**PREMIER PRODUCTS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**

**Condensed notes to the financial statements**

**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023**

**“UNAUDITED”**

**1. COMPANY OPERATIONS AND OTHER GENERAL INFORMATION**

Premier Products Public Company Limited (the “Company”) is a public company incorporated on August 22, 2012 and domiciled in Thailand. The registered office of the Company is located at 2 Premier Place, Soi Premier 2, Srinakarin Road, Nongbon, Prawet, Bangkok. The Company was listed on The Stock Exchange of Thailand on February 14, 2013.

As at September 30, 2023 and December 31, 2022, the Company’s major shareholder is Premier Resorts and Hotels Co., Ltd., which was registered in Thailand, holding 46.58% of the Company’s shares.

The Company is principally engaged in the manufacture and distribution of environmental products related to waste water treatment and water storage systems, construction materials and industrial products and generating electric power and distribute electricity.

Details of the Company’s subsidiary as at September 30, 2023 and December 31, 2022 is as follow:

| **Name of the Company** | **Type of business** | **Country of** | **The Company’s** | |
| --- | --- | --- | --- | --- |
|  |  | **incorporation** | **ownership interest*****(%)*** | |
|  |  |  | **As at** | **As at** |
|  |  |  | **September 30,** | **December 31,** |
|  |  |  | **2023** | **2022** |
| ***Direct subsidiary*** |  |  |  |  |
| Infinite Green Company | Producer of electricity | Thailand | 75.60 | 75.60 |
| Limited | from solar power |  |  |  |

**2. BASIS OF PREPARATION AND PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS**

**2.1 Statement of compliance**

1. These interim consolidated and separate financial statements are prepared in Thai Baht in compliance with Thai Accounting Standard No. 34 “Interim Financial Reporting” and accounting practices generally accepted in Thailand. The Company presents the condensed notes to the interim financial statements and the additional information is disclosed in accordance with the regulations of the Office of the Securities and Exchange Commission.
2. The consolidated and separate statements of financial position as at December 31, 2022, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which had been previously audited.
3. The unaudited results of operations presented in the three-month and nine-month periods ended September 30, 2023 are not necessarily an indication nor anticipation of the operating results for the full year.
4. Certain financial information which is normally included in the annual financial statements prepared in accordance with Thai Financial Reporting Standards (“TFRSs”), but which is not required for interim reporting purposes, has been omitted. In addition, the interim financial statements for the three-month and nine-month periods ended September 30, 2023 should be read in conjunction with the audited financial statements for the year ended December 31, 2022.
5. An English version of the interim consolidated and separate financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between   
   the two languages, the Thai language interim financial information shall prevail.
6. Material intercompany transactions between the Company and its subsidiary have been eliminated from this consolidated financial statements. The interim consolidated financial statements for the three-month and nine-month periods ended September 30, 2023 have included the subsidiary’s interim financial information for the three-month and nine-month periods ended September 30, 2023 which were reviewed.
7. Judgments and estimates

The preparation of financial statements in conformity with Thai Financial Reporting Standards (TFRSs) also requires the Company’s management to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the end of the reporting period and the reported amounts of revenue and expense during the year. Although these estimates are based on management’s reasonable consideration of current events, actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgments made by management in applying the Company and its subsidiary’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended December 31, 2022.

1. Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the period, the Company and its subsidiary have adopted the revised financial reporting standards issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2023. These financial reporting standards were aimed at alignment with the corresponding Thai Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology and clarification of accounting requirements. The adoption of these financial reporting standards does not have significant impact on the Company and its subsidiary’s interim financial statements.

1. Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

Thai Financial Reporting Standard which will be effective for the financial statements for the period beginning on or after January 1, 2024, onwards

On August 8, 2023, the revised TFRSs have been announced in the Royal Gazette which mostly are the amendments of wordings and the references of Thai Financial Reporting Standard No.17 “Insurance Contracts”. TFRSs which have been amended and are relevant to the Company and its subsidiary are as follows:

**Thai Accounting Standard No.1 “Presentation of Financial Statements”**

The amendments change the requirements regarding the disclosure of accounting policies from “significant accounting policies” to “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in the Company and its subsidiary’s financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

**Thai Accounting Standard No.8 “Accounting Policies, Changes in Accounting Estimates and Errors”**

The amendments change the definition of accounting estimates to be “monetary amounts in financial statements that are subject to measurement uncertainty”, to help the Company and its subsidiary to be able to segregate the difference of “change in accounting estimates” from “change in accounting policies”.

**Thai Accounting Standard No.12 “Income Taxes”**

The amendments add the requirements for the initial recognition of deferred tax, which give rise to equal taxable and deductible temporary differences such as right-of-use assets and lease liabilities and decommissioning obligation. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period   
the Company and its subsidiary recognize a deferred tax asset, to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, and a deferred tax liability for all deductible and taxable temporary differences associated with such transactions. The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of shareholders’ equity, as appropriate).

The Company and its subsidiary’s management will adopt such TFRSs in the preparation of the Company and its subsidiary’s financial statements when   
it becomes effective. The Company and its subsidiary’s management is in the process to assess the impact of these TFRSs on the financial statements of the Company and its subsidiary in the period of initial application.

Thai Financial Reporting Standard which will be effective for the financial statements for the period beginning on or after January 1, 2025, onwards

On August 19, 2022, Thai Financial Reporting Standard No.17 “Insurance Contracts” has been announced in the Royal Gazette. This Standard establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes Thai Financial Reporting Standard No.4 “Insurance Contracts”. The Company and its subsidiary do not have accounting transaction which should be adopted this Financial Reporting Standard.

1. Accounting policies

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended December 31, 2022.

**2.2 Functional and presentation currency**

The interim financial statements are prepared and presented in Thai Baht, which is the Company and its subsidiary’s functional currency. All financial information presented in notes to financial statements has been rounded to the nearest Thousand Baht unless otherwise stated.

**3. RELATED PARTY TRANSACTIONS**

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

Relationship with a subsidiary were disclosed in Note 9 to financial statements. Relationships with related parties are as follows:

| **Name of entities** | **Country of** | **Nature of relationships** |
| --- | --- | --- |
|  | **incorporation** |  |
| Premier Resorts and Hotels Company Limited | Thailand | The Company’s major shareholder |
| Premier Fission Capital Company Limited | Thailand | Joint directors |
| Premier Marketing Public Company Limited | Thailand | Joint directors |
| Premier Technology Public Company Limited | Thailand | Joint directors |
| Premier Enterprise Public Company Limited | Thailand | Joint directors |
| Other related parties | Thailand | Joint directors |
| Directors | Thailand | Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) of that company. |

The Company and its subsidiary have extensive transactions and relationships with the related parties. Accordingly, the accompanying financial statements may not necessarily be indicative of the conditions that would have existed or the results of operations that would have occurred if the Company and its subsidiary had operated without such affiliation.

