

RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED

FINANCIAL STATEMENTS

DECEMBER 31, 2022



**SP AUDIT CO.,LTD.**

**บริษัท เอส พี ออดิท จำกัด**

503/31, 18(A) Floor, KSL Tower, Si Ayutthaya Road, Ratchathewi, Bangkok 10400 T: +66 2 642-6172-4 F: +66 2 642-6253

503/31 ชั้น 18(เอ) อาคาร เค.เอส.แอล. ทาวเวอร์ ถนนศรีอยุธยา แขวงถนนพญาไท เขตราชเทวี กรุงเทพมหานคร 10400 โทร. +66 2 642-6172-4 แฟกซ์: +66 2 642-6253

**INDEPENDENT AUDITOR'S REPORT**

To the Shareholders of Rayong Wire Industries Public Company Limited

**Opinion**

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

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Rayong Wire Industries Public Company Limited as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

**Basis for Opinion**

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

---

**Key Audit Matters**

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

**Valuation of inventories**

As at December 31, 2022, the Company had inventories of Baht 182.01 million which the company's inventories are valued in the statement of financial position at cost or net realizable value whichever were lower (Notes 3.2 and 6). I focus on this area because that estimated net realizable value involve management's judgments and the amounts of inventories are significant to the financial statements.

**Key Audit Procedures**

I reviewed the Company's policy to measure the net realizable value of inventories was appropriate and accordance with the requirement of Thai Financial Reporting Standards and reviewed the appropriateness consistency of the methods for making the estimated net realizable value.

I understood the method for making, reviewing and authorization of estimated net realizable value and

I audited evidences sufficiently and appropriately about to reliability of selling price of inventories that occurred after the reporting period and estimated costs necessary to make sale that they were used to make the estimated net realizable value. Apart from this, I recalculated the mathematical accuracy estimated net realizable value.

---

**Other Information**

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

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

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


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

**Responsibilities of Management and Those Charge with Governance for the Financial Statements**

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

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

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



---

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I have required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

SP Audit Company Limited



(Miss Susan Eiamvanicha)

Certified Public Accountant (Thailand) No. 4306

Bangkok

February 23, 2023.

## RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED

## STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

(Unit : Baht)

	Notes	2022	2021
<u>ASSETS</u>			
Current Assets			
Cash and cash equivalents		372,488,850.54	463,211,409.12
Other current receivables - related parties	4.1	-	185,193.15
Trade and other current receivables - third parties	5	265,394,243.79	274,542,121.75
Short-term loan to related parties	4.1	-	44,207,445.17
Inventories	6	182,008,461.10	200,994,352.15
Other current financial assets	7	133,443,755.99	284,833,767.74
Total Current Assets		953,335,311.42	1,267,974,289.08
Non-Current Assets			
Deposits at banks pledged as collateral	8	88,900,000.00	173,900,000.00
Building and equipment	9	180,648,744.23	187,877,127.95
Right-of-use assets	10	125,094,141.10	129,980,394.61
Intangible assets	11	187,951.12	89,029.54
Deferred tax assets	12	3,150,274.66	2,861,396.81
Other non-current assets		1,571,095.05	1,441,585.48
Total Non-Current Assets		399,552,206.16	496,149,534.39
Total Assets		1,352,887,517.58	1,764,123,823.47

Notes to financial statements are an integral part of these financial statements.

## RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED

## STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

(Unit : Baht)

	Notes	2022	2021
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>			
Current Liabilities			
Short-term loans from financial institutions	13	71,174,660.17	187,959,390.95
Other current payables - related parties	4.1	650,162.86	320,555.36
Trade and other current payables - third parties	14	12,543,515.44	47,989,190.92
Current portion of lease liabilities	15	4,077,316.97	3,079,794.27
Total Current Liabilities		88,445,655.44	239,348,931.50
Non-Current Liabilities			
Lease liabilities	15	129,976,418.56	131,747,205.55
Employee benefit obligation	16	20,889,426.20	19,261,013.88
Provision for decommissioning costs of building		1,684,575.55	1,509,931.97
Total Non-Current Liabilities		152,550,420.31	152,518,151.40
Total Liabilities		240,996,075.75	391,867,082.90
SHAREHOLDERS' EQUITY			
Share capital	17		
Authorized share capital			
1,372,914,345 ordinary shares, at par value of Baht 0.50		686,457,172.50	-
954,516,593 ordinary shares, at par value of Baht 0.50		-	477,258,296.50
Paid-up share capital			
915,276,280 ordinary shares, at par Value of Baht 0.50		457,638,140.00	-
637,455,186 ordinary shares, at par Value of Baht 0.50		-	318,727,593.00
Premium on share capital		474,289,968.57	196,468,874.57
Share subscription received awaiting registration		-	363,551,905.00
Premium on treasury stock		19,421,120.48	19,421,120.48
Retained earnings			
Appropriated			
Legal reserve	19	47,727,500.00	47,727,500.00
Unappropriated		112,814,712.78	426,359,747.52
Total shareholders' equity		1,111,891,441.83	1,372,256,740.57
Total Liabilities and Shareholder's Equity		1,352,887,517.58	1,764,123,823.47

Notes to financial statements are an integral part of these financial statements.

**RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	Notes	2022	2021
			Reclassified
<b>(Unit : Baht)</b>			
<b>Revenues</b>			
Revenue from sales		941,135,512.55	879,458,964.70
Other income		19,330,060.64	11,864,315.99
Gain from measurement of financial assets		-	98,118,416.99
Gain on exchange rate		-	461,762.17
<b>Total Revenues</b>		<b>960,465,573.19</b>	<b>989,903,459.85</b>
<b>Expenses</b>			
Cost of sales of goods		945,524,408.83	750,614,226.97
Cost of distribution		28,484,305.57	24,888,654.55
Administrative expenses		42,806,649.74	30,707,383.56
Loss from measurement of financial assets		152,738,845.60	-
Finance costs		13,224,803.04	12,669,298.41
<b>Total Expenses</b>		<b>1,182,779,012.78</b>	<b>818,879,563.49</b>
Profit (loss) before income tax income		(222,313,439.59)	171,023,896.36
Income tax income	20	288,877.85	8,892,117.21
Profit (loss) for the year		(222,024,561.74)	179,916,013.57
Other comprehensive income (loss) for the year		-	-
<b>Total comprehensive income (loss) for the year</b>		<b>(222,024,561.74)</b>	<b>179,916,013.57</b>
<b>Earnings (loss) per share</b>			
Basic earnings (loss) per share	21	(0.24)	0.29
Diluted earnings (loss) per share	21	(0.24)	0.28
Weighted average of ordinary shares (unit : share)		915,003,133	626,954,264
Weighted average of ordinary shares for diluted earnings per share (unit : share)		915,003,133	639,003,163

Notes to financial statements are an integral part of these financial statements.

**RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	Notes	(Unit : Baht)									
		Paid-up share capital		Share subscription		Retained earnings			Treasury stock	Total	
		Premium on share capital	Premium on treasury stock	received awaiting registration	Legal reserve	Appropriated	Treasury stock reserve	Unappropriated			
Balance as at January 1, 2021		318,182,593.00	195,378,874.57	-	-	47,727,500.00	34,543,922.16	211,899,811.79	(34,543,922.16)	773,188,779.36	
Changes in equity for the year											
Exercised warrants		545,000.00	1,090,000.00	-	-	-	-	-	-	1,635,000.00	
Share subscription received awaiting registration		-	-	363,551,905.00	-	-	-	-	-	363,551,905.00	
Resale of the treasury stock		-	-	19,421,120.48	-	-	-	-	34,543,922.16	53,965,042.64	
Transferred treasury stock reserve to retained earnings	18	-	-	-	-	-	(34,543,922.16)	34,543,922.16	-	-	
Comprehensive income for the year		-	-	-	-	-	-	179,916,013.57	-	179,916,013.57	
Balance as at December 31, 2021		318,727,593.00	196,468,874.57	19,421,120.48	363,551,905.00	47,727,500.00	-	426,359,747.52	-	1,372,256,740.57	
Changes in equity for the year											
Exercised warrants	17	138,910,547.00	277,821,094.00	-	-	-	-	-	-	416,731,641.00	
Transfer share subscription received awaiting registration		-	-	-	(363,551,905.00)	-	-	-	-	(363,551,905.00)	
Dividend paid	22	-	-	-	-	-	-	(91,520,473.00)	-	(91,520,473.00)	
Comprehensive loss for the year		-	-	-	-	-	-	(222,024,561.74)	-	(222,024,561.74)	
Balance as at December 31, 2022		457,638,140.00	474,289,968.57	19,421,120.48	-	47,727,500.00	-	112,814,712.78	-	1,111,891,441.83	

## RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED

## STATEMENTS OF CASH FLOW

FOR THE YEAR ENDED DECEMBER 31, 2022

	Notes	2022	2021
(Unit : Baht)			
Cash Flow From Operating activities			
Profit (loss) before income tax income		(222,313,439.59)	171,023,896.36
Adjustments to reconcile profit (loss) before income tax income for cash received (used)			
from operations			
Depreciation		29,487,077.67	29,572,279.87
Amortization		32,578.42	42,669.36
Loss from allowance for expected credit loss (reversal)		7,482,630.02	(4,149,449.57)
Loss from measurement of short-term loan to related parties		53,215.02	463,417.53
Loss from diminution in the value of inventories		34,001,871.71	1,744,813.72
(Gain) loss from measurement of financial assets		152,738,845.60	(98,118,416.99)
(Gain) loss from disposal and write-off of assets		(4,662,637.96)	512,179.20
Reversal allowance for impairment of assets		(1,150,504.00)	-
Provisions for employee benefits		1,780,752.32	1,738,039.33
Transfer assets to cost		-	110,322.78
Interest income		(2,739,711.41)	(2,964,323.53)
Interest expenses		13,224,803.04	12,669,298.41
Gain from operation before changes in operating assets and liabilities		7,935,480.84	112,644,726.47
Operating assets (increase) decrease			
Trade and other current receivables - related parties		-	344,264.48
Trade and other current receivables - third parties		1,556,590.31	(101,822,292.52)
Inventories		(15,015,980.66)	(90,336,149.55)
Other non - current assets		(41,730.00)	86,649.57
Operating liabilities increase (decrease)			
Other current payables - related parties		329,607.50	127,955.36
Trade and other current payables - third parties		(35,012,394.07)	9,017,191.73
Cash generated from operating activities		(40,248,426.08)	(69,937,654.46)
Cash received from interest		2,698,129.94	2,590,297.28
Cash received from income tax		368,594.05	587,171.28
Cash paid for provisions for employee benefits		(152,340.00)	-
Cash paid for income tax		(456,373.62)	(134,883.87)
Net cash used in operating activities		(37,790,415.71)	(66,895,069.77)

## RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED

## STATEMENTS OF CASH FLOW

FOR THE YEAR ENDED DECEMBER 31, 2022

		(Unit : Baht)	
	Notes	2022	2021
<b>Cash Flow From Investing Activities</b>			
(Increase) decrease in other current financial assets		(22,805.25)	926,978.96
(Increase) decrease in deposits at bank pledged as collateral		85,000,000.00	(54,000,000.00)
Decrease in short-term loan to related parties		44,500,000.00	-
Cash paid for other current financial assets		(21,159,920.94)	(11,125,592.26)
Cash received from disposal of other current financial assets		19,833,892.34	5,000,819.74
Cash received from disposal of assets		5,833,153.14	352,709.00
Cash paid for purchase of intangible assets		(131,500.00)	(97,700.00)
Cash paid for purchase of assets and assets payable		(14,750,527.48)	(4,585,906.70)
Cash paid for purchase of right-of-use assets		(390,000.00)	-
Net cash provided by (used in) investing activities		<u>118,712,291.81</u>	<u>(63,528,691.26)</u>
<b>Cash Flow From Financing Activities</b>			
Increase (decrease) in short-term loans from financial institutions		(116,784,730.78)	63,216,435.68
Cash paid for lease liabilities		(3,304,508.17)	(2,444,601.63)
Cash paid for interest expense on lease liabilities		(7,166,499.75)	(7,577,855.84)
Cash paid for interest expenses		(6,047,958.98)	(5,094,871.87)
Cash paid for dividend		(91,520,473.00)	-
Cash received from resale of the treasury stock		-	53,965,042.64
Cash received from exercised warrants		53,179,736.00	1,635,000.00
Cash received from share subscription received awaiting registration		-	363,551,905.00
Net cash provided by (used in) financing activities		<u>(171,644,434.68)</u>	<u>467,251,053.98</u>
Net Increase (decrease) in Cash and Cash Equivalent		(90,722,558.58)	336,827,292.95
Cash and Cash Equivalent at the Beginning of the year		463,211,409.12	126,384,116.17
Cash and Cash Equivalent at the End of the year	23.1	<u>372,488,850.54</u>	<u>463,211,409.12</u>

**RAYONG WIRE INDUSTRIES PUBLIC COMPANY LIMITED****NOTES TO FINANCIAL STATEMENTS****FOR THE YEAR ENDED DECEMBER 31, 2022**

---

**1. General information**

Rayong Wire Industries Public Company Limited (“the Company”) is a public limited company and incorporated in Thailand. The Company is listed on the Market for Alternative Investment (MAI). The address of the Company’s registered office is Maptapud Industrial Estate, No.5, I-5 Road, Maptapud, Muang, Rayong.

The principal activities of the Company involve the manufacturing and distributing prestressed concrete wire, prestressed concrete strand wire and welding wire.

**2. Basis of preparation of financial statements**

The financial statements are presented in Thai language and Thai Baht, and in conformity with Thai generally accepted accounting principles under the Accounting Act B.E. 2543 (or 2000), being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547 (or 2004), and the financial reporting requirements of the Capital Market Supervisory Board under the Securities and Exchange Act B.E. 2535 (or 1992).

The financial statements have been prepared under the historical cost convention except some type of transaction using the basis as per explained in the related accounting policy.

The preparation of financial statements in conformity with Thai Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses in the reported periods. Actual results may differ from those estimates.

For the convenience of readers, an English language translation of the financial statements has been prepared from the Thai language financial statements which are issued for domestic reporting purposes.

The Federation of Accounting Profession (TFAC) has revised some following financial reporting standards to apply to the financial statements having an accounting period beginning on or after January 1, 2022.

TFRS No. 1 First-time Adoption of Thai Financial Reporting Standards

TFRS No. 4 Insurance Contracts

TFRS No. 6 Exploration for and Evaluation of Mineral Resources

TFRS No. 7 Financial Instruments: Disclosures

TFRS No. 9 Financial Instruments

TFRS No. 16 Leases

The Company has adopted such financial reporting standards mentioned above to the financial statements on the current period. The management believes that they don't have any significant impact on the financial statements for the current period.

Moreover, the Federation of Accounting Profession has notified to apply the following revised financial reporting standards to the financial statements in the future periods.

	<u>Effective date</u>
TFRS No. 1 First-time Adoption of Thai Financial Reporting Standards	January 1, 2023
TFRS No. 3 Business Combinations	January 1, 2023
TFRS No. 9 Financial Instruments	January 1, 2023
TAS No. 16 Property, Plant and Equipment	January 1, 2023
TAS No. 37 Provisions, Contingent Liabilities and Contingent Assets	January 1, 2023
TAS No. 41 Agriculture	January 1, 2023

The Company has not early adopted such financial reporting standards having the effective date to the financial statements on the future periods before the effective dates. The management is currently assessing the first-year impact on the Company's financial statements.

### 3. Accounting policies

#### 3.1 Cash and cash equivalents

For the purposes of the statement of cash flow, cash and cash equivalents comprise cash on hand, deposits with banks and other short-term highly liquid investments with original maturities of three months or less and free from restrictions.

### 3.2 Inventory

Inventories are valued at cost under the weighted average method or net realizable value whichever is lower. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charge, less all attributable discounts, allowances or rebates. The cost of finished goods comprises raw materials, direct labour, other direct costs and related production overheads, the latter being allocated on the basis of normal operating activities.

The Company estimates the net realisable value by using the selling price in the ordinary course of business less selling expenses.

The Company makes the allowance for diminutions in the value of obsolete, defective or slow-moving inventories.

### 3.3 Building and equipment

The assets under construction held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their historical cost less accumulated impairment losses (if any).

Buildings and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their historical cost less accumulated depreciation and accumulated impairment losses (if any).

The cost of an item of asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, and the borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset.

The Company's depreciation is calculated on the straight-line method to write off the cost of each asset, except for assets under construction, to their residual values over their estimated useful life as follows:

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

The residual value, the useful life and the depreciation method of an asset will be reviewed at least at each financial year-end.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

#### 3.4 Lease

Where the Company is the lessee

At inception of a contract, the Company assesses that the contract is or contains a lease if the contract conveys to the Company the right to control the use of an identified asset for a period of time in exchange for consideration. The contract that conveys to the Company the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset is treated as the contract conveys the right to control the use of an identified asset.

At the commencement date, The Company recognizes a right-of-use asset and a lease liability for all lease contracts except for short-term leases with a lease term of 12 months or less and leases for which the underlying asset is of low value. The right-of-use asset is measured at cost and the lease liability is measured at the present value of the lease payments that are not paid at that date discounted by using the interest rate implicit in the lease. For the lease payments for short-term leases with a lease term of 12 months or less and leases for which the underlying asset is of low value, the Company recognizes the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

The cost of the right-of-use asset comprises of the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs in dismantling and removing the underlying asset, restoring

the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories (The obligation for those of costs are incurred either at the commencement date or as a consequence of having used the underlying asset during a particular period).

The lease payments included in the measurement of the lease liability comprise the fixed payments less any lease incentives receivable, the variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date, the amounts expected to be payable under residual value guarantees, the exercise price of a purchase option if the Company is reasonably certain to exercise that option and the payments of penalties for terminating the lease if the lease term reflects the Company exercising an option to terminate the lease. For the variable lease payments not included in the measurement of the lease liability, the Company recognizes as an expense relating to those payments in profit or loss in the period in which the event or condition that triggers those payments occurs.

