Fahsaard Company Limited, a subsidiary, entered into contract with Yala municipality to construct and manage waste disposal by waste-to-energy project for a period 20 years starting from the commercial operation date (CoD). As specified in the contract, the subsidiary must construct a project and install machinery and electrical equipment. When the contract ends, the project and its extension area and related equipment will be transferred to Yala municipality without any charges. The subsidiary has to comply with any relevant conditions as specified in the agreements.

The aforesaid subsidiary must pay the return benefit not less than 10% of profit before tax. If the 10% of profit before tax is less than Baht 0.50 million, the subsidiary will pay the return benefit to Yala municipality amounting to Baht 0.50 million for that year. The Group recognised the minimum payment for return benefit as rights to service under concession arrangement amounting to Baht 7.38 million.

Land lease agreement

On 11 June 2021, Yala Fahsaard Company Limited, a subsidiary, entered into a lease agreement with Yala municipality to lease a partial of land to use as sanitary landfill for burying the bottom ash from the project, to protect the public from cross-contamination and reserve water supply for waste-to-energy project for a period 20 years. The rental rate is Baht 0.30 million per year. The Group recognised the lease agreement as rights to service under concession arrangement amounting to Baht 4.16 million.

On 31 December 2023, the waste-to-energy project construction was delay from the plan. The Group recognised current provision from fines and rights to service under concession arrangement under construction amounting to Baht 37.51 million.

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15 Leases

<i>Right-of-use assets</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Buildings	186,284	201,061	31,395	36,628
Equipments	16,766	22,040	-	-
Vehicles	405	873	-	-
Total	203,455	223,974	31,395	36,628

In 2023, the right-of-use assets of the Group increase amounting to Baht 39.02 million (2022: Baht 27.60 million).

The Group leases several warehouses and plants for 1-3 years, with extension options at the end of lease term. The rental is payable monthly as specified in the contract.

The Group leases several warehouse equipment for 1-3 years, with option to purchase assets under lease agreement. The purchase price was fixed as specified in the contract.

Extension options

The Group has extension options on property leases exercisable up to one year before the end of the contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options and will regularly reassess.

In 2023, the Group exercised the extension options in leases with the formerly lessors and reducing rental rate. The Group recorded gain from lease modification amounting to Baht 0.45 million in the consolidated statement of comprehensive income for the year ended 31 December 2023(2022: Baht 5.2 million). Right-of-use assets and lease liability of the Group decreases amounting to Baht 22.76 million (2022: Baht 14.45 million) and Baht 23.20 million (2022: Baht 19.67 million), respectively.

<i>For the year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<i>Amounts recognised in profit or loss</i>				
Depreciation of right-of-use assets:				
- Buildings	31,042	28,723	5,233	5,233
- Equipments	5,274	4,345	-	-
- Vehicles	468	782	-	-
Interest on lease liabilities	10,298	10,152	1,541	1,743
Expenses relating to short-term leases	24,771	44,175	3,302	3,606
Expenses relating to leases of low-value assets	977	1,115	219	156

In 2023, total cash outflow for leases of the Group and the Company were Baht 49.19 million and Baht 6.36 million, respectively (2022: Baht 48.43 million and Baht 6.5 million, respectively).

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As a lessor

The leases of investment properties comprise a number of property and plant that are leased to associates under operating leases. Each of the leases contains an initial non-cancellable period of 1 year. Subsequent renewals are negotiated with the lessee. For all investment property leases, the rental income is fixed under the contracts.

<i>Lease payment to be received from operating lease</i> <i>At 31 December</i>	Consolidated financial statements	
	2023	2022
	<i>(in thousand Baht)</i>	
Within 1 year	8,400	8,400
Total	8,400	8,400

16 Intangible assets

	Consolidated financial statements			
	Software licenses	Production licenses	Software under installation	Total
	<i>(in thousand Baht)</i>			
Cost				
At 1 January 2022	72,676	53,287	520	126,483
Additions	12,875	-	-	12,875
Transfers	920	(400)	(520)	-
Disposals	(292)	-	-	(292)
At 31 December 2022 and 1 January 2023	86,179	52,887	-	139,066
Additions	15	-	-	15
Transfers	(59)	59	-	-
Transfers from property, plant and equipment	10	-	-	10
At 31 December 2023	86,145	52,946	-	139,091
Amortisation				
At 1 January 2022	35,555	45,953	-	81,508
Amortisation for the year	6,040	4,922	-	10,962
Disposals	(269)	-	-	(269)
At 31 December 2022 and 1 January 2023	41,326	50,875	-	92,201
Amortisation for the year	6,470	2,071	-	8,541
At 31 December 2023	47,796	52,946	-	100,742
Net book value				
At 31 December 2022	44,853	2,012	-	46,865
At 31 December 2023	38,349	-	-	38,349

SNC Former Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

	Separate financial statements		
	Software licenses	Software under installation (in thousand Baht)	Total
Cost			
At 1 January 2022	25,832	520	26,352
Additions	11,935	-	11,935
Transfers	520	(520)	-
At 31 December 2022 and 1 January 2023	38,287	-	38,287
At 31 December 2023	38,287	-	38,287
Amortisation			
At 1 January 2022	8,025	-	8,025
Amortisation for the year	3,032	-	3,032
At 31 December 2022 and 1 January 2023	11,057	-	11,057
Amortisation for the year	3,501	-	3,501
At 31 December 2023	14,558	-	14,558
Net book value			
At 31 December 2022	27,230	-	27,230
At 31 December 2023	23,729	-	23,729

The amortisation of production licenses is allocated to the cost of inventory and is recognised as cost of sales as inventory is sold; the amortisation of other intangible assets is included in administrative expenses.