Significant transactions with the Company and its subsidiary and related parties for the   
three-month and nine-month periods ended September 30, 2023 and 2022 were as follows:

|  | **Unit : Thousand Baht** | | | | |
| --- | --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate financial** | | **Transfer pricing policy** |
|  | **financial statements** | | **statements** | |  |
|  | **for the three-month** | | **for the three-month** | |  |
|  | **periods ended September 30,** | | **periods ended September 30,** | |  |
|  | **2023** | **2022** | **2023** | **2022** |  |
| Transactions with a subsidiary | |  |  |  |  |
| (eliminated from the consolidated | | | | |  |
| financial statements) | | | | |  |
| Revenue from sales and service | - | - | - | 150 | With reference to market price |
| Other income | - | - | 1,176 | 864 | Contract price |
| Finance costs | - | - | 139 | 173 | Contract price |
|  |  |  |  |  |  |
| Transactions with related companies | |  |  |  |  |
| Revenue from sales and service | 2,005 | 1,577 | 2,005 | 1,577 | With reference to market price |
| Cost of service | 382 | 502 | 382 | 502 | Contract price |
| Distribution costs | 2,584 | 2,545 | 2,584 | 2,545 | Contract price |
| Administrative expenses | 9,619 | 10,091 | 6,806 | 7,251 | Contract price |
| Finance costs | 182 | 231 | 165 | 225 | Contract price |

|  | **Unit : Thousand Baht** | | | | |
| --- | --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate financial** | | **Transfer pricing policy** |
|  | **financial statements** | | **statements** | |  |
|  | **for the nine-month** | | **for the nine-month** | |  |
|  | **periods ended September 30,** | | **periods ended September 30,** | |  |
|  | **2023** | **2022** | **2023** | **2022** |  |
| Transactions with a subsidiary | |  |  |  |  |
| (eliminated from the consolidated | | | | |  |
| financial statements) | | | | |  |
| Revenue from sales and service | - | - | 1,058 | 755 | With reference to market price |
| Other income | - | - | 3,528 | 2,592 | Contract price |
| Finance costs | - | - | 402 | 680 | Contract price |
|  |  |  |  |  |  |
| Transactions with related companies | |  |  |  |  |
| Revenue from sales and service | 7,665 | 7,311 | 7,665 | 7,311 | With reference to market price |
| Cost of service | 1,305 | 1,523 | 1,305 | 1,523 | Contract price |
| Distribution costs | 7,464 | 8,039 | 7,464 | 8,039 | Contract price |
| Administrative expenses | 29,317 | 30,315 | 20,791 | 21,722 | Contract price |
| Finance costs | 581 | 727 | 538 | 702 | Contract price |

Directors and management’s benefits

For the three-month and nine-month periods ended September 30, 2023 and 2022, the Company and its subsidiary had employee benefit expenses paid to their directors and management were as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | |  | **Unit : Thousand Baht** | | |
|  | **Consolidated** | | |  | **Separate** | | |
|  | **financial statements** | | |  | **financial statements** | | |
|  | **for the three-month** | | |  | **for the three-month** | | |
|  | **periods ended September 30,** | | |  | **periods ended September 30,** | | |
|  | **2023** |  | **2022** |  | **2023** |  | **2022** |
|  |  |  |  |  |  |  |  |
| Short-term employee benefits | 8,544 |  | 6,816 |  | 8,544 |  | 6,470 |
| Post-employment benefits | 304 |  | 228 |  | 304 |  | 228 |
| Total | 8,848 |  | 7,044 |  | 8,848 |  | 6,698 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | |  | **Unit : Thousand Baht** | | |
|  | **Consolidated** | | |  | **Separate** | | |
|  | **financial statements** | | |  | **financial statements** | | |
|  | **for the nine-month** | | |  | **for the nine-month** | | |
|  | **periods ended September 30,** | | |  | **periods ended September 30,** | | |
|  | **2023** |  | **2022** |  | **2023** |  | **2022** |
|  |  |  |  |  |  |  |  |
| Short-term employee benefits | 28,800 |  | 26,658 |  | 28,800 |  | 24,589 |
| Post-employment benefits | 967 |  | 762 |  | 967 |  | 762 |
| Total | 29,767 |  | 27,420 |  | 29,767 |  | 25,351 |

The balances of the accounts as at September 30, 2023 and December 31, 2022 of the Company and its subsidiary with related parties were as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | |  | **Unit : Thousand Baht** | | |
|  | **Consolidated** | | |  | **Separate** | | |
|  | **financial statements** | | |  | **financial statements** | | |
|  | **As at** |  | **As at** |  | **As at** |  | **As at** |
|  | **September 30,** |  | **December 31,** |  | **September 30,** |  | **December 31,** |
|  | **2023** |  | **2022** |  | **2023** |  | **2022** |
| **Trade and other current receivables** |  |  |  |  |  |  |  |
| * **related parties** |  |  |  |  |  |  |  |
| Trade receivables - related parties (see Note 5) |  |  |  |  |  |  |  |
| Subsidiary | - |  | - |  | - |  | 4,554 |
| Related companies (joint directors) | 1,822 |  | 745 |  | 1,822 |  | 745 |
| Total trade receivables - related parties | 1,822 |  | 745 |  | 1,822 |  | 5,299 |
| Total trade and other current receivables |  |  |  |  |  |  |  |
| * related parties | 1,822 |  | 745 |  | 1,822 |  | 5,299 |
|  |  |  |  |  |  |  |  |
| **Right-of-use assets** (see Note 12) |  |  |  |  |  |  |  |
| Related companies (joint directors) | 9,505 |  | 19,067 |  | 9,180 |  | 18,651 |
| Total right-of-use assets - related parties | 9,505 |  | 19,067 |  | 9,180 |  | 18,651 |
|  |  |  |  |  |  |  |  |
| **Short-term borrowings from a subsidiary** (see Note 14.2) |  |  |  |  |  |  |  |
| Subsidiary | - |  | - |  | 28,500 |  | 13,000 |
| Total short-term borrowings from a subsidiary | - |  | - |  | 28,500 |  | 13,000 |
|  |  |  |  |  |  |  |  |
| **Trade and other current payables** |  |  |  |  |  |  |  |
| * **related parties** |  |  |  |  |  |  |  |
| Other payables - related parties (see Note 15) |  |  |  |  |  |  |  |
| Subsidiary | - |  | - |  | 53 |  | 22 |
| Related companies (joint directors) | 387 |  | 1,264 |  | 380 |  | 1,248 |
| Total other payables - related parties | 387 |  | 1,264 |  | 433 |  | 1,270 |
| Total trade and other current payables |  |  |  |  |  |  |  |
| * related parties | 387 |  | 1,264 |  | 433 |  | 1,270 |
|  |  |  |  |  |  |  |  |
| **Lease liabilities** (see Note 16) |  |  |  |  |  |  |  |
| Related companies (joint directors) | 9,886 |  | 19,654 |  | 9,523 |  | 19,229 |
| Total leased liabilities - related parties | 9,886 |  | 19,654 |  | 9,523 |  | 19,229 |

**4. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents as at September 30, 2023 and December 31, 2022, were as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | |  | **Unit : Thousand Baht** | | |
|  | **Consolidated** | | |  | **Separate** | | |
|  | **financial statements** | | |  | **financial statements** | | |
|  | **As at** |  | **As at** |  | **As at** |  | **As at** |
|  | **September 30,** |  | **December 31,** |  | **September 30,** |  | **December 31,** |
|  | **2023** |  | **2022** |  | **2023** |  | **2022** |
|  |  |  |  |  |  |  |  |
| Cash | 318 |  | 318 |  | 250 |  | 250 |
| Current accounts and savings accounts | 27,130 |  | 2,479 |  | 26,917 |  | 2,230 |
| Total | 27,448 |  | 2,797 |  | 27,167 |  | 2,480 |