After the commencement date, the Company measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liability.

The Company depreciates the right-of-use assets on a straight-line basis from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If the lease transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise a purchase option, the Company depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset.

After the commencement date, the Company measures the lease liability by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

The Company re-measures the lease liability by discounting the revised lease payments using a revised discount rate when there is a change in the lease term, there is a change in the assessment of an option to purchase the underlying asset.

The Company re-measures the lease liability by discounting the revised lease payments using an unchanged discount rate when there is a change in the amounts expected to be payable under a residual value guarantee, and there is a change in future lease payments resulting from a change in an index or

a rate used to determine those payments (Unless the change in lease payments results from a change in floating interest rates. In that case a revised discount rate that reflects the change in the interest rate is used).

The Company re-measures the lease liability by discounting the revised lease payments using a revised discount rate when there is a lease modification that is not accounted for as a separate lease.

Where the Company is the lessor

The Company classifies a lease as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset and classifies a lease as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

The Company recognizes assets held under a finance lease in its statement of financial position and present them as a receivable at an amount equal to the net investment in the lease and recognizes finance income over the lease term based on a pattern reflecting a constant periodic rate of return on the net investment in the lease.

The Company recognizes lease payments from operating leases as income on a straight-line basis and adds initial direct costs incurred in obtaining an operating lease to the carrying amount of the underlying asset and recognizes those costs as an expense over the lease term on the straight-line basis.

### 3.5 Intangible assets

Intangible assets in type of computer software licenses that are acquired by the Company, which have finite useful life, are stated at cost less accumulated amortization and impairment losses (if any). Amortization is calculated using the straight-line method to allocate the cost over their estimated useful life 5 years.

### 3.6 Impairment of assets

The carrying amounts of the Company's assets and also intangible assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows.

The Company will recognize impairment losses in profit or loss, or reduce the revaluation increment in assets in case that those assets are previously revalued. The reversal of impairment losses will be recognized in profit or loss or as a revaluation increment in assets when there is an indication that the impairment losses are no longer exist or decreased.

### 3.7 Provisions

Provisions are recognized when the Company have a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed; the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

### 3.8 Revenue from contracts with customers

The Company recognizes the revenue from sale of steel wire products when the customers has accepted the promised goods delivered by the Company identified as a performance obligation satisfied at a point in time according to the amount of the transaction price.

The Company determines the transaction price, which is the fixed amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer for that performance obligation.

Where the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the Company will present the contract as a contract asset.

Where a customer pays consideration, or the Company has a right to an amount of consideration that is unconditional, before the Company transfers a good or service to the customer, the Company will present the contract as a contract liability when the payment is made or the payment is due (whichever is earlier).

### 3.9 Employee benefits

#### Defined contribution plan

The Company operates a provident fund which is funded by payments from employees and by the Company. The assets for which are held in a separate trust fund. Contributions to the provident fund are recognized in profit or loss in the period in which they are incurred.

#### Defined benefit plan

The Company has the employee benefit obligation in case of retirement or termination under the labor law. The Company hires an actuary to calculate on an actuarial technique the said employee benefit obligation. The said employee benefit obligation is discounted using the projected unit credit method by reference to an interest rate of a government bond to determine the present value of the employee benefit obligation, current service cost and related interest expense. The current service cost and interest expense are recognized in profit or loss. Actuarial gains and losses arising from re-measurement of the employee benefit obligation are recognized in other comprehensive income and transferred in retained earnings, respectively without reclassification of those amounts to profit or loss in a subsequent period.

### 3.10 Foreign currency transactions

The Company translates foreign currency transactions into Baht using the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities at the end of the reporting period denominated in foreign currencies are translated into Baht at the exchange rate prevailing at that date. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

### 3.11 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

### 3.12 Income tax

The Company recognizes the unpaid current tax for current period as a liability in the statement of financial position. In a case where the amount already paid in respect of current period exceeds the amount due for such period, the excess will be recognized as an asset in the statement of financial position.

The Company recognizes a deferred tax liability for all taxable temporary difference, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which affects neither accounting profit nor taxable profit at the time of the transaction. The Company recognizes a deferred tax asset for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that affects neither accounting profit nor taxable profit.

The Company measures the current tax liabilities and assets for the current period using the tax rate that have been enacted by the end of the reporting period. And the deferred tax assets and liabilities are measured at the tax rate that is expected to apply to the period when the asset is realized or the liability is settled, based on tax rate that have been enacted or substantively enacted by the end of the reporting period.

The Company recognizes the current and deferred tax as an income or an expense and includes it in profit or loss for the period, except the current and deferred tax for items that are recognized in the other comprehensive income or directly in the equity will be recognized in the other comprehensive income or directly in the equity.

### 3.13 Financial assets

The Company recognize lease liabilities a financial asset in its statement of financial position when the Company becomes party to the contractual provisions of the instrument. The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or the Company transfers the contractual rights to receive the cash flows of the financial asset and transfers substantially all the risks and rewards of ownership of the financial asset.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. The Company measures trade receivables at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer if the trade receivables do not contain a significant financing component or when the Company applies the practical expedient for consideration that includes a significant financing component, but the Company expects, at the contract inception, the period between the Company transfers a promised good or service to a customer and the customer pays for that good or service will be one year or less.

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

The Company subsequently measures financial assets when the financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding at amortized cost by using the effective interest method in calculation of the interest revenue.

The Company recognizes a gain or loss on a financial asset that is measured at amortized cost in profit or loss when the financial asset is amortized, impaired or de-recognized.

The Company subsequently measures financial assets when the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding at fair value through other comprehensive income.

The Company recognizes interest income calculated using the effective interest method, impairment gains or losses and foreign exchange gains or losses in profit or loss and recognizes a gain or loss on subsequent changes in fair value in other comprehensive income. When the financial asset is de-recognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

The Company subsequently measures all other financial assets other than the financial assets described above at fair value through profit or loss.

The Company recognizes an interest income, dividend income and gain or loss on subsequent changes in fair value in profit or loss.

#### Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on a financial asset that is measured at amortized cost or at fair value through other comprehensive income, a trade receivable, a contract asset and a lease receivable.

The Company measures the loss allowance by applying the simplified approach for trade receivables, contract assets and lease receivables at an amount equal to lifetime expected credit losses. The Company uses a provision matrix based on the historical credit loss experience adjusted to reflect factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction in the calculation of the expected credit losses.

The Company measures the loss allowance by applying the general approach for other financial instrument that is measured at amortized cost or at fair value through other comprehensive income at an amount equal to 12-month expected credit losses if the credit risk on a financial instrument has not increased significantly since initial recognition and at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

#### 3.14 Financial liabilities

The Company recognizes a financial liability in its statement of financial position when the Company becomes party to the contractual provisions of the instrument and removes a financial liability or a part of a financial liability from its statement of financial position when the obligation specified in the contract is discharged or cancelled or expires.

At initial recognition, the Company measures a financial liability at its fair value minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability.

The Company classifies financial liabilities as subsequently measured at amortized cost by using the effective interest method or at fair value through profit or loss including derivatives that are liabilities.

The Company recognizes a gain or loss for a financial liability measured at amortized cost in profit or loss when the financial liability is amortized and recognizes a gain or loss for a financial liability measured at fair value through profit or loss on subsequent changes in fair value in profit or loss.

### 3.15 Treasury shares

Treasury share are stated at cost and presented as a deduction from equity. Gains or losses on sale or cancellation of treasury share are recognized directed in equity.

### 3.16 The important accounting estimation, supposition and judgment application

The estimation, supposition and judgment application have been continuously reviewed and assessed and they are on the background of the history experience and other factors that include the expectation of the event in the future which believe that there are reasons in that situation.

#### Plant and equipment and intangible assets

Management determines the estimated useful life and residual values for the Company's plant and equipment and intangible assets. Management will revise the depreciation charge where useful life and residual values are different to previously estimated, or its will write off or write down technically obsolete or assets that have been sold or abandoned.

#### Employment benefits

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

#### 4. Related party transactions

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

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

Capital Engineering Network Public Company Limited is a major shareholder, holding 52.04 % (2021 : 52.40%) of the share capital of the Company. The principal shareholder of Capital Engineering Network Public Company Limited is Leenabanchong family. Transactions related to companies in which the Leenabanchong family is the principal shareholders or directors are recognized as related parties to the Company.