17 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	(in thousand Baht)			
Land and factory rental deposit	36,638	37,988	8,501	8,502
Revenue department receivable	42,857	42,524	8,631	6,063
Others	1,500	12	-	-
Total	80,995	80,524	17,132	14,565

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18 Interest-bearing liabilities

Consolidated financial statements				
2023				
	Effective interest rate (% per annum)	Secured	Unsecured (in thousand Baht)	Total
Short-term loans from financial institutions	3.15 - 4.85	-	820,000	820,000
Current portion of long-term loans from financial institutions	2.94 - 5.73	487,394	12,083	499,477
Long-term loans from financial institutions	2.94 - 5.73	1,646,522	15,014	1,661,536
Current portion of lease liabilities	2.85 - 4.25	4,714	29,764	34,478
Lease liabilities	2.85 - 4.25	476	170,061	170,537
Bond	4.60	294,500	687,167	981,667
Total interest-bearing liabilities		2,433,606	1,734,089	4,167,695

Consolidated financial statements				
2022				
	Effective interest rate (% per annum)	Secured	Unsecured (in thousand Baht)	Total
Short-term loans from financial institutions	2.75 - 3.70	-	1,338,172	1,338,172
Current portion of long-term loans from financial institutions	2.29 - 4.87	567,386	-	567,386
Long-term loans from financial institutions	2.29 - 4.87	1,665,036	-	1,665,036
Current portion of lease liabilities	2.85 - 4.25	10,547	26,447	36,994
Lease liabilities	2.85 - 4.25	5,191	185,902	191,093
Total interest-bearing liabilities		2,248,160	1,550,521	3,798,681

Separate financial statements					
2023					
	Note	Effective interest rate (% per annum)	Secured	Unsecured (in thousand Baht)	Total
Short-term loans from financial institutions		3.15 - 4.85	-	620,000	620,000
Short-term loans from related party	5	4.00 - 4.81	-	1,118,000	1,118,000
Current portion of lease liabilities		4.25	-	5,028	5,028
Lease liabilities		4.25	-	28,603	28,603
Debentures		4.60	294,500	687,167	982,667
Total interest-bearing liabilities			294,500	2,458,798	2,753,298

Separate financial statements					
2022					
	Note	Effective interest rate (% per annum)	Secured	Unsecured (in thousand Baht)	Total
Short-term loans from financial institutions		2.90 - 3.70	-	1,020,000	1,020,000
Short-term loans from related party	5	4.00 - 4.81	-	160,000	160,000
Current portion of lease liabilities		4.25	-	4,819	4,819
Lease liabilities		4.25	-	33,631	33,631
Total interest-bearing liabilities			-	1,218,450	1,218,450

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<i>Assets pledged as security for liabilities</i> <i>At 31 December</i>	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2023	2022 (in thousand Baht)	2023	2022
Property, plant, and equipment	13	1,770,550	1,475,997	-	-
Non-current financial assets pledged as collateral		5,000	5,000	-	-
Total		1,775,550	1,480,997	-	-

Long-term loan of the aforesaid subsidiary was pledged by the Company and another subsidiary and also committed to the bank that there will no commitment made by the subsidiaries with third parties related to the subsidiaries' equipment.

As at 31 December 2023, the Group and the Company had unutilised credit facilities totalling Baht 1,925.49 million and Baht 450.00 million, respectively. (31 December 2022: Baht 1,579.00 million and Baht 50.00 million, respectively).

Short-term borrowings from financial institutions

The Group and the Company have short-term borrowings from commercial banks under promissory notes and trust receipt amounting to Baht 820 million and Baht 620 million, respectively (2022: Baht 1,338 million and Baht 1,020 million, respectively) at an interest rate of 3.15 - 4.85% per annum (2022: 2.75% - 3.70% per annum), which will become due during January until March 2024.

Long-term borrowings from financial institutions

Details of long-term borrowing are as follows:

<i>At 31 December</i>	Consolidated financial statements	
	2023	2022 (in thousand Baht)
- The 1 st subsidiary has long-term borrowing from financial institution at a fixed interest rate of 3.50 - 4.80% per annum (2022: 3.10 - 4.80% per annum), the interest rate is MLR - 3.50% to MLR - 1.75% per annum (2022: MLR - 3.50% per annum), and repayment in instalment until December 2027 (2022: until December 2027)	1,445,113	1,855,729
- The 2 nd subsidiary has long-term borrowing from financial institution at a fixed interest rate of 3.60 - 4.80% per annum (2022: 3.60 - 4.80% per annum), the interest rate is MLR - 1.75% per annum, and repayment in instalment until October 2027 (2022: until October 2027)	293,117	203,856
- The 3 rd subsidiary has long-term borrowing from financial institution at a fixed interest rate of 3.60 - 3.90% per annum (2022: 3.60 - 3.90% per annum), the interest rate is MLR - 1.75% to MLR - 1.50% per annum (2022: MLR - 1.50% per annum), and repayment in instalment until April 2027 (2022: until December 2027)	121,792	39,168
- The 4 th subsidiary has long-term borrowing from financial institution at a fixed interest rate of 2.00 - 3.40% per annum (2022: 2.00 - 3.40% per annum), the interest rate is MLR - 3.50% to MLR - 1.75% per annum (2022: MLR - 3.50% to MLR - 2.00% per annum), and repayment in instalment until June 2028 (2022: until April 2027)	116,198	63,179

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<i>At 31 December</i>	Consolidated financial statements	
	2023	2022
	<i>(in thousand Baht)</i>	
- The 5 th subsidiary has long-term borrowing from financial institution at a fixed interest rate of 2.00 - 3.40% per annum (2022: 3.15 - 3.40% per annum), the interest rate is MLR – 3.50% to MLR – 1.75% per annum (2022: MLR – 3.50% per annum), and repayment in instalment until December 2027 (2022: until April 2026)	105,189	24,395
- The 6 th subsidiary has long-term borrowing from financial institution at a fixed interest rate of 4.00 - 7.00% per annum (2022: 2.00 - 7.00% per annum), the interest rate is MLR – 2.00% to MLR – 1.75% per annum (2022: MLR – 2.00% per annum), and repayment in instalment until July 2026 (2022: until July 2026)	79,604	46,095
Total	2,161,013	2,232,422

Under conditions of some aforesaid long-term loan agreement from financial institutions, the Group and some subsidiaries must maintain some conditions stated in the agreement regarding maintain the debt-to-equity ratio and leverage ratio according to the consolidated financial statement for the year throughout the debenture maturity.

In December 2023, a subsidiary received an approval to reduce instalment payment of long-term loan from a financial institution which start from January to December 2024.