**5. TRADE AND OTHER CURRENT RECEIVABLES**

Trade and other current receivables as at September 30, 2023 and December 31, 2022, were as follows:

|  |  | | |  | **Unit : Thousand Baht** | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated** | | |  | **Separate** | | |
|  | **financial statements** | | |  | **financial statements** | | |
|  | **As at** |  | **As at** |  | **As at** |  | **As at** |
|  | **September 30,** |  | **December 31,** |  | **September 30,** |  | **December 31,** |
|  | **2023** |  | **2022** |  | **2023** |  | **2022** |
| **Trade receivables - related parties** |  |  |  |  |  |  |  |
| Aged on the basis of due dates |  |  |  |  |  |  |  |
| Not yet due | 1,345 |  | 738 |  | 1,345 |  | 5,292 |
| Past due |  |  |  |  |  |  |  |
| Not over than 3 months | 477 |  | 7 |  | 477 |  | 7 |
| Total trade receivables - related parties  (see Note 3) | 1,822 |  | 745 |  | 1,822 |  | 5,299 |
|  |  |  |  |  |  |  |  |
| **Trade receivables - non-related parties** |  |  |  |  |  |  |  |
| Aged on the basis of due dates |  |  |  |  |  |  |  |
| Not yet due | 107,578 |  | 139,784 |  | 93,517 |  | 102,795 |
| Past due |  |  |  |  |  |  |  |
| Not over than 3 months | 40,187 |  | 61,174 |  | 40,187 |  | 61,174 |
| Over 3 - not over than 6 months | 1,943 |  | 2,409 |  | 1,943 |  | 2,409 |
| Over 6 - not over than 12 months | 6,975 |  | 421 |  | 6,975 |  | 421 |
| Over 12 months | 1,468 |  | 3,572 |  | 1,468 |  | 3,572 |
| Total | 158,151 |  | 207,360 |  | 144,090 |  | 170,371 |
| Less: Allowance for expected credit losses | (4,992) |  | (3,794) |  | (4,992) |  | (3,794) |
| Total trade receivables - non-related parties | 153,159 |  | 203,566 |  | 139,098 |  | 166,577 |
|  |  |  |  |  |  |  |  |
| **Trade receivables - legal receivables** |  |  |  |  |  |  |  |
| Trade receivables - legal receivables | 38,011 |  | 37,454 |  | 38,011 |  | 37,454 |
| Less: Allowance for expected credit losses | (37,935) |  | (37,412) |  | (37,935) |  | (37,412) |
| Total trade receivables - legal receivables | 76 |  | 42 |  | 76 |  | 42 |
|  |  |  |  |  |  |  |  |
| **Other current receivables** |  |  |  |  |  |  |  |
| Other current receivables - non-related parties | 12,994 |  | 6,428 |  | 11,256 |  | 4,990 |
| Total other current receivables | 12,994 |  | 6,428 |  | 11,256 |  | 4,990 |
| Total trade and other current receivables | 168,051 |  | 210,781 |  | 152,252 |  | 176,908 |

|  |  |  |
| --- | --- | --- |
|  | **Unit : Thousand Baht** | |
|  | **Consolidated financial statements and** | |
|  | **separate financial statements** | |
|  | **2023** | **2022** |
| Impairment loss determined in accordance with TFRS 9 of trade and other current receivables |  |  |
| For the three-month periods ended September 30, | 975 | 3,363 |
| For the nine-month periods ended September 30, | 1,818 | 6,142 |

**6. INVENTORIES**

Inventories as at September 30, 2023 and December 31, 2022, were as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Unit : Thousand Baht** | | | | | | |
|  | **Consolidated financial statements and separate financial statements** | | | | | |
|  |  | | **Allowance for diminution in value of** | |  | |
|  | **Cost** | | **inventories** | | **Inventories - net** | |
|  | **As at** | **As at** | **As at** | **As at** | **As at** | **As at** |
|  | **September 30,** | **December 31,** | **September 30,** | **December 31,** | **September 30,** | **December 31,** |
|  | **2023** | **2022** | **2023** | **2022** | **2023** | **2022** |
|  |  |  |  |  |  |  |
| Finished goods | 117,817 | 104,249 | (14,852) | (14,708) | 102,965 | 89,541 |
| Work in process | 5,956 | 3,017 | - | - | 5,956 | 3,017 |
| Raw materials | 23,387 | 19,616 | (3,099) | (3,279) | 20,288 | 16,337 |
| Goods in transit | 2,774 | 8,403 | - | - | 2,774 | 8,403 |
| Total | 149,934 | 135,285 | (17,951) | (17,987) | 131,983 | 117,298 |

For the three-month period ended September 30, 2023, the Company has recorded the allowance for diminution in value of inventories value of Baht 0.45 million. For nine-month period ended September 30, 2023, the Company has reversed of recorded the allowance for diminution in value of inventories value of Baht 0.04 million. (For the three-month and nine-month periods ended September 30, 2022, the Company has reversed of recorded the allowance for diminution in value of inventories value of Baht 2.75 million and Baht 4.80 million, respectively) which was included in cost of sales.

**7. OTHER CURRENT FINANCIAL ASSETS**

Other current financial assets are investments in unit trust in debt securities open-ended fund are stated at fair value using inputs of Level 2 which is inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Such fair value of investments in unit trust has been determined by using the net asset value of unit trust as published by the Asset Management Company.

Other current financial assets as at September 30, 2023 and December 31, 2022 (Separate financial statements : Nil), were as follows:

**Unit : Thousand Baht**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated** | | |
|  | **financial statements** | | |
|  | **As at** |  | **As at** |
|  | **September 30,** |  | **December 31,** |
|  | **2023** |  | **2022** |
| Investments in unit trust in debt securities |  |  |  |
| open-ended fund at FVPL | 5,131 |  | 1,799 |
| Total | 5,131 |  | 1,799 |

Other details of investments in unit trust in debt securities open-ended fund designated at FVPL as at September 30, 2023 (Separate financial statements : Nil), were as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Unit : Thousand Baht** | | | | | | |
|  | **Consolidated financial statements** | | | | | | |
|  | **Cost** |  | **Unrealized** |  | **Unrealized** |  | **Fair value** |
|  | **As at** |  | **gross profit** |  | **gross loss** |  | **As at** |
|  | **September 30,** |  |  |  |  |  | **September 30,** |
|  | **2023** |  |  |  |  |  | **2023** |
| Investments in unit trust in debt securities |  |  |  |  |  |  |  |
| open-ended fund at FVPL | 5,129 |  | 2 |  | - |  | 5,131 |
|  | 5,129 |  | 2 |  | - |  | 5,131 |

Other details of investments in unit trust in debt securities open-ended fund designated at FVPL as at December 31, 2022 (Separate financial statements : Nil), were as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Unit : Thousand Baht** | | | | | | |
|  | **Consolidated financial statements** | | | | | | |
|  | **Cost** |  | **Unrealized** |  | **Unrealized** |  | **Fair value** |
|  | **As at** |  | **gross profit** |  | **gross loss** |  | **As at** |
|  | **December 31,** |  |  |  |  |  | **December 31,** |
|  | **2022** |  |  |  |  |  | **2022** |
| Investments in unit trust in debt securities |  |  |  |  |  |  |  |
| open-ended fund at FVPL | 1,798 |  | 1 |  | - |  | 1,799 |
|  | 1,798 |  | 1 |  | - |  | 1,799 |

For the nine-month period ended September 30, 2023, the subsidiary purchased other current financial assets of Baht 45.40 million and sold other current financial assets of Baht 42.09 million (Separate financial statements : Nil).

For the nine-month period ended September 30, 2022, the subsidiary purchased other current financial assets of Baht 130.02 million and sold other current financial assets of Baht 120.30 million (Separate financial statements : Nil).

**8. RESTRICTED BANK DEPOSITS**

Deposits of the Company have been pledged as security against bank overdraft and bank guarantees issued by the bank on behalf of the Company which is required in the normal course of business of the Company.

As at September 30, 2023 and December 31, 2022, bank deposits of the Company have been pledged as securities in compliance with condition of bank of overdraft, short-term borrowings and long-term borrowings agreement with a financial institution (see Notes 14.1 and 22.4).