The transactions with related parties for the years ended December 31, 2022 and 2021 and as follows:

##### 4.1 Inter-assets and liabilities

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Accrued interest incomes		
Related company	-	185,193.15
Short-term loans to related parties		
Related company		
Opening balance	44,207,445.17	44,113,557.71
Additional in during the year	401,187.34	557,304.99
Repayment in during the year	(44,608,632.51)	(463,417.53)
Ending balance	-	44,207,445.17
Other current financial assets		
Investments in instruments		
Related company	130,603,616.48	284,336,433.48

(Unit : Baht)

	<u>2022</u>	<u>2021</u>
Other non-current assets		
Deposit		
Parent company	535.00	535.00
Other current payables		
Accrued expenses		
Parent company	320,555.36	320,555.36
Key Management Personnel	329,607.50	-
Total	<u>650,162.86</u>	<u>320,555.36</u>
Lease liabilities		
Parent company		
Opening balance	1,476,656.09	356,238.08
Additions during the year	-	1,946,952.18
Repayment during the year	(659,018.30)	(826,534.17)
Ending balance	<u>817,637.79</u>	<u>1,476,656.09</u>

The maturity analysis of lease liabilities is as follows:-

	2022			2021		
	Lease	Deferred finance	Net	Lease	Deferred finance	Net
	<u>liabilities</u>	<u>lease charges</u>		<u>liabilities</u>	<u>lease charges</u>	
Not later than 1 year	726,000.00	(28,507.38)	697,492.62	762,000.00	(66,981.71)	695,018.29
Later than 1 year but not later than 5 years	121,000.00	(854.83)	120,145.17	847,000.00	(29,362.20)	817,637.80
Total	<u>847,000.00</u>	<u>(29,362.21)</u>	<u>817,637.79</u>	<u>1,609,000.00</u>	<u>(96,343.91)</u>	<u>1,476,656.09</u>

As at December 31, 2022, the Company has entered into the parent company so as to lease office building area by number of 1 contract. The leased contracts determine leased fee repayment as monthly installment from Baht 60,500.00 per month (2021: Baht 60,500.00 per month). The leased the period 2 year and 11 months.

As at December 31, 2021, short-term loans to related parties in the form of promissory notes, 4 month, 6 month and 1 year and interest are carried by the rate of 4.90 per annum.

4.2 Inter-revenues and expenses

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Revenue from sale of goods		
Related company	-	791,335.50
Interest income		
Related company	2,012,508.19	2,737,804.95
Total	<u>2,012,508.19</u>	<u>3,529,140.45</u>
Service fee		
Parent company	1,007,160.00	1,346,482.50
Internal audit fee		
Parent company	720,000.00	720,000.00
Fee		
Parent company	1,408,010.47	466,765.12
Total	<u>3,135,170.47</u>	<u>2,533,247.62</u>

4.3 Management compensation

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Short-term employee benefits	2,483,391.60	7,006,394.05
Post-employment benefits	93,146.09	561,269.44
Total	<u>2,576,537.69</u>	<u>7,567,663.49</u>

4.4 Pricing policies

<u>Trading transactions</u>	<u>Policy of pricing</u>
Revenue from sales	Cost plus profit margin or Market price at that time
Interest income	4.90% per annum of loan balance
Internal audit fee and other expenses	The amount has been approved by the Company's directors
Fee	2.00% per annum of mortgage value
Dividend paid	The amount has been approved by the ordinary general meeting of shareholders
Director and management compensation represent salary, meeting allowance, per-diem and bonus	The amount has been approved by the Company's directors and/or shareholders meeting

4.5 Nature of relationship

<u>Name</u>	<u>Relationship</u>
Capital Engineering Network Public Co., Ltd.	Parent company and some common directors
Sky Tower Public Co., Ltd.	Related company through same major shareholder
Enesol Co., Ltd.	Related company through same major shareholder
Pipe Line Engineering Co., Ltd.	Related company through same major shareholder
Evergreen Biomass Co., Ltd.	Related company through same major shareholder
EMC Public Co., Ltd.	Related company through same major shareholder
WJC Enterprise Co., Ltd.	Related company through same major shareholder
Capital digital network Co., Ltd.	Related company through same major shareholder
Paradise Green Energy Co., Ltd.	Related company through same ultimate parent company
Ultra Asia Co., Ltd.	Related company through same ultimate parent company
UWCC (Cambodia) Co., Ltd.	Related company through same ultimate parent company
Ultra Asia Singapore Co., Ltd.	Related company through same ultimate parent company
Ultra Network Pte.Ltd.	Related company through same ultimate parent company
Ultra Asia Investment Pte.Ltd.	Related company through same ultimate parent company
Sky Towers Infra Inc.	Related company through same ultimate parent company
Dimet (Siam) Public Co., Ltd.**	Related company
Panova Co., Ltd.*	Related company
Saraburi Energy System 2 Co., Ltd.***	Related company
Interglob Investment Co., Ltd.	Related company
Sunflowergreen Co., Ltd.	Related company
Key Management Personnel	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the Company (whether executive or otherwise)

\* This is a related party until June 29, 2021 as the Group has already sold its investment in such company.

\*\* This is a related party until September 7, 2021 as the Group has already sold its investment in such company and resigned from being the directors.

\*\*\* This is a related party until December 8, 2021 as the Group has already sold its investment in such company.

#### 4.6 Commitments with related parties

As at December 31, 2022, the Company has performed the service agreement with Capital Engineering Network Public Co., Ltd., while there is the period 2 year and 11 months, can be renewed. The Company comprises obligation repay service fee in amount of Baht 84,040.00-84,700.00 per month (2021 : Baht 83,380.00-84,700.00 per month).

#### 5. Trade and other current receivable – third parties

Consisted of :-

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Trade receivables	277,853,186.95	280,102,187.88
<u>Less</u> Allowance for expected credit loss	(14,807,425.81)	(7,324,795.79)
Total trade receivables	263,045,761.14	272,777,392.09
Other receivables	828,005.56	444,657.24
Receivables - revenue department	523,122.50	-
Advance payment for goods	665,000.00	925,579.41
Prepaid expenses	279,205.82	222,349.01
Accrued interest incomes	53,148.77	172,144.00
Total trade and other current receivables	265,394,243.79	274,542,121.75

Outstanding trade receivable – third parties can be aged as follows :-

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Within credit term	167,601,794.98	213,239,083.65
Overdue 1 month to 3 months	82,482,993.21	59,348,547.02
Overdue 3 months to 6 months	13,490,553.27	845,871.09
Overdue 6 months to 12 months	8,579,133.21	269,973.84
Overdue over 12 months	5,698,712.28	6,398,712.28
<b>Total</b>	<b>277,853,186.95</b>	<b>280,102,187.88</b>
<u>Less</u> Allowance for expected credit loss	<u>(14,807,425.81)</u>	<u>(7,324,795.79)</u>
<b>Net</b>	<b>263,045,761.14</b>	<b>272,777,392.09</b>

The movement of allowance for expected credit loss – trade receivable – third parties for the year ended December 31, 2022 and 2021 are as follow :-

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Opening balance	(7,324,795.79)	(11,473,017.68)
Additions during the year	(7,895,715.11)	(1,003,391.84)
Reversal during the year	413,085.09	5,151,613.73
<b>Ending balance</b>	<b>(14,807,425.81)</b>	<b>(7,324,795.79)</b>

## 6. Inventories

Consisted of :-

	2022			2021		
	Cost	Allowance for Diminutions of inventories	Net	Cost	Allowance for Diminutions of inventories	Net
Finished goods	60,275,500.86	(12,762,117.34)	47,513,383.52	62,201,326.66	(497,008.65)	61,704,318.01
Work in progress	11,932,388.31	(3,010,136.19)	8,922,252.12	25,876,054.73	(3,636,776.41)	22,239,278.32
Raw materials	147,444,970.07	(24,651,106.86)	122,793,863.21	116,074,947.26	(2,287,703.62)	113,787,243.64
Supplies	2,778,962.25	-	2,778,962.25	3,263,512.18	-	3,263,512.18
<b>Total</b>	<b>222,431,821.49</b>	<b>(40,423,360.39)</b>	<b>182,008,461.10</b>	<b>207,415,840.83</b>	<b>(6,421,488.68)</b>	<b>200,994,352.15</b>

The movements of allowance for declining in value of inventories for the years ended December 31, 2022 and 2021 are as follow :-

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Beginning balance	(6,421,488.68)	(4,676,674.96)
Increase during the year	(37,923,766.58)	(3,636,776.41)
Reversal during the year	3,921,894.87	1,891,962.69
Ending balance	<u>(40,423,360.39)</u>	<u>(6,421,488.68)</u>

For the year ended December 31, 2022, the costs of inventories recognized as expenses are Baht 911.52 million. (2021 : Baht 748.73 million)

For the year ended December 31, 2022, the Company has reversed allowance for diminutions in the value of inventories in amount of Baht 3.92 million. (2021 : Baht 1.89 million)

As at December 31, 2022, there are no inventories that the Company are expected to be sold more than twelve months after the reporting period (2021 : Baht 4.39 million).

7. Other current financial assets

Consisted of :-

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Financial assets measured at amortized cost		
Fixed deposit	520,139.51	497,334.26
Financial assets measured at fair value through profit or loss		
Investment in listed equity instruments	132,923,616.48	284,336,433.48
Total	<u>133,443,755.99</u>	<u>284,833,767.74</u>

The movement of investment in listed equity instruments for the year ended December 31, 2022 and 2021 are as follow:-

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Beginning book value	284,336,433.48	180,093,243.97
Purchase during the year	21,159,920.94	11,125,592.26
Disposal during the year	(13,933,354.21)	(901,971.69)
Changes in fair value of investments	(158,639,383.73)	94,019,568.94
Ending book value	<u>132,923,616.48</u>	<u>284,336,433.48</u>

8. Deposits at financial institutions pledged as collateral

As at December 31, 2022 and 2021, deposits of Baht 88.90 million and Bath 173.90 million respectively, were pledged with local financial institutions as collateral for shipping of guarantee and credit facilities to letter of credit and liability under trust receipts for purchasing raw materials (Note 13).