At 31 December 2023, a subsidiary was unable to maintain the financial ratios stated in the loan agreement which may cause the bank to call for outstanding loan payment of such agreement immediately. However, on 26 and 28 December 2023, the subsidiary already received a waiver letter of financial condition breach from the bank. Therefore, the subsidiary's portion of long-term loan that not yet due within 1 year as at 31 December 2023 is not classify as current liability.

Debentures

In January 2023, the Company issued and offered for sell unsubordinated debentures with a guarantor and debenture holder representative of the company. The details are as follows:

<u>Issued year</u>	<u>Number of units</u>	<u>Face value/ unit (Baht)</u>	<u>Interest rate (% per annum)</u>	<u>Maturity date</u>
2023	1,000,000	1,000	3.10	27 January 2028

Those debentures have a 5-year maturity, and the interests on the debenture liabilities are repayable on 27 July and 27 January of every year with a foreign financial institution as a guarantor. The guarantor states the condition that the company must bring machinery as collateral must be no less than Baht 300 million. However, the Company must comply with the conditions and financial ratios specified in the contract. In which, the financial ratios are calculated from the financial statements that have been audited or reviewed by an auditor. On 31 December 2023, the company was unable to maintain the financial ratios as specified, this may cause the guarantor to call for additional collateral assets or increase the guarantee fee. Currently, the company is in the negotiation process for a waiver with the guarantor.

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The movements of debentures for the year ended 31 December were as follows:

	Consolidated and separate financial statements (in thousand Baht)
<i>For the year ended 31 December 2023</i>	
At 1 January 2023	-
Proceeds from issue of debenture	977,651
Amortization on deferred arrangement fee	4,016
At 31 December 2023	981,667
Less current portion of debentures	-
Debentures – net	981,667

The fair values of debentures are Baht 1,001.27 million based on clean price announced by Thai Bond Market Association that are within level 2 of the fair value hierarchy.

Interest rates of The Group's debentures are at fixed rate. The effective interest rates at the statement of financial position date were at 4.60% per annum.

The Company must maintain conditions stated in the agreement such as the debenture issuers must maintain the debt-to-equity ratio.

19 Provision for employee benefit

	Consolidated financial statements		Separate financial statements	
<i>At 31 December</i>	2023	2022	2023	2022
		<i>(in thousand Baht)</i>		
Post-employment benefits	67,062	59,038	12,904	10,417

Defined benefit plan

The Group and the Company operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

	Consolidated financial statements		Separate financial statements	
<i>Present value of the defined benefit obligations</i>	2023	2022	2023	2022
		<i>(in thousand Baht)</i>		
At 1 January	59,038	55,355	10,417	9,453
<i>Recognised in profit or loss:</i>				
Current service cost	4,929	4,688	860	850
Interest on obligation	766	692	126	114
	5,695	5,380	986	964

SNC Former Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

<i>Present value of the defined benefit obligations</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<i>Recognised in other comprehensive income:</i>				
Actuarial gain (loss)				
- Demographic assumptions	(7,314)	-	(846)	-
- Financial assumptions	(13,392)	-	(1,528)	-
- Experience adjustment	23,022	-	3,875	-
	<u>2,316</u>	<u>-</u>	<u>1,501</u>	<u>-</u>
<i>Recognised in financial statement:</i>				
Asset Cost	13	-	-	-
	<u>13</u>	<u>-</u>	<u>-</u>	<u>-</u>
Benefit paid	-	(1,697)	-	-
At 31 December	<u>67,062</u>	<u>59,038</u>	<u>12,904</u>	<u>10,417</u>

<i>Principal actuarial assumptions</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
			(%)	
Discount rate	1.47 – 4.21	1.13 - 1.92	1.47 – 2.22	1.15 - 1.25
Future salary growth	4.00	4.25	4.00	4.25
Employee turnover	0 – 25	0 - 27	0 - 25	0 - 27

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2023, the weighted-average duration of the defined benefit obligation was 6 - 33 years (2022: 9 - 21 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

<i>Effect to defined benefit obligation</i>	Consolidated financial statements		Separate financial statements	
	<i>(in thousand Baht)</i>			
	Increase	Decrease	Increase	Decrease
As 31 December 2023				
Discount rate (0.5% movement)	(2,658)	2,847	(309)	329
Future salary growth (1% movement)	5,488	(4,889)	623	(561)
Employee turnover (10% movement)	(2,190)	2,444	(224)	251
As 31 December 2022				
Discount rate (0.5% movement)	(2,799)	3,005	(391)	415
Future salary growth (1% movement)	6,901	(6,053)	1,002	(900)
Employee turnover (10% movement)	(2,453)	2,784	(238)	270

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Notes to the financial statements
For the year ended 31 December 2023

20 Surpluses and legal reserve

Share premium

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

Legal reserve

Section 116 of the Public Limited Companies Act B.E. 2535 (1992) Section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

21 Segment information and disaggregation of revenue

Management determined that the Group has three reportable segments which are the Group’s strategic divisions for different products and services, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group’s reportable segments.

- Segment 1 Manufacturing of component parts for automobile use.
- Segment 2 Manufacturing and assembly of electric appliances.
- Segment 3 Manufacturing of component parts of electric appliances.