**9. INVESTMENT IN A SUBSIDIARY**

Investment in a subsidiary as presented in separate financial statements at September 30, 2023 and December 31, 2022, were as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | |  | | **Unit : Thousand Baht** | |
| **Company’s name** | **Type of** | **Paid-up capital** | | **Shareholding percentage** | | **Cost** | |
|  | **business** | **As at** | **As at** | **As at** | **As at** | **As at** | **As at** |
|  |  | **September 30,** | **December 31,** | **September 30,** | **December 31,** | **September 30,** | **December 31,** |
|  |  | **2023** | **2022** | **2023** | **2022** | **2023** | **2022** |
| Infinite Green | Producer of |  |  |  |  |  |  |
| Co., Ltd. | electricity |  |  |  |  |  |  |
|  | from solar |  |  |  |  |  |  |
|  | power | 600,000 | 600,000 | 75.60 | 75.60 | 549,473 | 549,473 |
| **Total investment in**  **a subsidiary - net** |  |  |  |  |  | 549,473 | 549,473 |

For the three-month ended September 30, 2022, a subsidiary paid dividend of Baht 1.40 per share to the Company and non-controlling interests by Baht 63.50 million and Baht 20.50 million, respectively (For the three-month September 30, 2023 : Nil).

For the nine-month periods ended September 30, 2023, a subsidiary paid dividend of Bah 1.25 per share to the Company and non-controlling interests by Baht 56.70 million and Baht 18.30 million, respectively (For the nine-month periods ended September 30, 2022, a subsidiary paid dividend of Baht 2.10 per share to the Company and non-controlling interests by Baht 95.25 million and Baht 30.75 million, respectively).

**10. PROPERTY, PLANT AND EQUIPMENT**

Movement of the property, plant and equipment for the nine-month period ended   
September 30, 2023, were as follows:

|  |  |  |
| --- | --- | --- |
| **Unit : Thousand Baht** | | |
|  | **Consolidated** | **Separate** |
|  | **financial statements** | **financial statements** |
|  |  |  |
| **Net book value as at January 1, 2023** | 880,734 | 166,634 |
| Acquisitions during the period - at cost | 15,862 | 14,659 |
| Disposal during the period - net book value at disposal date | (26) | (26) |
| Recognize loss on impairment of solar cells | (736) | - |
| Depreciation for the period | (48,298) | (11,700) |
| **Net book value as at September 30, 2023** | 847,536 | 169,567 |

In 2021, the Company and its subsidiary arranged for an independent professional valuer to appraise the fair value of land by using the market comparison approach. The fair value of land is based on the use of Level 2 which is inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

If the land and land improvements had been carried in the financial statements based on historical cost, its net book value as at September 30, 2023 and December 31, 2022, were as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Unit : Thousand Baht** | | | |
|  | **Consolidated** | | **Separate** | |
|  | **financial statements** | | **financial statements** | |
|  | **As at** | **As at** | **As at** | **As at** |
|  | **September 30,** | **December 31,** | **September 30,** | **December 31,** |
|  | **2023** | **2022** | **2023** | **2022** |
|  |  |  |  |  |
| Land and land improvement | 175,418 | 175,418 | 34,094 | 34,094 |

The revaluation surplus on land can neither be offset against accumulated deficit nor used for dividend payment.

As at September 30, 2023, the Company has mortgaged their land (revalued amount in 2021), buildings and structures with a total net book value of Baht 130.75 million (As at December 31, 2022 Baht : 132.96 million) as collateral to secure the Company’s credit facilities and short-term borrowings obtained from a financial institution (see Notes 14.1 and 22.4).

**11. NON-OPERATING ASSETS**

Non-operating assets as at September 30, 2023 and December 31, 2022, were as follows:

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | | |  | **Unit : Thousand Baht** | | | |
|  | **Consolidated** | | | |  | **Separate** | | | |
|  | **financial statements** | | | |  | **financial statements** | | | |
|  | **As at** |  | **As at** | |  | **As at** | |  | **As at** |
|  | **September 30,** |  | **December 31,** | |  | **September 30,** | |  | **December 31,** |
|  | **2023** |  | **2022** | |  | **2023** | |  | **2022** |
|  |  |  |  | |  |  | |  |  |
| Land | 14,331 |  | 14,331 | |  | 14,331 | |  | 14,331 |
| Land improvements | 7,897 |  | 7,897 | |  | 7,897 | |  | 7,897 |
| Buildings and building improvements | 75,368 |  | 75,368 | |  | 75,368 | |  | 75,368 |
| Total | 97,596 |  | 97,596 | |  | 97,596 | |  | 97,596 |
| Less: Accumulated depreciation | (75,154) |  | (74,979) | |  | (75,154) | |  | (74,979) |
| Less: Provision for impairment of assets | (8,681) |  | (8,681) | |  | (8,681) | |  | (8,681) |
| Non-operating assets - net | 13,761 |  | 13,936 | |  | 13,761 | |  | 13,936 |
|  | | | | **Unit : Thousand Baht** | | | | | | |
|  | | | | **Consolidated financial statements and** | | | | | | |
|  | | | | **separate financial statements** | | | | | | |
|  | | | | **2023** | | | **2022** | | | |
| Depreciation included in profit or loss | | | |  | | |  | | | |
| for the three-month periods ended September 30, | | | | 59 | | | 58 | | | |
| for the nine-month periods ended September 30, | | | | 175 | | | 175 | | | |

The Company has mortgaged parts of its non-operating assets, which comprise the land and buildings with a total net book value as at September 30, 2023 of Baht 11.63 million (As at December 31, 2022 : Baht 11.81 million) as collateral for the Company’s credit facilities from a financial institution (see Notes 14.1 and 22.4).

**12. RIGHT-OF-USE ASSETS**

Movements of the right-of-use assets for the nine-month period ended September 30, 2023, were as follows:

|  |  |  |
| --- | --- | --- |
| **Unit : Thousand Baht** | | |
|  | **Consolidated** | **Separate** |
|  | **financial statements** | **financial statements** |
|  |  |  |
| **Net book value as at January 1, 2023** | 26,180 | 25,763 |
| Acquisitions during the period | 5,936 | 5,014 |
| Depreciation for the period | (6,644) | (6,444) |
| **Net book value as at September 30, 2023** | 25,472 | 24,333 |

**13. INTANGIBLE ASSETS**

Movement of the intangible assets account for the nine-month period ended September 30, 2023, were as follows:

|  |  |  |
| --- | --- | --- |
| **Unit : Thousand Baht** | | |
|  | **Consolidated** | **Separate** |
|  | **financial statements** | **financial statements** |
|  |  |  |
| **Net book value as at January 1, 2023** | 16,710 | 16,281 |
| Acquisitions during the period - at cost | 8,456 | 8,129 |
| Amortization for the period | (797) | (747) |
| **Net book value as at September 30, 2023** | 24,369 | 23,663 |

**14. BANK OVERDRAFT AND SHORT-TERM borrowingS**

* 1. Bank overdraft and short-term borrowings from a financial institution as at September 30, 2023 and December 31, 2022, were as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| **Unit : Thousand Baht** | | | |
|  |  | **Consolidated financial statements and** | |
|  |  | **Separate financial statements** | |
|  |  | **As at** | **As at** |
|  | **Effective interest rate** | **September 30,** | **December 31,** |
|  | **(percent per annum)** | **2023** | **2022** |
| Short-term borrowings from |  |  |  |
| a financial institution | MMR | 85,000 | 45,000 |
| Total |  | 85,000 | 45,000 |

As at September 30, 2023 and December 31, 2022, the Company and its subsidiary have a bank overdraft facilities in amount of Baht 30 million and Baht 10 million, respectively, which interest rate charged by major large commercial banks (“MOR - 0.5”). Such bank overdraft from a financial institution are guaranteed by the mortgage of the Company’s land, building and structures (see Notes 10 and 11) and the Company’s bank deposit (see Note 8).

As at September 30, 2023 and December 31, 2022, the Company has a promissory notes limit from a financial institution in amount of Baht 120 million with interest rate at money market rate (“MMR”) and mortgaged by the Company’s land and building and structures (see Notes 10 and 11) and the Company’s bank deposit (see Note 8).