9. Building and equipment

Consisted of :-

	Building improvement	Machine and equipment	Furniture, fixtures and office equipment	Vehicles	Work in construction and install	Total
Cost :-						(Unit : Baht)
As at January 1, 2022	175,854,579.73	589,923,810.83	14,999,594.47	15,790,493.72	2,459,301.20	799,027,779.95
Purchases	363,000.00	6,143,666.05	4,155,783.27	-	3,661,651.80	14,324,101.12
Increase provisions for decommissioning cost of building	147,106.62	-	-	-	-	147,106.62
Disposal	(29,969.10)	(50,339,177.89)	-	(683,000.00)	-	(51,052,146.99)
Write off	(3,244,736.92)	(12,137,789.36)	(167,657.31)	-	-	(15,550,183.59)
Transfer in	4,195,753.00	830,000.00	-	-	-	5,025,753.00
Transfer out	-	-	-	-	(5,025,753.00)	(5,025,753.00)
As at December 31, 2022	177,285,733.33	534,420,509.63	18,987,720.43	15,107,493.72	1,095,200.00	746,896,657.11
Accumulated depreciation :-						
As at January 1, 2022	(148,218,469.34)	(422,749,083.59)	(13,589,084.24)	(15,537,981.06)	-	(600,094,618.23)
Depreciation for the year	(2,292,195.92)	(18,184,472.05)	(966,771.79)	(236,140.52)	-	(21,679,580.28)
Disposal	29,968.10	49,188,534.88	-	682,999.00	-	49,901,501.98
Write off	3,244,730.92	12,117,928.85	167,653.65	-	-	15,530,313.42
As at December 31, 2022	(147,235,966.24)	(379,627,091.91)	(14,388,202.38)	(15,091,122.58)	-	(556,342,383.11)
Allowance for impairment :-						
As at January 1, 2022	(9,540,361.40)	(1,515,672.37)	-	-	-	(11,056,033.77)
(Increase) decrease	14,041.72	1,136,462.28	-	-	-	1,150,504.00
As at December 31, 2022	(9,526,319.68)	(379,210.09)	-	-	-	(9,905,529.77)
Net book value :-						
As at December 31, 2022	20,523,447.41	154,414,207.63	4,599,518.05	16,371.14	1,095,200.00	180,648,744.23

Depreciation in the statement of comprehensive income for the year ended December 31, 2022

21,679,580.28

(Unit : Baat)

	Building improvement	Machine and equipment	Furniture, fixtures and office equipment	Vehicles	Work in construction and install	Total
<b>Cost :-</b>						
As at January 1, 2021	178,669,300.87	598,719,881.80	18,092,032.80	15,764,813.72	190,322.78	811,436,351.97
Purchases	154,429.44	1,974,240.61	518,036.83	25,680.00	2,402,901.20	5,075,288.08
Disposal	(2,969,150.58)	(929,320.00)	(3,737,585.16)	-	-	(7,636,055.74)
Write off	-	(9,864,591.58)	-	-	-	(9,864,591.58)
Transfer in	-	23,600.00	-	-	-	23,600.00
Transfer in from right-of-use assets	-	-	127,110.00	-	-	127,110.00
Transfer out	-	-	-	-	(23,600.00)	(23,600.00)
Transfer out as expenses	-	-	-	-	(110,322.78)	(110,322.78)
As at December 31, 2021	175,854,579.73	589,923,810.83	14,999,594.47	15,790,493.72	2,459,301.20	799,027,779.95
<b>Accumulated depreciation :-</b>						
As at January 1, 2021	(149,187,489.80)	(414,811,036.18)	(16,433,912.76)	(14,781,171.92)	-	(595,213,610.66)
Depreciation for the year	(1,942,607.61)	(17,949,539.81)	(789,455.27)	(756,809.14)	-	(21,438,411.83)
Disposal	2,911,628.07	929,315.00	3,712,638.65	-	-	7,553,581.72
Write off	-	9,082,177.40	-	-	-	9,082,177.40
Transfer in from right-of-use assets	-	-	(78,354.86)	-	-	(78,354.86)
As at December 31, 2021	(148,218,469.34)	(422,749,083.59)	(13,589,084.24)	(15,537,981.06)	-	(600,094,618.23)
<b>Allowance for impairment :-</b>						
As at January 1, 2021	(9,540,361.40)	(1,515,672.37)	-	-	-	(11,056,033.77)
(Increase) decrease	-	-	-	-	-	-
As at December 31, 2021	(9,540,361.40)	(1,515,672.37)	-	-	-	(11,056,033.77)
<b>Net book value :-</b>						
As at December 31, 2021	18,095,748.99	165,659,054.87	1,410,510.23	252,512.66	2,459,301.20	187,877,127.95

Depreciation in the statement of comprehensive income for the year ended December 31, 2021

21,438,411.83

As at December 31, 2022, certain plant and equipment items of the Company has been fully depreciated but are still in use. The original cost, before deducting accumulated depreciation, of those assets amounted to Baht 429.29 Million (2021 : Baht 489.91 million).

#### 10. Right-of-use assets

Consisted of:-

	(Unit : Baht)				
	Land	Building	Equipment	Vehicle	Total
As at January 1, 2021	167,043,604.68	340,719.92	72,017.86	-	167,456,342.46
Increase in right-of-use assets	-	1,946,952.18	-	-	1,946,952.18
Effect from rental rate change in the year	(31,240,276.85)	-	-	-	(31,240,276.85)
Transfer to equipment	-	-	(48,755.14)	-	(48,755.14)
Depreciation during the year	(7,267,151.27)	(843,454.05)	(23,262.72)	-	(8,133,868.04)
As at December 31, 2021	128,536,176.56	1,444,218.05	-	-	129,980,394.61
Increase in right-of-use assets	-	-	-	2,921,243.88	2,921,243.88
Depreciation during the year	(6,960,787.01)	(667,265.30)	-	(179,445.08)	(7,807,497.39)
As at December 31, 2022	121,575,389.55	776,952.75	-	2,741,798.80	125,094,141.10

Expenses relating to leases consisted of:-

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Interest expense from lease liabilities	7,166,499.75	7,577,855.84

Total cash outflow for leases for the year ended December 31, 2022 is Baht 10.47 million (2021: Baht 10.02 million).

11. Intangible assets

Consisted of:-

	(Unit : Baht)	
	Computer software	
Cost :-	<u>2022</u>	<u>2021</u>
As at January 1	2,413,113.00	2,315,413.00
Purchase	131,500.00	97,700.00
As at December 31	<u>2,544,613.00</u>	<u>2,413,113.00</u>
Accumulated amortization :-		
As at January 1	(2,324,083.46)	(2,281,414.10)
Amortization for the year	(32,578.42)	(42,669.36)
As at December 31	<u>(2,356,661.88)</u>	<u>(2,324,083.46)</u>
Net book value :-		
As at December 31	<u>187,951.12</u>	<u>89,029.54</u>
Amortization charges for the year ended December 31	32,578.42	42,669.36

12. Deferred tax assets

The change of deferred tax assets for the year ended December 31, 2022 and 2021 is as follow :-

	(Unit : Baht)				
	January 1, 2021	Recognize in profit or loss	December 31, 2021	Recognize in profit or loss	December 31, 2022
Trade receivables	543,580.60	-	543,580.60	-	543,580.60
Inventories	935,335.00	(330,866.34)	604,468.66	-	604,468.66
Other current financial assets	(9,511,861.40)	9,222,983.55	(288,877.85)	288,877.85	-
Employee benefit obligation	2,002,225.40	-	2,002,225.40	-	2,002,225.40
Total	<u>(6,030,720.40)</u>	8,892,117.21	2,861,396.81	288,877.85	<u>3,150,274.66</u>

The deferred tax assets are not recognized in the statement of financial position consisted of:-

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Unused tax losses		
- Expire in next 1 year	-	-
- Expire in next 2 – 5 years	24,464,964.38	15,932,925.68
Temporary differences	17,716,808.19	7,581,261.27
Total	<u>42,181,772.57</u>	<u>23,514,186.95</u>

13. Short-term loans from financial institutions

As at December 31, 2022 and 2021, trust receipt payable are loan due to one commercial banks, carried interest rate of 3.97 per annum and rate of 3.47 per annum, respectively. Ownership of merchandise purchased from trust receipt contract performance is still belonged to a commercial bank until there is repayment of trust receipt payables to such commercial banks. Such borrowings were collateralized by deposits at financial institutions (Note 8) and land of parent company.