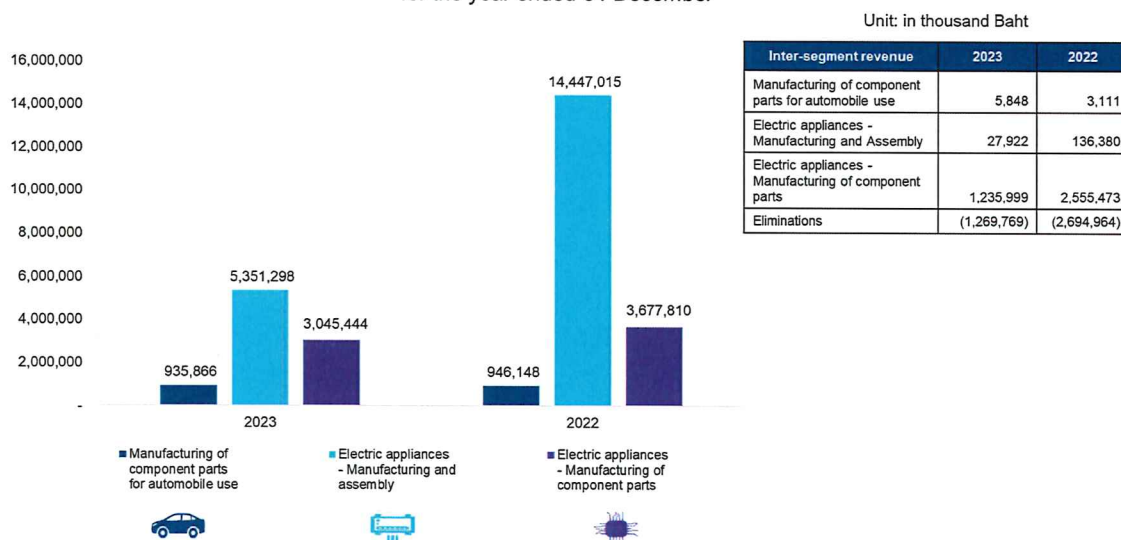
None of other operations meets the quantitative thresholds for determining reportable segments in 2023 or 2022.

Each segment’s performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group’s CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

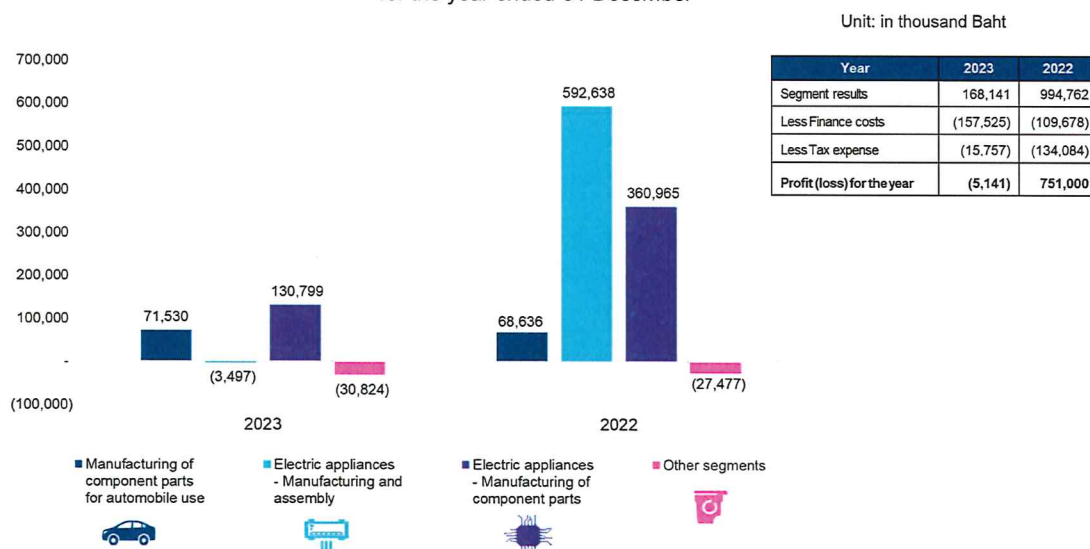
The Group’s main revenue is derived from sale of component parts for automobile use, component parts of electric appliances and assembly of electric appliances, which revenue recognition is at a point in time.

SNC Former Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

Revenue from external customers by segment in Consolidated financial statements
for the year ended 31 December



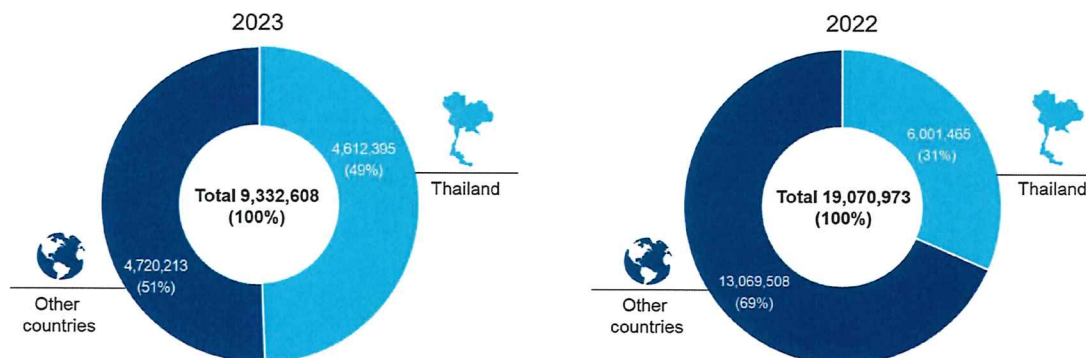
Profit (loss) by segment in Consolidated financial statements
for the year ended 31 December



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Notes to the financial statements
For the year ended 31 December 2023

Disaggregation of revenue by primary geographical markets in Consolidated financial statements
for the year ended 31 December

Unit: in thousand Baht



Segment	2023		2022	
	Thailand	Other countries	Thailand	Other countries
Manufacturing of component parts for automobile use	842,904	92,963	852,623	93,525
Manufacturing and assembly of electric appliances	724,959	4,626,393	1,471,913	12,975,136
Manufacturing of component parts of electric appliances	3,044,532	912	3,676,929	847

Major customer

In 2023, revenues from five major customers of the Group's manufacturing and assembly of electric appliances segment and manufacturing of component parts of electric appliances segment represent approximately Baht 6,093 million (2022: Baht 14,238 million) of the Group's total revenues.

Promotional privileges

The Group has been granted promotional certificates by the Office of the Board of Investment as the following table. The Group has been granted several privileges including exemption from payment of income tax on the net profit derived from promoted operations with certain terms and conditions prescribed in the promotional certificates.