Movements of bank overdraft from a financial institution for the nine-month periods ended September 30, were as follows:

|  |  |  |
| --- | --- | --- |
|  | **Unit : Thousand Baht** | |
|  | **Consolidated and Separate** | |
|  | **financial statements** | |
|  | **2023** | **2022** |
|  |  |  |
| **Balanced as at January 1,** | - | 3,360 |
| Addition during the periods | 84,975 | 41,682 |
| Less: Repayment during the periods | (84,975) | (29,006) |
| **Balanced as at September 30,** | - | 16,036 |

Movements of short-term borrowings from a financial institution for the nine-month periods ended September 30, were as follows:

|  |  |  |
| --- | --- | --- |
|  | **Unit : Thousand Baht** | |
|  | **Consolidated and Separate** | |
|  | **financial statements** | |
|  | **2023** | **2022** |
|  |  |  |
| **Balanced as at January 1,** | 45,000 | 40,000 |
| Addition during the periods | 235,000 | 175,200 |
| Less: Repayment during the periods | (195,000) | (170,200) |
| **Balanced as at September 30,** | 85,000 | 45,000 |

* 1. Short-term borrowings from a related party as at September 30, 2023 and December 31, 2022, were as follows: (Consolidated financial statements : Nil)

|  |  |  |  |
| --- | --- | --- | --- |
| **Unit : Thousand Baht** | | | |
|  |  | **Separate financial statements** | |
|  |  | **As at** | **As at** |
|  | **Effective Interest rate** | **September 30,** | **December 31,** |
|  | **(percent per annum)** | **2023** | **2022** |
| Short-term borrowings from |  |  |  |
| a subsidiary | 2 - 2.25 | 28,500 | 13,000 |

Movements of short-term borrowing from a related party for the nine-month periods ended September 30, were as follows: (Consolidated financial statements : Nil)

|  |  |  |
| --- | --- | --- |
|  | **Unit : Thousand Baht** | |
|  | **Separate**  **financial statements** | |
|  | **2023** | **2022** |
|  |  |  |
| **Balanced as at January 1,** | 13,000 | 47,100 |
| Addition during the periods | 65,500 | 19,500 |
| Less: Repayment during the periods | (50,000) | (56,100) |
| **Balanced as at September 30,** | 28,500 | 10,500 |

As at September 30, 2023 and December 31, 2022, short-term borrowings from a related party represent promissory note at call without collateral.

**15. TRADE AND OTHER CURRENT PAYABLES**

Trade and other current payables as at September 30, 2023 and December 31, 2022, were as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Unit : Thousand Baht** | | | | |
|  | **Consolidated** | | **Separate** | |
|  | **financial statements** | | **financial statements** | |
|  | **As at** | **As at** | **As at** | **As at** |
|  | **September 30,** | **December 31,** | **September 30,** | **December 31,** |
|  | **2023** | **2022** | **2023** | **2022** |
|  |  |  |  |  |
| Trade payables - non related parties | 89,823 | 124,042 | 89,823 | 124,042 |
| Other current payables - non related parties | 11,801 | 11,598 | 11,089 | 10,855 |
| Other current payables - related parties (see Note 3) | 387 | 1,264 | 433 | 1,270 |
| Accrued expenses | 34,867 | 36,306 | 33,291 | 33,912 |
| Deposit payables | 17,285 | 6,554 | 17,285 | 6,554 |
| Total trade and other current payables | 154,163 | 179,764 | 151,921 | 176,633 |

**16. LEASE LIABILITIES**

Movements of the lease liabilities for the nine-month period ended September 30, 2023, were as follows:

|  |  |  |
| --- | --- | --- |
| **Unit : Thousand Baht** | | |
|  | **Consolidated** | **Separate** |
|  | **financial statements** | **financial statements** |
|  |  |  |
| **Lease liabilities as at January 1, 2023** | 29,149 | 28,685 |
| Addition during the period | 6,612 | 5,538 |
| Paid during the period | (7,359) | (7,132) |
| **Lease liabilities as at September 30, 2023** | 28,402 | 27,091 |
|  |  |  |
| **Deferred interest expense as at January 1, 2023** | (2,295) | (2,256) |
| Addition during the period | (676) | (524) |
| Recognized as financial costs during the period | 823 | 780 |
| **Deferred interest expense as at September 30, 2023** | (2,148) | (2,000) |
|  |  |  |
| **Lease liabilities - net** | 26,254 | 25,091 |
| Less: Current portion of lease liabilities | (7,846) | (7,600) |
| **Lease liabilities - net of current portion** | 18,408 | 17,491 |

**17. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS**

Movements of provision for long-term employee benefits accounts for the nine-month period ended September 30, 2023, were as follows:

|  |  |  |
| --- | --- | --- |
| **Unit : Thousand Baht** | | |
|  | **Consolidated**  **financial statements** | **Separate**  **financial statements** |
|  |  |  |
| **Balance as at January 1, 2023** | 64,077 | 62,514 |
| Include in profit or loss : |  |  |
| Current service cost | 5,018 | 4,888 |
| Interest cost | 1,128 | 1,093 |
| Benefits paid during the period | (5,212) | (5,212) |
| **Balance as at September 30, 2023** | 65,011 | 63,283 |

**18. Income tax revenue (EXPENSE)**

Interim corporate income tax of the Company was calculated on the profit before income tax for the periods, after adding back expenses and deducting income which are disallowable for tax computation purposes, then multiply with corporate income tax rate.

Interim corporate income tax of the subsidiary was calculated on the profit before income tax from the non-promoted activities for the periods, after adding back expenses and deducting income which are disallowable for tax computation purposes, then multiply with corporate income tax rate.

Income tax revenue (expense) for the three-month and nine-month periods ended September 30, were summarized as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | | **Unit : Thousand Baht** | |
|  | **Consolidated** | | **Separate** | |
|  | **financial statements** | | **financial statements** | |
|  | **for the three-month** | | **for the three-month** | |
|  | **periods ended September 30,** | | **periods ended September 30,** | |
|  | **2023** | **2022** | **2023** | **2022** |
| **Current income tax :** |  |  |  |  |
| Interim corporate income tax | 52 | (1,292) | - | - |
|  |  |  |  |  |
| **Deferred tax :** |  |  |  |  |
| Deferred tax from origination of temporary |  |  |  |  |
| differences and reversal of temporary |  |  |  |  |
| differences | 66 | 275 | 61 | 267 |
| Income tax revenue (expense) reported |  |  |  |  |
| in the statements of profit or loss and  other comprehensive income | 118 | (1,017) | 61 | 267 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | | **Unit : Thousand Baht** | |
|  | **Consolidated** | | **Separate** | |
|  | **financial statements** | | **financial statements** | |
|  | **for the nine-month** | | **for the nine-month** | |
|  | **periods ended September 30,** | | **periods ended September 30,** | |
|  | **2023** | **2022** | **2023** | **2022** |
| **Current income tax :** |  |  |  |  |
| Interim corporate income tax | (4,706) | (5,329) | - | - |
|  |  |  |  |  |
| **Deferred tax :** |  |  |  |  |
| Deferred tax from origination of temporary |  |  |  |  |
| differences and reversal of temporary |  |  |  |  |
| differences | 138 | 6,098 | 122 | 6,076 |
| Income tax revenue (expense) reported |  |  |  |  |
| in the statements of profit or loss and  other comprehensive income | (4,568) | 769 | 122 | 6,076 |