14. Trade and other current payables – third parties

Consisted of :-

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Trade payables	1,432,610.35	29,086,563.47
Accrued expenses	7,288,163.11	11,358,390.04
Other current payables	3,664,724.38	6,970,131.05
Payables of assets	158,017.60	574,106.36
Total	<u>12,543,515.44</u>	<u>47,989,190.92</u>

15. Lease liabilities

Consisted of :-

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Lease liabilities-third parties	133,236,097.74	133,350,343.73
Lease liabilities-related parties	817,637.79	1,476,656.09
<b>Total</b>	<b>134,053,735.53</b>	<b>134,826,999.82</b>

The changed of lease liabilities for the year ended December 31, 2022 and 2021 is as follow :-

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Opening lease liabilities balance	134,826,999.82	166,564,926.12
Additions during the year	2,531,243.88	1,946,952.18
Effect from rental rate change in the year	-	(31,240,276.85)
Repayment during the year	(3,304,508.17)	(2,444,601.63)
<b>Ending lease liabilities balance</b>	<b>134,053,735.53</b>	<b>134,826,999.82</b>

The maturity analysis of lease liabilities is as follows:-

	2022			2021		
	Lease <u>Liabilities</u>	Deferred finance <u>lease charges</u>	Net	Lease <u>liabilities</u>	Deferred finance <u>lease charges</u>	Net
Not later than 1 year	11,129,466.76	(7,052,149.79)	4,077,316.97	10,191,426.60	(7,111,632.33)	3,079,794.27
Later than 1 year but not later than 5 years	53,824,121.86	(31,883,945.80)	21,940,176.06	51,396,987.46	(32,765,754.71)	18,631,232.75
Later than 5 year	144,798,442.51	(36,762,200.01)	108,036,242.50	155,774,649.15	(42,658,676.35)	113,115,972.80
<b>Total</b>	<b>209,752,031.13</b>	<b>(75,698,295.60)</b>	<b>134,053,735.53</b>	<b>217,363,063.21</b>	<b>(82,536,063.39)</b>	<b>134,826,999.82</b>

As at Dcccmbcr 31, 2022, the Company has entered into the contracts leased with several lessors so as to lease land and building and vehicles by number of 5 contracts (2021 : 2 contracts). The leased contracts determine leased fee repayment as monthly installment from Baht 10,000.00 - 60,500.00 per month and Baht 9.28 - 15.19 million per year. The leased period is carried 3-20 years. (2021 : Baht 60,500.00 per month and Baht 9.28 - 15.19 million per year. The leased period is carried 3-20 years).

16. Employee benefit obligation

Changes in the present value of the retirement employee benefit obligation for the year ended December 31, 2022 and 2021 are as follow :-

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Opening employee benefit obligation balance	19,261,013.88	17,522,974.55
Current service cost	1,495,906.62	1,478,318.04
Interest cost	284,845.70	259,721.29
Benefit paid	(152,340.00)	-
Ending employee benefit obligation balance	<u>20,889,426.20</u>	<u>19,261,013.88</u>

Principal actuarial assumptions as at December 31, 2022 and 2021 are as follows :-

	<u>2022</u>	<u>2021</u>
Discount rate at end of year	1.49%	1.49%
Future salary growth	6.00%	6.00%
Proportion of employees opting for early retirement	4.30%-11.46%	4.30%-11.46%

Changes in the actuarial assumption will affect to the employee benefit obligation as at December 31, 2022 and 2021 are as follows :-

	(Unit : Baht)	
	<u>Employee benefit obligation Increase (decrease)</u>	
	<u>2022</u>	<u>2021</u>
If the discount rate increase 0.5%	(866,438.45)	(882,613.68)
If the discount rate decrease 0.5%	949,943.74	950,251.05
If the future salary growth increase 1%	2,234,461.29	2,015,932.19
If the future salary growth decrease 1%	(1,943,480.07)	(1,773,648.94)
If the proportion of employees opting for early retirement increase 20%	(1,938,596.02)	(1,765,123.42)
If the proportion of employees opting for early retirement decrease 20%	2,240,913.04	2,014,850.74

The expected maturity analysis of the undiscounted employee benefit obligation is as follows:-

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Not later than 1 year	546,425.18	143,852.82
1 - 5 years	7,835,989.31	6,964,167.43
More than 5 years	35,385,123.14	36,803,370.20
Total	<u>43,767,537.63</u>	<u>43,911,390.45</u>

As at December 31, 2022, the weighted average duration of the defined employee benefit obligation of the Company is 13 years (2021 : 14 years).

#### 17. Share capital

	Number of ordinary shares <u>(Unit : Share)</u>	Amount <u>(Unit : Baht)</u>
Registered share capital (Baht 0.50 per share)		
As at January 1, 2021	954,547,779	477,273,889.50
Decrease of share capital	(31,186)	(15,593.00)
As at December 31, 2021	954,516,593	477,258,296.50
Decrease of share capital	(39,240,363)	(19,620,181.50)
Increment of share capital	457,638,115	228,819,057.50
As at December 31, 2022	<u>1,372,914,345</u>	<u>686,457,172.50</u>

	Number of Ordinary shares <u>(Unit : Share)</u>	Ordinary shares Amount <u>(Unit : Baht)</u>	Premium on share capital <u>(Unit : Baht)</u>	Toal Amount <u>(Unit : Baht)</u>
Paid-up share capital (Baht 0.50 per share)				
As at January 1, 2021	636,365,186	318,182,593.00	195,378,874.57	513,561,467.57
Exercise of RWI-W2	1,090,000	545,000.00	1,090,000.00	1,635,000.00
As at December 31, 2021	637,455,186	318,727,593.00	196,468,874.57	515,196,467.57
Exercise of RWI-W2	277,821,044	138,910,522.00	277,821,044.00	416,731,566.00
Exercise of RWI-W3	50	25.00	50.00	75.00
As at December 31, 2022	<u>915,276,280</u>	<u>457,638,140.00</u>	<u>474,289,968.57</u>	<u>931,928,108.57</u>

On April 30, 2021, The Annual General Meeting of Shareholders of year 2021 approve the reduction of the Company's registered capital from Baht 477,273,889.50 to the Baht 477,258,296.50 baht by cutting fractional shares that Warrant RWI-W2 cannot be converted into ordinary shares in the amount of 31,186 shares with a par value of Baht 0.50 per share.

The Company had registered the authorized capital from Baht 477,273,889.50 to Baht 477,258,296.50 with the Department of Business Development, Ministry of Commerce, effective on May 7, 2021.

On April 29, 2022, the 2022 Annual General Meeting of Shareholders has resolved the following details:-

- To approve the decrease of the Company's registered capital from Baht 477,258,296.50 to Baht 457,638,115.00 by canceling the issued and unsold shares as amounting of 39,240,363 shares as par value of Baht 0.50.

- To approve the issuance of warrant No.3 "RWI-W3" as amount not exceed 457,638,115 unit to existing shareholders by proportion of holding shares (no charge) at the ratio of 2 existing ordinary shares: 1 unit of warrant No.3 "RWI-W3" (any fraction discarded) at exercise price of Baht 1.50 per share.

- To approve the increase of the Company's registered capital from Baht 457,638,115.00 to Baht 686,457,172.50 by issuance of Newly Ordinary Shares as amounting not exceed 457,638,115 shares as par value of Baht 0.50 in order to reserve right to exercise warrant No.3 "RWI-W3" as offering to existing shareholders by proportion of holding shares.

The Company had registered the capital with the Department of Business Development, Ministry of Commerce, effective on May 10, 2022 for reduction of capital and on May 11, 2022 for increment of capital.

#### Warrant (RWI-W2)

On January 6, 2020, the Company disposed warrants of 318,151,407 units (RWI-W2) to the former shareholders. The warrants (RWI-W2) the detail by summation as follows:

- It is the kind of specifying the names of holders and the holders can be changed. The warrants as registered as securities in the Market for Alternative Investment (MAI).
- The age of warrant is 2 years.
- The date the warrants are issued on January 6, 2020.
- The rate of warrants right exercise is one unit per one ordinary share.
- The exercised price is Baht 1.50 per share.

- The following presents each exercise date

Each exercise date	Date
1st	June 15, 2020
2nd	September 15, 2020
3rd	December 15, 2020
4th	March 15, 2021
5th	June 15, 2021
6th	September 15, 2021
Final	January 6, 2022

On December 22 – 31, 2021, the shareholders expressed their intention to exercise the RWI-W2 warrants for the last exercise date on January 6, 2022, the amount of 242,367,937 rights and paid subscription for ordinary shares in the amount of Baht 363,551,905.00 and on January 1 – 5, 2022, the shareholders expressed their intention to exercise the RWI-W2 warrants for the last exercise date on January 6, 2022, the amount of 35,453,107 rights and paid subscription for ordinary shares in the amount of Baht 53,179,661.00.

As at December 31, 2021, the Company recorded money received from the warrants exercise to purchase ordinary shares of the Company by amount of Baht 363,551,905.00 in the account of advance receivable of shares subscription fee by reflecting as separate transaction under the caption of shareholders equity.

During the nine-month period ended September 30, 2022, the Company registered the increment of paid-up shares capital for Baht 138,910,522.00 because the warrants holders exercised the right to purchase the common shares on January 6, 2022 by 277,821,044 shares and the Company has registered the capital increment from such exercise with the Ministry of Commerce on January 14, 2022.