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For the year ended 31 December 2023

Certificated no.	Promoted business	Exemption of corporate income tax commencing from	Exemption of corporate income tax for the period of	Accumulated loss during the exemption period be deducted from net income after the exemption period for
SNC Cooling Supply Co., Ltd.				
62-0639-1-05-1-0	Manufacturing of steel products and steel parts	1 July 2019	3 years	5 years
66-1633-1-05-1-0	Manufacturing of steel products and steel parts	Not commenced operations	3 years	5 years
Immortal Parts Co., Ltd.				
63-0890-1-05-1-0	Manufacturing of parts for electrical appliances	15 August 2020	3 years	5 years
SNC Creativity Anthology Co., Ltd.				
2167(1)/2556	Research and development	Not commenced operations	8 years	5 years
60-0046-0-00-0-2	Manufacturing of electrical appliances and part of electrical appliances	-	-	-
63-0527-1-00-0-0	Manufacturing of electrical appliances and audio-visual product	-	-	-
63-0590-1-00-1-0	Manufacturing of Smart Electrical Appliances	7 June 2020	5 years	5 years
63-1306-1-00-1-0	Manufacturing of steel and parts for steel	3 December 2020	3 years	5 years

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For the year ended 31 December 2023

Certificated no.	Promoted business	Exemption of corporate income tax commencing from	Exemption of corporate income tax for the period of	Accumulated loss during the exemption period be deducted from net income after the exemption period for
64-0034-1-00-1-0	Manufacturing of air conditioner, refrigerator, freezer, washing machine, clothes dryers	8 January 2021	3 years	5 years
64-0584-1-00-1-0	Manufacturing of steel and parts for steel	4 June 2021	3 years	5 years
64-0827-1-00-1-0	Manufacturing of air conditioner	-	3 years	5 years
65-0171-0-00-1-2	Manufacturing of machinery, equipment, and parts	12 October 2015	8 years	5 years
SNC Serenity Co., Ltd. 66-1220-100-1-0	Manufacturing of steel and parts for steel	13 September 2023	3 years	5 years
Yala Fahsaard Co., Ltd. E650736	Production of electricity or electricity and steam from garbage or refuse derived fuel	Not commenced operations	8 years	5 years

SNC Former Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2023

Summary of revenue from promoted and non-promoted businesses:

<i>Year ended 31 December</i>	Consolidated financial statements					
	2023			2022		
	Promoted businesses	Non- promoted businesses	Total	Promoted businesses	Non- promoted businesses	Total
			(in thousand Baht)			
Export sales	605,597	4,114,616	4,720,213	1,343,734	11,725,774	13,069,508
Local sales	616,801	3,995,594	4,612,395	1,241,299	4,760,166	6,001,465
Total revenues	1,222,398	8,110,210	9,332,608	2,585,033	16,485,940	19,070,973

<i>Year ended 31 December</i>	Separate financial statements					
	2023			2022		
	Promoted businesses	Non- promoted businesses	Total	Promoted businesses	Non- promoted businesses	Total
			(in thousand Baht)			
Local sales	-	296,889	296,889	-	419,580	419,580
Total revenues	-	296,889	296,889	-	419,580	419,580

22 Expenses by nature

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		(in thousand Baht)			
Changes in finished goods and work in progress		485,010	1,159,055	(956)	3,216
Raw materials and consumables used		8,554,958	15,487,766	168,803	254,414
Employee benefit expenses		806,964	1,144,680	63,524	90,083
Depreciation	12, 13, 15	641,305	633,739	32,162	27,003
Amortisation of intangible assets	16	8,541	10,962	3,501	3,032
Lease-related expenses		111,270	115,439	4,994	5,162

23 Income tax

<i>Income tax recognised in profit or loss</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	(in thousand Baht)			
Current tax expense				
Current year	42,041	119,293	-	-
Adjustment for prior years	2,061	1,491	1,227	-
Deferred tax expense				
Movements in temporary differences	(28,345)	13,300	36	2,626
Total income tax expense	15,757	134,084	1,263	2,626

SNC Former Public Company Limited and its Subsidiaries
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Consolidated financial statements						
	Before tax	2023 Tax benefit	Net of tax (in thousand Baht)	Before tax	2022 Tax benefit	Net of tax
Income tax						
Recognised in other comprehensive income						
Cash flow hedge reserve	5,310	(1,062)	4,248	(11,949)	2,390	(9,559)
Defined benefit plan						
actuarial gains (losses)	(2,316)	463	(1,853)	-	-	-
Financial assets at FVOCI	(6)	1	(5)	7,306	(1,461)	5,845
Total	2,988	(598)	2,390	(4,643)	929	(3,714)

Separate financial statements						
	Before tax	2023 Tax benefit	Net of tax (in thousand Baht)	Before tax	2022 Tax benefit	Net of tax
Income tax						
Recognised in other comprehensive income						
Defined benefit plan						
actuarial gains (losses)	(1,501)	300	(1,201)	-	-	-
Financial assets at FVOCI	6	1	5	7,306	(1,461)	5,845
Total	(1,507)	301	(1,206)	7,306	(1,461)	5,845

Reconciliation of effective tax rate				
	Consolidated financial statements			
	Rate (%)	2023 (in thousand Baht)	Rate (%)	2022 (in thousand Baht)
Profit before income tax expense		10,616		885,084
Income tax using the Thai corporation tax rate	20	2,123	20	177,017
Income not subject to tax		(11,725)		(39,627)
Differences income of accounting base and tax base		8,550		-
Expenses not deductible for tax purposes		5,604		2,006
Expenses that can be deductible for tax purposes		(8,193)		(17,709)
Recognition of previously unrecognised tax losses		(1,878)		(154)
Current year losses for which no deferred tax asset was recognised		19,215		11,060
Under (over) provided in prior years		2,061		1,491
Total		148		134,084

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Reconciliation of effective tax rate

	<i>Rate (%)</i>	Separate financial statements	
		2023	2022
		<i>(in thousand Baht)</i>	<i>(in thousand Baht)</i>
Profit before income tax expense		611,824	455,967
Income tax using the Thai corporation tax rate	20	122,365	91,193
Income not subject to tax		(137,711)	(94,628)
Expenses not deductible for tax purposes		2,270	297
Expenses that can be deductible for tax purposes		(305)	(1,033)
Current year losses for which no deferred tax asset was recognised		13,417	6,797
Under provided in prior years		1,227	-
Total	0.2	1,263	2,626