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

For the three-month periods ended September 30,

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | |  | **Unit : Thousand Baht** | | |
|  | **Consolidated financial statements** | | | | | | |
|  | **2023** | | |  | **2022** | | |
|  | **Applicable** |  |  |  | **Applicable** |  |  |
|  | **tax rate** |  |  |  | **tax rate** |  |  |
|  | **(%)** |  |  |  | **(%)** |  |  |
| Profit (loss) before tax revenue (expense) |  |  | (10,142) |  |  |  | 3,572 |
| Income tax using applicable tax rate | 20 |  | 2,028 |  | 20 |  | (714) |
| Tax losses not recognized as deferred tax asset |  |  | (1,812) |  |  |  | (1,833) |
| Tax effects of: |  |  |  |  |  |  |  |
| Promotional tax privileges from |  |  |  |  |  |  |  |
| the Board of Investment |  |  | (74) |  |  |  | 1,257 |
| Non-deductible expenses |  |  | (316) |  |  |  | (215) |
| Additional expense deductions allowed |  |  | 226 |  |  |  | 213 |
| Adjustments recognized of deferred tax |  |  | 66 |  |  |  | 275 |
| Total |  |  | (98) |  |  |  | 1,530 |
| Income tax revenue (expense) reported in |  |  |  |  |  |  |  |
| the statement of profit of loss and other |  |  |  |  |  |  |  |
| comprehensive income | - |  | 118 |  | 28 |  | (1,017) |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | |  | **Unit : Thousand Baht** | | |
|  | **Separate financial statements** | | | | | | |
|  | **2023** | | |  | **2022** | | |
|  | **Applicable** |  |  |  | **Applicable** |  |  |
|  | **tax rate** |  |  |  | **tax rate** |  |  |
|  | **(%)** |  |  |  | **(%)** |  |  |
| Profit (loss) before income tax revenue (expense) |  |  | (9,130) |  |  |  | 54,078 |
| Income tax using applicable tax rate | 20 |  | 1,826 |  | 20 |  | (10,816) |
| Tax losses not recognized as deferred tax asset |  |  | (1,812) |  |  |  | (1,833) |
| Tax effects of: |  |  |  |  |  |  |  |
| Non-deductible expenses |  |  | (192) |  |  |  | (233) |
| Additional expense deductions allowed |  |  | 178 |  |  |  | 181 |
| Exemption of income |  |  | - |  |  |  | 12,701 |
| Adjustments recognized of deferred tax |  |  | 61 |  |  |  | 267 |
| Total |  |  | 47 |  |  |  | 12,916 |
| Income tax revenue reported in |  |  |  |  |  |  |  |
| the statement of profit or loss and other |  |  |  |  |  |  |  |
| comprehensive income | - |  | 61 |  | - |  | 267 |

For the nine-month periods ended September 30,

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | |  | **Unit : Thousand Baht** | | |
|  | **Consolidated financial statements** | | | | | | |
|  | **2023** | | |  | **2022** | | |
|  | **Applicable** |  |  |  | **Applicable** |  |  |
|  | **tax rate** |  |  |  | **tax rate** |  |  |
|  | **(%)** |  |  |  | **(%)** |  |  |
| Profit (loss) before tax revenue (expense) |  |  | 11,828 |  |  |  | (955) |
| Income tax using applicable tax rate | 20 |  | (2,366) |  | 20 |  | 191 |
| Recognized tax losses as deferred tax assets |  |  | - |  |  |  | (5,542) |
| Tax losses not recognized as deferred tax asset |  |  | (6,865) |  |  |  | (4,540) |
| Tax effects of: |  |  |  |  |  |  |  |
| Promotional tax privileges from |  |  |  |  |  |  |  |
| the Board of Investment |  |  | 4,518 |  |  |  | 5,085 |
| Non-deductible expenses |  |  | (696) |  |  |  | (1,266) |
| Additional expense deductions allowed |  |  | 703 |  |  |  | 743 |
| Adjustments recognized of deferred tax |  |  | 138 |  |  |  | 6,098 |
| Total |  |  | 4,663 |  |  |  | 10,660 |
| Income tax revenue (expense) reported in |  |  |  |  |  |  |  |
| the statement of profit of loss and other |  |  |  |  |  |  |  |
| comprehensive income | 39 |  | (4,568) |  | - |  | 769 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | |  | **Unit : Thousand Baht** | | |
|  | **Separate financial statements** | | | | | | |
|  | **2023** | | |  | **2022** | | |
|  | **Applicable** |  |  |  | **Applicable** |  |  |
|  | **tax rate** |  |  |  | **tax rate** |  |  |
|  | **(%)** |  |  |  | **(%)** |  |  |
| Profit before income tax expense |  |  | 22,641 |  |  |  | 43,899 |
| Income tax using applicable tax rate | 20 |  | (4,528) |  | 20 |  | (8,780) |
| Recognized tax losses as deferred tax assets |  |  | - |  |  |  | (5,542) |
| Tax losses not recognized as deferred tax asset |  |  | (6,865) |  |  |  | (4,540) |
| Tax effects of: |  |  |  |  |  |  |  |
| Non-deductible expenses |  |  | (510) |  |  |  | (742) |
| Additional expense deductions allowed |  |  | 563 |  |  |  | 553 |
| Exemption of income |  |  | 11,340 |  |  |  | 19,051 |
| Adjustments recognized of deferred tax |  |  | 122 |  |  |  | 6,076 |
| Total |  |  | 11,515 |  |  |  | 24,938 |
| Income tax revenue reported in |  |  |  |  |  |  |  |
| the statement of profit or loss and other |  |  |  |  |  |  |  |
| comprehensive income | - |  | 122 |  | - |  | 6,076 |

For the three-month and nine-month periods ended September 30, 2023 and 2022, the effective income tax rate is not equal to the statutory income tax because certain revenues of the Company and its subsidiary were not included in income tax calculation or included only half amount because promotional privileges under the Investment. In addition, certain expenses are non-tax deductible expense in accordance with the Revenue code.

As at September 30, 2023 and December 31, 2022, the Company has unused tax losses, totaling Baht 289.67 million and Baht 255.35 million, respectively.

Details of expiry date of unused tax losses are summarized as below:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Unit : Thousand Baht** | | |
|  | **Consolidated and Separate** | | |
|  | **financial statements** | | |
|  | **2023** |  | **2022** |
|  |  |  |  |
| As at December 31, 2024 | 12,697 |  | 12,697 |
| As at December 31, 2025 | 66,042 |  | 66,042 |
| As at December 31, 2026 | 107,273 |  | 107,273 |
| As at December 31, 2027 | 69,336 |  | 69,336 |
| As at December 31, 2028 | 34,325 |  | - |
|  | 289,673 |  | 255,348 |

As at September 30, 2023 the Company had unused tax losses totaling Baht 75.85 million on which deferred tax assets had not been recognized losses because they expect no certain future taxable profit to be utilized.