As at January 6, 2022, the remaining warrants (RWI-W2) which have not been exercised and have expired are 39,240,363 units.

#### Warrant (RWI-W3)

On May 17, 2022, the Company disposed warrants of 457,602,263 units (RWI-W3) to the former shareholders. The warrants (RWI-W3) the detail by summation as follows:-

- It is the kind of specifying the names of holders and the holders can be changed. The warrants as registered as securities in the Market for Alternative Investment (MAI).
- The age of warrant is 2 years.
- The rate of warrants right exercise is one unit per one ordinary share.
- The exercised price is Baht 1.50 per share.

- The following presents each exercise date

Each exercise date	Date
1st	September 15, 2022
2nd	December 15, 2022
3rd	March 15, 2023
4th	June 15, 2023
5th	September 15, 2023
6th	December 15, 2023
Final	May 16, 2024

During the nine-month period ended September 30, 2022, the Company registered the increment of paid-up shares capital for Baht 25.00 because the warrants holders exercised the right to purchase the common shares on September 15, 2022 by 50 shares and the Company has registered the capital increment from such exercise with the Ministry of Commerce on September 21, 2022.

As at December 31, 2022, the remaining warrants (RWI-W3) not yet exercised are 457,602,213 units.

#### The capital management

The Company constitutes purpose with respect to capital management in order to remain for ability in the continued operation and ability to appropriately provide remuneration to various group of participating interest while the Company will maintain capital in the level with the least risk.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt obligations.

#### 18. Treasury stock

The Board of Directors' Meeting no. 2/2020 with held on May 14, 2020, the Board approved the Share Repurchase Program (Treasury stock) for financial management purpose. The maximum amount for the share repurchase Baht 70.00 million. Number of shares repurchase 63,636,518 shares at the par value of Baht 0.50 per share which is equal to 10% of total paid-up capital. The repurchase period will be started from May 29, 2020 to November 28, 2020. The share resale period is determined after 6 months from the completion date of share repurchase but no later than 3 years.

In during the year 2020, the Company has repurchased a total of 25,636,400 of its shares (equal to 4.03% of paid-up share capital of the Company) aggregating to the total repurchased value of Baht 34.54 millions with an equivalent amount had been appropriated from retained earnings to treasury stock reserve.

The Board of Directors' Meeting no. 3/2021 with held on May 12, 2021, the Board approved the resale of the treasury stock for a period of 2 years from May 29, 2021 to May 28, 2023. If the treasury stock could not be sold within the resale period, the Company will reduce the capital by written off number of treasury stock which remain unsold.

In July, 2021, the Company has resale of the treasury stock a total of 25,636,400 of its shares aggregating to the total resale value of Baht 53.96 million. The Company recognizes the difference between the value of resale and repurchase of the treasury stock amount of Baht 34.54 million into the premium on treasury stock account amount of Baht 19.42 million and transferred treasury stock reserve account amount of Baht 34.54 million into retained earnings account.

#### 19. Legal reserve

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

#### 20. Income tax income

The income tax income recognized in profit (loss) for the year ended December 31, 2022 and 2021 are as follows :-

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Current income tax expense	-	-
Deferred tax (income) expenses relating to the origination and reversal of temporary differences	(288,877.85)	(8,892,117.21)
Income tax income	<u>(288,877.85)</u>	<u>(8,892,117.21)</u>

The relationship between income tax income and accounting profit (loss) for the year ended December 31, 2022 and 2021 are as follows :-

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Accounting profit(loss)	(222,313,439.59)	171,023,896.36
Tax rate used	20%	20%
Tax at the applicable tax rate	(44,462,687.92)	34,204,779.27
Temporary differences not recognized as a deferred tax asset	39,324,425.62	1,767,614.52
Previous temporary difference not recognized as a deferred tax asset	(30,468.00)	(28,525,921.00)
Income that are not be taxable	(872,269.20)	(769,033.06)
Expenses that are not deductible in determining taxation profit	235,031.07	13,709.29
Expenses that are deductible in determining taxation profit	(3,014,948.11)	(3,631,312.25)
Loss from operations	8,532,038.69	-
Losses carried forward	-	(11,951,953.98)
Income tax income	(288,877.85)	(8,892,117.21)

## 21. Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the profit (loss) for the period attributable to shareholders (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year adjusted by the number of treasury stock.

Diluted earnings (loss) per share is calculated by the sum of the weighted average number of ordinary shares in issue during the period and the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. By supposition that if taking money received from right exercise from such warrants to purchase ordinary shares back in the market price of diluted equivalent ordinary shares; for example, warrants to purchase ordinary shares in the case that prices according to the rights of warrants constitute value lower than market price.

	<u>2022</u>	<u>2021</u>
Basic earnings (loss) per share (Baht)		
Net profit (loss) attributable to shareholders ('000 Baht)	(222,025)	179,916
Weighted average number of paid-up ordinary share issue during the year ('000 shares)	915,003	626,954
Basic earnings (loss) per share (Baht)	(0.24)	0.29

	<u>2022</u>	<u>2021</u>
Diluted earnings (loss) per share (Baht)		
Effect of dilutive potential ordinary share ('000 shares)	-	12,049
Weighted average number of ordinary share		
for diluted earnings per share ('000 shares)	915,003	639,003
Diluted earnings (loss) per share (Baht)	(0.24)	0.28

## 22. Dividend paid

On April 29, 2022, the 2022 Annual General Meeting of Shareholders has resolved to approve the annual dividend payment of year 2021 (business operation of January 1 – December 31 2021) in which the dividend shall be paid from the net profit of the Company's financial statement of Baht 0.10 per share. The dividend was paid to shareholders on May 25, 2022.

## 23. Supplemental disclosures of cash flow information

### 23.1 Cash and cash equivalents

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Cash	1,388,835.08	92,886.00
Cash deposits-Saving accounts	370,628,986.69	462,403,494.32
Cash deposits-Current accounts	385,855.32	644,384.68
Cash deposits-Fixed accounts	85,173.45	70,644.12
Total	<u>372,488,850.54</u>	<u>463,211,409.12</u>

### 23.2 Non - cash items

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Purchases of fixed assets but not yet paid	147,680.00	536,548.00
Provisions for decommissioning but not yet paid	147,106.62	-

### 23.3 Liabilities arising from financing activities

The movements of liabilities arising from financing activities the year ended December 31, 2022 and 2021 are as follows :-

(Unit : Baht)

	<u>January 1, 2022</u>	<u>Cash flows</u>	Non-cash items		<u>December 31, 2022</u>
			Additional <u>contract</u>	<u>Other Changes</u>	
Short-term loans from financial institutions	187,959,390.95	(116,784,730.78)	-	-	71,174,660.17
Lease liabilities	134,826,999.82	(3,304,508.17)	2,531,243.88	-	134,053,735.53
<b>Total</b>	<b>322,786,390.77</b>	<b>(120,089,238.95)</b>	<b>2,531,243.88</b>	<b>-</b>	<b>205,228,395.70</b>

(Unit : Baht)

	<u>January 1, 2021</u>	<u>Cash flows</u>	Non-cash items		<u>December 31, 2021</u>
			Additional <u>contract</u>	<u>Other Changes</u>	
Short-term loans from financial institutions	124,742,955.27	63,216,435.68	-	-	187,959,390.95
Lease liabilities	166,564,926.12	(2,444,601.63)	1,946,952.18	(31,240,276.85)	134,826,999.82
<b>Total</b>	<b>291,307,881.39</b>	<b>60,771,834.05</b>	<b>1,946,952.18</b>	<b>(31,240,276.85)</b>	<b>322,786,390.77</b>

## 24. Employee benefit

### 24.1 Provident fund

For the year ended December 31, 2022, the Company recognizes as the employee benefit expense for the payment of contribution into the provident fund at the amount of Baht 1.68 million. (2021 : Baht 1.67 million).

### 24.2 Retirement employee benefit

For the year ended December 31, 2022 and 2021, the Company recognizes the employee benefit expense in case of retirement or termination under the labor law, as follows :-

(Unit : Baht)

	<u>2022</u>	<u>2021</u>
Amounts recognized in profit or loss		
Current service cost	1,495,906.62	1,478,318.04
Interest cost	284,845.70	259,721.29
<b>Total amounts recognized in profit or loss</b>	<b>1,780,752.32</b>	<b>1,738,039.33</b>

An item of the employee benefit expense in case of retirement or termination recognized in profit or loss for the year ended December 31, 2022 and 2021 is inclusively presented in the line items, as follows :-

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Cost of sales	724,328.44	560,367.87
Selling expenses	82,571.07	55,688.59
Administrative expenses	880,706.72	560,713.43
Management compensation	93,146.09	561,269.44
Total	1,780,752.32	1,738,039.33

#### 25. Expenses by nature

The following expenditure items of expense have been classified by nature for the year ended December 31, 2022 and 2021 are as follow :-

	(Unit : Baht)	
	<u>2022</u>	<u>2021</u>
Change in finished goods	15,869,492.22	(42,079,786.04)
Raw material and supplied used	773,737,086.03	675,933,553.84
Allowance for expected credit loss (Reversal)	7,482,630.02	(4,149,449.57)
Management compensation	2,576,537.69	7,567,663.49
Employee benefit expenses	62,392,340.88	55,886,477.26
Depreciation and amortization	29,519,656.09	29,614,949.23
Loss from declining in value of inventories	34,001,871.71	1,744,813.72
Transportation cost	17,629,411.89	17,558,652.69
Utility bill	42,783,624.18	38,189,809.07

#### 26. Operating segments

The Company identified the operating segments on the basis of internal reports that are regularly reviewed by the Company's chief operating decision maker in order to allocate resources to the segment and assess its performance. However, the Company has a single reportable segment which is the business of manufacturing and distributing prestressed concrete wire, prestressed concrete strand wire and welding wire and its operation is in one geographical area that is Thailand. The Company measures the profit or loss for each segment from the gross profit excluding the items of other income, interest income, gain or loss on exchange rate, other central expenses and finance cost.