<i>Deferred tax At 31 December</i>	Consolidated financial statements				Separate financial statements			
	Assets		Liabilities		Assets		Liabilities	
	2023	2022	2023	2022	2023	2022	2023	2022
		<i>(in thousand Baht)</i>				<i>(in thousand Baht)</i>		
Total	88,700	43,606	36,968	(19,621)	8,702	8,086	5,001	(4,651)
Set off of tax	(36,968)	(19,621)	(36,968)	19,621	(5,001)	(4,651)	(5,001)	4,651
Net deferred tax assets (liabilities)	51,732	23,985	-	-	3,701	3,435	-	-

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Notes to the financial statements
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	Consolidated financial statements (Charged) / Credited to:			Consolidated financial statements (Charged) / Credited to:		
	At 1 January 2022	Profit or loss (in thousand Baht)	Other comprehensive income	At 31 December 2022	At 1 January 2023	Profit or loss (in thousand Baht)
Deferred tax						
Deferred tax assets						
Trade and other receivables (doubtful accounts)	72	-	-	72	72	-
Inventories (allowance for decline in value)	23,060	(12,183)	-	10,877	10,877	(728)
Investments in subsidiaries (impairment losses)	8,660	(3,200)	-	5,460	5,460	-
Property, plant and equipment (impairment losses)	423	(423)	-	-	-	-
Property, plant and equipment (the difference of useful life and increase in revaluation)	1,468	1,274	-	2,742	2,742	(276)
Right-of-use assets	1,817	(400)	-	1,417	1,417	556
Financial assets measured at FVOCI (decrease in fair value)	1,531	-	(1,461)	70	70	-
Provision employee benefit	11,071	729	-	11,800	11,800	1,149
Deferred income	9,190	(412)	-	8,778	8,778	(437)
Derivatives	-	-	2,390	2,390	2,390	-
Loss carry forward	-	-	-	-	45,428	45,428
Total	57,292	(14,615)	929	43,606	43,606	45,692
						(598)
						88,700
Deferred tax liabilities						
Property, plant and equipment (the difference of useful life and increase in revaluation)	(20,936)	1,315	-	(19,621)	(19,621)	(17,347)
Total	(20,936)	1,315	-	(19,621)	(19,621)	(17,347)
						-
						(36,968)
Net	36,356	(13,300)	929	23,985	23,985	28,314
						(567)
						51,732

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	Separate financial statements (Charged) / Credited to:			Separate financial statements (Charged) / Credited to:		
	At 1 January 2022	Profit or loss (in thousand Baht)	Other comprehensive income	At 31 December 2022	At 1 January 2023	Profit or loss (in thousand Baht)
<i>Deferred tax</i>						
<i>Deferred tax assets</i>						
Inventories (allowance for decline in value)	129	(21)	-	108	108	34
Investments in subsidiaries (impairment losses)	3,200	(3,200)	-	-	-	-
Investments in associate (impairment losses)	5,460	-	-	5,460	5,460	-
Financial assets measured at FVOCI						
(decrease in fair value)	1,531	-	(1,461)	70	70	-
Right-of-use assets	348	16	-	364	364	83
Provision for employee benefit	1,891	193	-	2,084	2,084	197
Total	12,559	(3,012)	(1,461)	8,086	8,086	314
						302
						8,702
<i>Deferred tax liabilities</i>						
Property, plant and equipment (the difference of useful life)	(5,037)	386	-	(4,651)	(4,651)	(350)
Right-of-use assets	-	-	-	-	-	-
Total	(5,037)	386	-	(4,651)	(4,651)	(350)
						-
						(5,001)
Net	7,522	(2,626)	(1,461)	3,435	3,435	(36)
						302
						3,701

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<i>Unrecognised deferred tax assets</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Tax losses	27,794	28,866	16,022	6,797
Total	27,794	28,866	16,022	6,797

The tax losses expire in 2023 - 2027. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

24 Dividends

The dividends paid by the Group to the shareholders are as follows:

<u>Dividend</u>	<u>Approved by</u>	<u>Dividend paid (in thousand Baht)</u>	<u>Dividend rate per share (in Baht)</u>	<u>Dividend payment date</u>
SNC Former Public Company Limited				
2023				
Interim dividend paid from the profit of first six months of 2023	Board of Director's Meeting on 11 August 2023	90,553	0.25	8 September 2023
Annual dividend paid from the profit of last six months of 2022	Annual General Meeting of shareholders on 31 March 2023	144,870	0.40	27 April 2023
SNC Atlantic Water Heater Asia Co., Ltd.				
Dividend paid from Retain earnings as at 30 June 2023	Board of Director's Meeting on 6 November 2023	200,250	445	15 November 2023
SNC Former Public Company Limited				
2022				
Interim dividend paid from the profit of first six months of 2022	Board of Director's Meeting on 5 August 2022	235,407	0.65	2 September 2022
Annual dividend paid from the profit of last six months of 2021	Annual General Meeting of shareholders on 31 March 2022	162,975	0.45	27 April 2022

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25 Financial instruments

(a) Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, but does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

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	Consolidated financial statements						Fair value	
	Carrying amount							
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Total	Level 1	Level 2	Level 3		
<i>At 31 December 2023</i>				<i>(in thousand Baht)</i>				Total
<i>Financial asset</i>								
Other financial asset:								
Non-marketable equity instruments	-	53,642	53,642	-	-		53,642	53,642
Total other financial asset	-	53,642	53,642					
<i>2022</i>								
<i>Financial asset</i>								
Other financial asset:								
Non-marketable equity instruments	-	53,648	53,648	-	-		53,648	53,648
Total other financial asset	-	53,648	53,648					

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Notes to the financial statements
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	Carrying amount		Separate financial statements			
	Financial instruments measured at FVTPL	Total	Level 1 <i>(in thousand Baht)</i>	Level 2	Level 3	Total
At 31 December						
2023						
Financial asset						
Other financial asset:						
Non-marketable equity instruments	53,642	53,642	-	-	53,642	53,642
Total other financial asset	53,642	53,642				
2022						
Financial asset						
Other financial asset:						
Non-marketable equity instruments	53,648	53,648	-	-	53,648	53,648
Total other financial asset	53,648	53,648				

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The following tables present valuation technique of financial instruments measured at fair value in the statements of financial position:

Type	Valuation technique
Non-marketable equity instruments	The adjusted net asset value as of the reporting date

Most of financial assets and liabilities of the Group were short-term. The fair value of financial assets and liabilities is taken to approximate the carrying value as determined in the statement of financial position.