Movements of deferred tax assets and liabilities for the nine-month periods ended   
September 30, 2023, was as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | |  | **Unit : Thousand Baht** | | |
| **As at September 30, 2023** | **Consolidated financial statements** | | | | | | |
|  | **As at** |  | **Recorded as** | | |  | **As at** |
|  | **January 1,** |  | **(expense) revenue in** | | |  | **September 30,** |
|  | **2023** |  | **Profit or loss** | | |  | **2023** |
| **Deferred tax assets** |  |  |  | | |  |  |
| Provision for long-term employee benefits | 12,660 |  | 171 | | |  | 12,831 |
| Unused tax losses | 42,764 |  | - | | |  | 42,764 |
| Allowance for loss on impairment of solar cells | 3,000 |  | - | | |  | 3,000 |
| Total deferred tax assets | 58,424 |  | 171 | | |  | 58,595 |
|  |  |  |  | | |  |  |
| **Deferred tax liabilities** |  |  |  | | |  |  |
| Difference in depreciation amount between |  |  |  | | |  |  |
| tax base and accounting base | (1,604) |  | (33) | | |  | (1,637) |
| Revaluation surplus on land | (14,293) |  | - | | |  | (14,293) |
| Total deferred tax liabilities | (15,897) |  | (33) | | |  | (15,930) |
| **Total deferred tax assets - net** | 42,527 |  | 138 | | |  | 42,665 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | |  | **Unit : Thousand Baht** | | |
| **As at September 30, 2023** | **Separate financial statements** | | | | | | |
|  | **As at** |  | **Recorded as** | | |  | **As at** |
|  | **January 1,** |  | **(expense) revenue in** | | |  | **September 30,** |
|  | **2023** |  | **Profit or loss** | | |  | **2023** |
| **Deferred tax assets** |  |  |  | | |  |  |
| Provision for long-term employee benefits | 12,503 |  | 154 | | |  | 12,657 |
| Unused tax losses | 42,764 |  | - | | |  | 42,764 |
| Total deferred tax assets | 55,267 |  | 154 | | |  | 55,421 |
|  |  |  |  | | |  |  |
| **Deferred tax liabilities** |  |  |  | | |  |  |
| Difference in depreciation amount between |  |  |  | | |  |  |
| tax base and accounting base | (1,605) |  | (32) | | |  | (1,637) |
| Revaluation surplus on land | (14,293) |  | - | | |  | (14,293) |
| Total deferred tax liabilities | (15,898) |  | (32) | | |  | (15,930) |
| **Total deferred tax assets - net** | 39,369 |  | 122 | | |  | 39,491 |

**19. EARNINGS (LOSSES) PER SHARE**

Basic earnings (losses) per share is calculated by dividing profit (losses) for the period attributable to owner of the parent (excluding other comprehensive income) by the weighted average number of ordinary shares held by outside shareholders in issue during the period.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial statements** | | **financial statements** | |
|  | **for the three-month** | | **for the three-month** | |
|  | **periods ended September 30,** | | **periods ended September 30,** | |
|  | **2023** | **2022** | **2023** | **2022** |
|  |  |  |  |  |
| Profit (losses) for the period (Thousand Baht) | (9,731) | (267) | (9,069) | 54,345 |
| Weighted average number of |  |  |  |  |
| ordinary shares (Thousand shares) | 300,000 | 300,000 | 300,000 | 300,000 |
| Earnings (losses) per share (Baht/Share) | (0.032) | (0.001) | (0.030) | 0.181 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial statements** | | **financial statements** | |
|  | **for the nine-month** | | **for the nine-month** | |
|  | **periods ended September 30,** | | **periods ended September 30,** | |
|  | **2023** | **2022** | **2023** | **2022** |
|  |  |  |  |  |
| Profit (losses) for the period (Thousand Baht) | (2,622) | (10,982) | 22,763 | 49,975 |
| Weighted average number of |  |  |  |  |
| ordinary shares (Thousand shares) | 300,000 | 300,000 | 300,000 | 300,000 |
| Earnings (losses) per share (Baht/Share) | (0.009) | (0.037) | 0.076 | 0.167 |

**20. REVENUE FROM CONTRACTS WITH CUSTOMERS**

20.1 Disaggregated revenue information

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Unit : Thousand Baht** | | | | |
|  | **For the three-month periods ended September 30,** | | | |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2023** | **2022** | **2023** | **2022** |
| **Type of goods or service:** |  |  |  |  |
| Revenue from sale and services | 186,694 | 171,379 | 166,832 | 155,946 |
| Revenue from project | 89,153 | 50,485 | 89,153 | 50,485 |
| Revenue - electricity tariff adders | - | 24,509 | - | - |
| Total revenue from contracts with customers | 275,847 | 246,373 | 255,985 | 206,431 |
|  |  |  |  |  |
| **Timing of revenue recognition :** |  |  |  |  |
| Revenue recognized at a point in time | 186,694 | 195,888 | 166,832 | 155,946 |
| Revenue recognized overtime | 89,153 | 50,485 | 89,153 | 50,485 |
| Total revenue from contracts with customers | 275,847 | 246,373 | 255,985 | 206,431 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Unit : Thousand Baht** | | | | |
|  | **For the nine-month periods ended September 30,** | | | |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2023** | **2022** | **2023** | **2022** |
| **Type of goods or service:** |  |  |  |  |
| Revenue from sale and services | 547,387 | 476,625 | 476,330 | 426,622 |
| Revenue from project | 231,710 | 156,527 | 231,710 | 156,527 |
| Revenue - electricity tariff adders | 38,443 | 84,838 | - | - |
| Total revenue from contracts with customers | 817,540 | 717,990 | 708,040 | 583,149 |
|  |  |  |  |  |
| **Timing of revenue recognition :** |  |  |  |  |
| Revenue recognized at a point in time | 585,830 | 561,463 | 476,330 | 426,622 |
| Revenue recognized overtime | 231,710 | 156,527 | 231,710 | 156,527 |
| Total revenue from contracts with customers | 817,540 | 717,990 | 708,040 | 583,149 |

During the three-month and nine-month periods ended September 30, 2023, the Company recognizes parts of additional cost that the Company has contractual rights to bill the contracting parties. As at September 30, 2023, the Company is in the process of negotiation.

During the three-month and nine-month periods ended September 30, 2023,   
a subsidiary’s revenue - electricity tariff adders decreases by Baht 24.51 million and Baht 46.40 million, respectively, because the electricity tariff adders agreements of Saraburi 2 plant and Saraburi 3 plant had due in April 2023.

20.2 Revenue to be recognized for the remaining performance obligation

As at September 30, 2023, the Company and its subsidiary have revenue to be recognized in the fu ture in respected of performance obligations under contracts with customers that are unsatisfied (or partially unsatisfied) of Baht 124.02 million (As at December 31, 2022 : Baht 183.95 million).

20.3 Contract assets and contract liabilities

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Unit : Thousand Baht** | | |
|  | **Consolidated and separate** | | |
|  | **financial statements** | | |
|  | **As at** |  | **As at** |
|  | **September 30,** |  | **December 31,** |
|  | **2023** |  | **2022** |
|  |  |  |  |
| Contract assets - current | 30,986 |  | 1,993 |
| Contract liabilities - current | 13,496 |  | 15,102 |

20.4 Revenue recognized in relation to contract balances for the three-month and nine-month periods ended September 30,

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Unit : Thousand Baht** | | |
|  | **Consolidated and separate** | | |
|  | **financial statements** | | |
|  | **for the three-month periods ended September 30,** | | |
|  | **2023** |  | **2022** |
| Revenue recognized that was included in contract liabilities at the  beginning of the year | 7,576 |  | 3,557 |
|  |  | | |
|  | **Unit : Thousand Baht** | | |
|  | **Consolidated and separate** | | |
|  | **financial statements** | | |
|  | **for the nine-month periods ended September 30,** | | |
|  | **2023** |  | **2022** |
| Revenue recognized that was included in contract liabilities at the  beginning of the year | 17,059 |  | 11,827 |

20.5 Cost to fulfil contracts with customers

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Unit : Thousand Baht** | | | | | | |
|  | **Consolidated financial statements and Separate financial statements** | | | | | |
|  | **Cost** | | **Allowance for diminution** | | **Cost to fulfil contract with customers - net** | |
|  | **As at** | **As at** | **As at** | **As at** | **As at** | **As at** |
|  | **September 30,** | **December 31,** | **September 30,** | **December 31,** | **September 30,** | **December 31,** |
|  | **2023** | **2022** | **2023** | **2022** | **2023** | **2022** |
| Cost to fulfil contracts  with customers | 26,067 | 23,103 | (6,004) | (6,004) | 20,063 | 17,099 |

**21. SEGMENT INFORMATION**

The Company and its subsidiary are organized into business units based on its products and services. During the current period, the Company and its subsidiary have not changed the organization of their reportable segments.