### Additional Information of major customers

For the year ended December 31, 2022 the Company earn the revenues from sales of goods with each 1 major customer Baht 160.11 million and (2021 : the Company earn the revenues from sales of goods with each 1 major customer Baht 202.94 million).

### 27. Revenue

The relationship between the revenue information disclosed for each reportable segment for the year ended December 31, 2022 and 2021 are as follows :-

	(Unit : Million Baht)	
	Segment operation	
	For the year ended December 31,	
	<u>2022</u>	<u>2021</u>
Revenues from external customers	941.14	879.46
Revenues about geographic areas		
- Thailand	941.14	879.46
Revenues recognized when a performance obligation		
- satisfied at a point in time	941.14	879.46

### 28. Financial instrument

The principal financial risks faced by the Company are market risk, credit risk and liquidity risk. In this regard, the Company will enter into derivative financial transactions as appropriate with the objective to mitigate the impact of risks. However, the Company did not speculate in or engage in trading of any derivative financial instruments.

#### Market risk

The market risks faced by the Company are currency risk, interest rate risk and other price risk.

### Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

As at December 31, 2022 and 2021, the Company's non significant outstanding balances in foreign currency assets and liabilities.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has short-term loans from financial institutions which require fixed interest rate payments. Therefore, the Company isn't exposed to the risk of being affected by changes in market interest rates.

### Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The Company has the investment in listed equity securities, therefore the Company is exposed to the risk of being adversely affected by fluctuations as a result of the future value of such investment.

The sensitivity analysis for equity price risk will affect to the profit or loss as follows:

	(Unit : Thousand Baht)	
	Profit before income tax increase (decrease)	
	<u>2022</u>	<u>2021</u>
If the price of listed equity securities at the reporting date increases 10%	13,292	28,434
If the price of listed equity securities at the reporting date decreases 10%	(13,292)	(28,434)

### Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The gross carrying amount of trade receivables and contract assets and the lifetime expected credit losses calculated by using a provision matrix, which specifies a fixed provision rates depending on the number of days that a trade receivable is past due based on historical credit loss experience adjusted to reflect a current and forwarding looking macroeconomic factor affecting the customer's ability to settle the amount outstanding, are as follows:-

(Unit : Thousand Baht)

	As at December 31, 2022					Total
	Days past due					
	Within credit term	Overdue 1 - 3 Months	Overdue 3 - 6 Months	Overdue 6 - 12 Months	Overdue over 12 Months	
Expected loss rate	0.11%	0.43%-4.71%	6.17%-100%	12.03%-100%	100%	
Gross carrying amount – trade receivables	167,602	82,483	13,490	8,579	5,699	277,853
Expected credit loss	191	960	1,272	6,685	5,699	14,807

(Unit : Thousand Baht)

	As at December 31, 2021					Total
	Days past due					
	Within credit term	Overdue 1 - 3 Months	Overdue 3 - 6 Months	Overdue 6 - 12 Months	Overdue over 12 Months	
Expected loss rate	0.14%	0.54%-5.89%	7.71%-11.11%	15.03%-22.82%	100%	
Gross carrying amount – trade receivables	213,239	59,348	846	270	6,399	280,102
Expected credit loss	304	490	77	55	6,399	7,325

### Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Maturity for the Company's financial liabilities as at December 31, 2022 and 2021 based on the contractual undiscounted cash flow is as follows:-

(Unit : Thousand Baht)

	Less than 1 year	1 – 5 years	Over 5 years	Total	Carrying amount
As at December 31, 2022					
Short-term loans from financial institution	71,175	-	-	71,175	71,175
Trade payable	1,433	-	-	1,433	1,433
Other current payables	10,544	-	-	10,544	10,544
Lease liabilities	11,130	53,824	144,798	209,752	134,054

(Unit : Thousand Baht)

	Less than 1 year	1 – 5 years	Over 5 years	Total	Carrying amount
As at December 31, 2021					
Short-term loans from financial institution	187,959	-	-	187,959	187,959
Trade payable	29,087	-	-	29,087	29,087
Other current payables	16,835	-	-	16,835	16,835
Lease liabilities	10,191	51,397	155,775	217,363	134,827

## 29. Financial instruments

IFRS No.13 “Fair Value Measurement” defines fair value as 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 regardless of whether that price is directly observable or estimated using another valuation technique.

The IFRS requires the Company shall disclose about fair value measurement for financial asset and liability in which the other related IFRSs requires or permits fair value measurement or disclosure about fair value.

The IFRS establishes a fair value hierarchy that categorizes into three levels the inputs to valuation techniques used to measure fair value, as follows :-

Level 1 : The inputs are quoted prices in active markets for identical assets or liabilities that the Company can access at the measurement date.

Level 2 : The inputs are observable inputs for the asset or liability, either directly or indirectly.

Level 3 : The inputs are unobservable inputs for the asset or liability.

Financial assets and financial liabilities of the Company measured the fair value in the statement of financial position are as follows:-

(Unit : Million Baht)

Assets and Liabilities	Fair value		Fair value hierarchy	Valuation techniques
	2022	2021		
Investment in equity instruments (Note 7)	132.92	284.34	Level 1	Market value approach as at reporting period. The data is publicly available on the Stock Exchange of Thailand.

For the year ended December 31, 2022 and 2021, there is no the transfer of any amount between level 1 and level 2 of the fair value hierarchy.

The financial assets and financial liabilities not measured the fair value in the statement of financial position are as follows:-

(Unit : Thousand Baht)

Assets and liabilities	2022		2021		Fair value hierarchy
	Carrying amount	Fair value	Carrying amount	Fair value	
<b>Financial assets</b>					
Short-term loan to related party	-	-	44,207	44,207	Level 2
Deposits at bank pledged as collateral	88,900	88,900	173,900	173,900	Level 2
<b>Financial liabilities</b>					
Short-term loan from financial institutions	71,175	71,175	187,959	187,959	Level 2

The carrying amount of cash and cash equivalents, trade receivables and trade payables approximates the fair value.

The fair value of short-term loan to related party and deposits at bank pledged as collateral are determined by using the discounted cash flow method. The contractual future cash inflows are discounted at the current market interest rate for similar financial instruments adjusted by counterparty risk.

The fair value of short-term loan from financial institutions are determined by using the discounted cash flow method. The contractual future cash outflows are discounted at the current market interest rate for similar financial instruments enhanced by the Company's credit risk.

30. Borrowing facilities

(Unit : Million Baht)

	2022			2021		
	<u>Total</u>	<u>Amount used</u>	<u>Amount unused</u>	<u>Total</u>	<u>Amount used</u>	<u>Amount unused</u>
Letters of guarantee	35.00	(28.89)	6.11	35.00	(24.75)	10.25
Short-term loans Letter of credit and Forward exchange contract	214.59	(84.82)	129.77	395.59	(190.64)	204.95
	<u>249.59</u>	<u>(113.71)</u>	<u>135.88</u>	<u>430.59</u>	<u>(215.39)</u>	<u>215.20</u>

The Company has bank deposits as mentioned in the Note 8 and the parent company's lands as collaterals against the said credit facilities.

31. Obligation and contingent liabilities

31.1 Apart from the various liabilities presented in the financial statements, the Company has the obligations as at December 31, 2022 and 2021 are as follow:-

	<u>2022</u>	<u>2021</u>
Letter of Guarantee		
Baht	28,887,618.00	24,753,448.00

31.2 As at December 31, 2022 and 2021, the Company has entered into service agreement by number of 1 contract. The leased contracts determine leased fee repayment as monthly installment from Baht 117,000.00 per month. The leased the period 1 year.

32. Reclassification of accounting transactions

Some transactions in statement of comprehensive income for the year ended December 31, 2021 newly reclassified so as to comply with reflection in statement of comprehensive income for the year ended December 31, 2022 which can be summarized as follows :-

(Unit : Baht)

<u>Transactions which formerly presented</u>	<u>Reclassified</u>	<u>Statement of comprehensive income For the year ended December 31, 2021</u>
Administrative expenses	Cost of sales of goods	139,049.70
Administrative expenses	Cost of distribution	11,658.37

33. Approval of financial statements

The financial statements were authorized for issue by the Company's board of directors on February 23, 2023.

---