(b) Financial risk management policies

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(b.1) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

(b.1.1) Trade accounts receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. Detail of concentration of revenue are included in note 21.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's commercial terms and conditions are offered. The Group's review includes financial statements, industry information and in some cases bank references. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the risk management committee.

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The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 5 months. Outstanding trade receivables are regularly monitored by the Group. An impairment analysis is performed by the Group at each reporting date. The provision rates of expected credit loss are based on days past due for groupings of various customer segments with similar credit risks to reflect differences between economic conditions in the past, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Information relevant to trade accounts receivables are disclosed in note 7.

(b.1.2) Cash and cash equivalent and derivatives

The Group's exposure to credit risk arising from cash and cash equivalents and derivative assets is limited because the counterparties are banks which the Group considers to have low credit risk.

(b.1.3) Guarantees

The Group's policy is to provide financial guarantees for subsidiaries' liabilities. At 31 December 2023, the Group has issued a guarantee to certain bank in respect of credit facilities granted to six subsidiaries (2022: six subsidiaries) (see note 18), in addition, the Group entered a financial guarantee agreement for Forth Vending Co., Ltd.'s liability which the Company holds 3.82% of shares in such company amounting to Baht 28.31 million (31 December 2022 : Baht25.6 million).

(b.2) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

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For the year ended 31 December 2023

<i>At 31 December</i>	Consolidated financial statements				
	Contractual cash flows				
	Carrying amount	1 year or less	More than 1 year but less than 5 years (in thousand Baht)	More than 5 years	Total
2023					
<i>Non-derivative financial liabilities</i>					
Short-term loans from financial institutions	820,000	(825,721)	-	-	(825,721)
Trade and other payables	1,714,591	(1,714,591)	-	-	(1,714,591)
Accounts payable	240,185	(240,185)	-	-	(240,185)
- acquisition of assets					
Accounts payable			-	-	
- acquisition of non-assets	420,000	(420,000)			(420,000)
Current portion of long-term loans from financial institutions	499,477	(580,403)	-	-	(580,403)
Long-term loans from financial institutions	1,661,536	-	(1,750,183)	-	(1,750,183)
Current portion of lease liabilities	34,478	(42,834)	-	-	(42,834)
Lease liabilities	170,537	-	(149,867)	(40,724)	(190,591)
Debentures	981,667	-	(1,167,170)	-	(1,167,170)
	<u>6,542,471</u>	<u>(3,823,734)</u>	<u>(3,067,220)</u>	<u>(40,724)</u>	<u>(6,931,678)</u>
<i>Derivative financial liabilities</i>					
Other financial liability:					
Interest rate swaps used for hedging	6,639	(1,735)	(4,904)	-	(6,639)
	<u>6,639</u>	<u>(1,735)</u>	<u>(4,904)</u>	<u>-</u>	<u>(6,639)</u>

<i>At 31 December</i>	Consolidated financial statements				
	Contractual cash flows				
	Carrying amount	1 year or less	More than 1 year but less than 5 years (in thousand Baht)	More than 5 years	Total
2022					
<i>Non-derivative financial liabilities</i>					
Short-term loans from financial institutions	1,338,172	(1,344,235)	-	-	(1,344,235)
Trade and other payables	4,139,801	(4,139,801)	-	-	(4,139,801)
Accounts payable					
- acquisition of assets	249,898	(249,898)	-	-	(249,898)
Current portion of long-term loans from financial institutions	567,386	(643,831)	-	-	(643,831)
Long-term loans from financial institutions	1,665,036	-	(1,838,651)	-	(1,838,651)

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Consolidated financial statements					
Contractual cash flows					
<i>At 31 December</i>	Carrying amount	1 year or less	More than 1 year but less than 5 years	More than 5 years	Total
<i>(in thousand Baht)</i>					
Current portion of lease liabilities	36,994	(46,654)	-	-	(46,654)
Lease liabilities	191,093	-	(144,745)	(72,882)	(217,627)
	<u>8,188,380</u>	<u>(6,424,419)</u>	<u>(1,983,396)</u>	<u>(72,882)</u>	<u>(8,480,697)</u>
Derivative financial liabilities					
Other financial liability:					
Forward exchange contracts	2,355	(2,355)	-	-	(2,355)
Interest rate swaps used for hedging	11,949	(2,474)	(9,475)	-	(11,949)
	<u>14,304</u>	<u>(4,829)</u>	<u>(9,475)</u>	<u>-</u>	<u>(14,304)</u>

Separate financial statements					
Contractual cash flows					
<i>At 31 December</i>	Carrying amount	1 year or less	More than 1 year but less than 5 years	More than 5 years	Total
<i>(in thousand Baht)</i>					
2023					
Non-derivative financial liabilities					
Short-term loans from financial institutions	620,000	(615,184)	-	-	(615,184)
Trade and other payables	78,775	(78,775)	-	-	(78,775)
Short-term loans from related party	1,118,000	(1,118,000)	-	-	(1,118,000)
Current portion of lease liabilities	5,028	(6,360)	-	-	(6,360)
Lease liabilities	28,603	-	(25,440)	(6,360)	(31,800)
Debentures	981,667	-	(1,167,170)	-	(1,167,170)
	<u>2,832,073</u>	<u>(1,818,319)</u>	<u>(1,192,610)</u>	<u>(6,360)</u>	<u>(3,017,289)</u>

Separate financial statements					
Contractual cash flows					
<i>At 31 December</i>	Carrying amount	1 year or less	More than 1 year but less than 5 years	More than 5 years	Total
<i>(in thousand Baht)</i>					
2022					
Non-derivative financial liabilities					
Short-term loans from financial institutions	1,020,000	(1,024,851)	-	-	(1,024,851)
Trade and other payables	79,795	(79,795)	-	-	(79,795)
Accounts payable - acquisition of assets	2,394	(2,394)	-	-	(2,394)