*Geographical segments*

The Group operates principally in Thailand. There are no material revenues derived from, or assets located in foreign countries.

*Major customer*

For the three-month and nine-month periods ended September 30, 2023, the Company and its subsidiary have revenues from 1 major customer by Baht 19.86 million and Baht 110.56 million, respectively. (For the three-month and nine-month periods ended September 30, 2022, the Company and its subsidiary have revenues from 1 major customer by Baht 40.09 million and Baht 135.60 million, respectively.)

Revenues and profits information regarding the Company and its subsidiary’s operating segments for the three-month periods ended September 30, were as follows:

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Unit : Thousand Baht** | | | | | | | | | |
|  | | **The consolidated financial statements** | | | | | | | | | |
|  | | **Water Treatment** | | **Environmental** | | **Clean Energy** | | **Elimination of** | | **Consolidated** | |
|  | | **Solution segment** | | **Preservation** | | **segment** | | **inter - segment** | |  | |
|  | |  | | **Products** | |  | |  | |  | |
|  | |  | | **segment** | |  | |  | |  | |
|  | | **2023** | **2022** | **2023** | **2022** | **2023** | **2022** | **2023** | **2022** | **2023** | **2022** |
|  | |  |  |  |  |  |  |  |  |  |  |
| Sales and service income | | 136,565 | 120,268 | 119,420 | 86,163 | 19,862 | 40,092 | - | (150) | 275,847 | 246,373 |
| **Segment profit** | | 18,981 | 17,721 | 6,467 | 4,536 | 5,725 | 19,437 | 243 | 148 | 31,416 | 41,842 |
| Unallocated income and expenses : | |  |  |  |  |  |  |  |  |  |  |
| Other income | |  |  |  |  |  |  |  |  | 1,753 | 3,942 |
| Distribution costs | |  |  |  |  |  |  |  |  | (6,309) | (6,261) |
| Administrative expenses | |  |  |  |  |  |  |  |  | (35,691) | (34,777) |
| Finance income | |  |  |  |  |  |  |  |  | 45 | 10 |
| Finance costs | |  |  |  |  |  |  |  |  | (1,356) | (1,184) |
| **Profit (loss) before tax** | |  |  |  |  |  |  |  |  | (10,142) | 3,572 |
| Income tax revenue (expense) | |  |  |  |  |  |  |  |  | 118 | (1,017) |
| **Profit (loss) for the periods** | |  |  |  |  |  |  |  |  | (10,024) | 2,555 |

Revenues and profits information regarding the Company and its subsidiary’s operating segments for the nine-month periods ended September 30, were as follows:

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Unit : Thousand Baht** | | | | | | | | | |
|  | | **The consolidated financial statements** | | | | | | | | | |
|  | | **Water Treatment** | | **Environmental** | | **Clean Energy** | | **Elimination of** | | **Consolidated** | |
|  | | **Solution segment** | | **Preservation** | | **segment** | | **inter - segment** | |  | |
|  | |  | | **Products** | |  | |  | |  | |
|  | |  | | **segment** | |  | |  | |  | |
|  | | **2023** | **2022** | **2023** | **2022** | **2023** | **2022** | **2023** | **2022** | **2023** | **2022** |
|  | |  |  |  |  |  |  |  |  |  |  |
| Sales and service income | | 412,356 | 356,654 | 295,684 | 226,495 | 110,558 | 135,596 | (1,058) | (755) | 817,540 | 717,990 |
| **Segment profit** | | 54,755 | 45,934 | 16,033 | 5,283 | 64,346 | 73,077 | 694 | 848 | 135,828 | 125,142 |
| Unallocated income and expenses : | |  |  |  |  |  |  |  |  |  |  |
| Other income | |  |  |  |  |  |  |  |  | 6,492 | 6,202 |
| Distribution costs | |  |  |  |  |  |  |  |  | (19,568) | (18,159) |
| Administrative expenses | |  |  |  |  |  |  |  |  | (107,274) | (110,932) |
| Finance income | |  |  |  |  |  |  |  |  | 117 | 25 |
| Finance costs | |  |  |  |  |  |  |  |  | (3,767) | (3,233) |
| **Profit (loss) before tax** | |  |  |  |  |  |  |  |  | 11,828 | (955) |
| Income tax revenue (expense) | |  |  |  |  |  |  |  |  | (4,568) | 769 |
| **Profit (loss) for the periods** | |  |  |  |  |  |  |  |  | 7,260 | (186) |

**22. COMMITMENTS AND UNUSED CREDIT FACILITY FROM LONG-TERM BORROWING**

22.1 Operating lease and service commitments

As at September 30, 2023 and December 31, 2022, the Company and its subsidiary have entered into several lease agreements in respect of vehicles, equipment, service agreements, computer services, consultancy services and other services with related parties, other companies, and individuals. The terms of the agreements are generally between 1 and 5 years.

The Company and its subsidiary have future minimum lease payments required under these operating leases contracts as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | | **Unit : Thousand Baht** | |
|  | **Consolidated financial** | | **Separate financial** | |
|  | **statements** | | **statements** | |
|  | **As at** | **As at** | **As at** | **As at** |
|  | **September 30,** | **December 31,** | **September 30,** | **December 31,** |
|  | **2023** | **2022** | **2023** | **2022** |
| Payable within |  |  |  |  |
| 1 year | 12,835 | 23,760 | 8,734 | 20,076 |
| Over 1 and up to 5 years | 6,534 | 10,451 | 1,262 | 3,641 |

22.2 Long-term management service commitments

The Company and its subsidiary have entered into management service agreements with a related company, whereby management fees which are payable in the future totaling Baht 2 million per month (Separate financial statements : Baht 1 million per month) are payable in the future.The agreements will be expired in December 2023 but they automatically renew for periods of one year each time until terminated.

22.3 Letters of guarantee

As at September 30, 2023, the Company and its subsidiary have letters of guarantees of Baht 95.34 million (As at December 31, 2022 : Baht 83.07 million) issued by the banks on behalf of the Company and its subsidiary in respect of certain performance bonds as required in the normal course of their businesses. These included letters of guarantee amounting to Baht 93.30 million (As at December 31, 2022 : Baht 81.09 million) to guarantee contractual performance and Baht 2.04 million to guarantee electricity use (As at December 31, 2022 : Baht 1.98 million).

22.4 Unused credit facility from long-term borrowing

As at September 30, 2023 and December 31, 2022, the Company and its subsidiary have unused long-term borrowing facility from a financial institution amounting to Baht 85 million bearing interest rate of MLR - 1.25% per annum. Such credit facility is secured by the mortgage of the Company’s land, buildings and structures (see Notes 10 and 11), and the Company’s bank deposits (see Note 8).

**23. FOREIGN CURRENCIES RISK**

The Company had unhedged balances of financial assets and liabilities denominated in foreign currencies of were summarized below.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Foreign | **Financial assets** | | **Financial liabilities** | | **Average exchange rate** | |
| Currencies | **As at** | **As at** | **As at** | **As at** | **As at** | **As at** |
|  | **September 30,** | **December 31,** | **September 30,** | **December 31,** | **September 30,** | **December 31,** |
|  | **2023** | **2022** | **2023** | **2022** | **2023** | **2022** |
|  | **(Thousand)** | **(Thousand)** | **(Thousand)** | **(Thousand)** | **(Baht per 1 foreign currency unit)** | |
|  |  |  |  |  |  |  |
| US Dollar | - | - | 167.36 | 76.06 | 36.5583 | 34.5624 |
| Japanese Yen | 9,559.32 | - | 8,847.57 | - | 0.2453 | 0.2609 |

**24. APPROVAL OF INTERIM FINANCIAL STATEMENTS**

These interim financial statements were authorized for issuance by the Company’s Board of Directors on November 10, 2023.