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Separate financial statements					
Contractual cash flows					
<i>At 31 December</i>	Carrying amount	1 year or less	More than 1 year but less than 5 years <i>(in thousand Baht)</i>	More than 5 years	Total
Short-term loans from related party	160,000	(160,000)	-	-	(160,000)
Current portion of lease liabilities	4,819	(6,360)	-	-	(6,360)
Lease liabilities	33,631	-	(25,440)	(12,720)	(38,160)
	<u>1,300,639</u>	<u>(1,273,400)</u>	<u>(25,440)</u>	<u>(12,720)</u>	<u>(1,311,560)</u>

(b.3) Market risk

The Group is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

(b.3.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilizes forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

<i>Exposure to foreign currency</i> <i>At 31 December 2023</i>	Consolidated financial statements			
	United States Dollars	Euro	Chinese Yuan	Japanese Yen
		<i>(in thousand Baht)</i>		
Cash and cash equivalents	60,809	-	-	-
Trade and other receivables	905,650	647	-	-
Trade and other payables	(940,499)	(122)	(5,356)	(74)
Net statement of financial position exposure	25,960	525	(5,356)	(74)
Forward exchange purchase contracts	-	-	-	-
Forward exchange selling contracts	-	-	-	-
Net exposure	25,960	525	(5,356)	(74)

<i>Exposure to foreign currency</i> <i>At 31 December 2022</i>	Consolidated financial statements			
	United States Dollars	Euro	Chinese Yuan	Swedish Krona
		<i>(in thousand Baht)</i>		
Cash and cash equivalents	535,478	-	-	-
Trade and other receivables	2,626,917	749	-	-
Trade and other payables	(3,138,441)	-	-	-
Accounts payable - acquisition of assets	(141,384)	-	(3,042)	(300)
Net statement of financial position exposure	(117,430)	749	(3,042)	(300)
Forward exchange purchase contracts	141,881	-	-	-
Forward exchange selling contracts	(70,340)	-	-	-
Net exposure	(45,889)	749	(3,042)	(300)

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Sensitivity analysis

A reasonably possible strengthening (weakening) of Thai Baht against all other foreign currencies at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency. This analysis assumes that all other variables, in particular interest rates, remain constant.

<i>Impact to profit or loss</i>	Movement (%)	Consolidated financial statements	
		Strengthening (in thousand Baht)	Weakening
2023			
United States Dollars	10	(3,591)	3,591
Euro	10	(52)	52
Chinese Yuan	10	536	(536)
Japanese Yen	10	7	(7)
		(3,100)	3,100
2022			
United States Dollars	10	(11,743)	11,743
Euro	10	75	(75)
Swedish Krona	10	(30)	30
Chinese Yuan	10	(304)	304
		(12,002)	12,002

(b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates are mainly variable. The Group is primarily exposed to interest rate risk from its borrowings (see note 18). The Group mitigates this risk by ensuring that the majority of its borrowings are at fixed interest rates and uses derivatives, principally interest rate swaps, to manage exposure to fluctuations in interest rates on specific borrowings.

Exposure to interest rate risk
At 31 December

	Consolidated	
	2023	2022
	<i>(in thousand Baht)</i>	
Financial instruments with variable interest rates		
Financial liabilities	1,347,013	1,555,865
Net statement of financial position exposure		
Interest rate swaps	(302,740)	(381,820)
Net exposure	1,044,273	1,174,045

Interest rate swap contract

During the year 2022, the Group entered into an interest rate swap agreement for a long-term loan amounted of Baht 395 million swapping a floating interest rate of THOR plus 1.37% to a fixed interest rate of 4.8% per annum, with settlement every month starting on 20 October 2022 until 31 October 2027.

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Cash flow sensitivity analysis for variable-rate instruments

A reasonable possible change of 1 % in interest rates at the reporting date; this analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

<i>Impact to profit or loss</i>	Consolidated	
	1% increase in interest rate	1% decrease in interest rate
	<i>(in thousand Baht)</i>	
2023		
Financial instruments with variable interest rate	(10,443)	10,443
2022		
Financial instruments with variable interest rate	(11,740)	11,740

26 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital, by evaluating result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

27 Commitments with non-related parties

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Capital commitments				
<i>Contracted but not provided for:</i>				
Buildings and other constructions	5,734	4,807	-	86
Machinery and equipment	21,737	45,454	136	1,614
Intangible assets	10,944	3,420	-	-
Total	38,415	53,681	136	1,700
Other commitments				
Short-term lease commitments	7,376	10,802	3,887	4,015
Unused letters of credit to guarantee payments due to creditors	6,425	385,215	-	-
Bank guarantees for land rental, electricity used and others	27,650	27,334	5,748	5,748
Purchase orders for goods or supplies	860,716	904,203	24,712	15,872
Total	902,167	1,327,554	34,347	25,635

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Notes to the financial statements
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28 Events after the reporting period

- (a) On 26 January 2024, Mercury Transform Co., Ltd. purchase land of 2 rai, 1 ngan, 98.9 square wa located at Chonburi amounting to Baht 9.99 million.
- (b) On 26 January 2024, Hermes Cooperation Co., Ltd. purchase land of 2 rai, 96 square wa located at Chonburi amounting to Baht 5.00 million.
- (c) On 7 February 2023, a subsidiary company, 99 Industrial Solution Co., Ltd., changed the Company's name to 99 Industrial Solutions Co., Ltd. And the company registered additional ordinary shares from 10,000 shares to 500,000 shares, with a par value of Baht 100 per share and with a call payment of 28.57%. The Company had invested in those additional shares, amounting to Baht 14.00 million. The proportion of ownership increase from 99.97% to 99.99%.
- (d) At the Company's Board of Director 2/2024 held on 5 February 2024, the Board of Directors resolved to approve SNC Former Public Company Limited to sell of investments in ordinary shares of SNC Atlantic Water Heater Asia Co.,Ltd. with authorised share capital 273,000 (99.97% of authorised share capital). The Company has fully impairment of these investment and has a total selling price of 1 baht to SA ATLANTIC SOCIETE FRANCAISE DE DEVELOPPEMENT THERMIQUE JSC, a company is publicly listed in France and a major shareholder in those company.