

Sri Trang Gloves (Thailand) Public Company Limited  
and its subsidiaries  
Report and consolidated financial statements  
31 December 2023

## **Independent Auditor's Report**

To the Shareholders of Sri Trang Gloves (Thailand) Public Company Limited

### **Opinion**

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

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

### **Basis for Opinion**

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

## **Key Audit Matters**

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

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

Key audit matter and how audit procedures respond for the matter are described below.

### ***Revenue recognition***

Revenue from sales of goods is significant to the financial statements. The competition in the rubber glove market has a direct impact on selling prices of rubber gloves. Moreover, the Group has a large number of customers under a variety of conditions. As a result, revenue from sale of goods is a significant account which directly affects the Group's operating results.

I assessed and tested the effectiveness of the Group's internal controls relating to the revenue cycle, examining supporting documents on a sampling basis for actual sale transactions occurring during the year, expanding the scope of audit near the end of the reporting period and testing sale transactions with respect to the accuracy and timing of revenue recognition. I also examined credit notes issued by the Group after the period end and performed analytical procedures on disaggregated data, including reconciliation of sales to cash receipts, to detect possible irregularities in sale transactions throughout the period, particularly accounting entries made through journal vouchers.

## **Other Information**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Krongkaew Limkittikul

Certified Public Accountant (Thailand) No. 5874

EY Office Limited

Bangkok: 16 February 2024

**Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 31 December 2023**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	4,230,142,884	14,350,701,692	2,237,359,500	8,790,234,346
Trade and other receivables	8	2,390,113,813	2,086,243,236	2,476,925,137	2,300,301,760
Inventories	9	3,840,186,360	3,364,087,806	2,746,466,939	2,210,895,173
Short-term loan to subsidiary	6	-	-	-	150,000,000
Derivative financial instruments	33.1	73,921,287	241,881,401	73,543,345	241,868,680
Other current financial assets	11	5,213,142,212	-	-	-
Other current assets	10	287,414,973	300,498,897	225,261,160	223,680,891
<b>Total current assets</b>		<b>16,034,921,529</b>	<b>20,343,413,032</b>	<b>7,759,556,081</b>	<b>13,916,980,850</b>
<b>Non-current assets</b>					
Derivative financial instruments	33.1	1,516,396	1,997,355	1,516,396	1,997,355
Other non-current financial assets	11	4,686,232,395	1,023,867,815	-	-
Investments in subsidiaries	12	-	-	12,328,238,968	8,008,453,507
Property, plant and equipment	13	24,971,643,350	26,130,759,427	25,088,508,538	25,754,604,391
Right-of-use assets	14.1	46,963,009	72,734,636	12,746,658	21,567,790
Intangible asset - computer software	15	175,570,306	195,115,268	174,386,606	193,069,736
Goodwill	16	220,884,790	220,884,790	220,884,790	220,884,790
Withholding tax deducted at source		116,541,697	157,690,066	27,061,306	-
Deferred tax assets	26	320,162,536	374,509,260	-	-
Other non-current assets		7,689,753	7,561,294	585,311	1,756,941
<b>Total non-current assets</b>		<b>30,547,204,232</b>	<b>28,185,119,911</b>	<b>37,853,928,573</b>	<b>34,202,334,510</b>
<b>Total assets</b>		<b>46,582,125,761</b>	<b>48,528,532,943</b>	<b>45,613,484,654</b>	<b>48,119,315,360</b>

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

**Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 31 December 2023**

(Unit: Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade and other payables	17	2,415,559,769	2,403,222,674	2,229,547,696	2,046,931,481
Short-term borrowings from financial institutions	18.1	67,139,387	172,812,000	-	-
Current portions of long-term liabilities:					
- Long-term borrowings from financial institutions	18.2	1,884,604,188	1,715,714,709	1,884,604,188	1,715,714,709
- Debentures	18.3	13,952,222	13,953,423	13,952,222	13,953,423
- Lease liabilities	14.2	25,026,042	39,443,271	6,978,726	11,627,976
Income tax payable		167,423	31,688,890	-	31,512,108
Derivative financial instruments	33.1	537,465	15,510,719	537,465	-
Other current liabilities		10,728,904	14,863,949	9,474,063	12,069,257
<b>Total current liabilities</b>		<b>4,417,715,400</b>	<b>4,407,209,635</b>	<b>4,145,094,360</b>	<b>3,831,808,954</b>
<b>Non-current liabilities</b>					
Derivative financial instruments	33.1	-	1,126,858	-	1,126,858
Long-term liabilities, net of current portions:					
- Long-term borrowings from financial institutions	18.2	3,527,377,855	5,411,982,152	3,527,377,855	5,411,982,152
- Debentures	18.3	1,498,717,481	1,498,265,078	1,498,717,481	1,498,265,078
- Lease liabilities	14.2	18,023,248	33,622,298	4,915,222	8,010,068
Provision for retirement benefit obligations	19	172,724,884	176,412,391	137,767,567	140,338,791
Deferred tax liabilities	26	110,596,386	189,209,104	71,046,885	139,485,963
<b>Total non-current liabilities</b>		<b>5,327,439,854</b>	<b>7,310,617,881</b>	<b>5,239,825,010</b>	<b>7,199,208,910</b>
<b>Total liabilities</b>		<b>9,745,155,254</b>	<b>11,717,827,516</b>	<b>9,384,919,370</b>	<b>11,031,017,864</b>

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



**Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 31 December 2023**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Shareholders' equity</b>					
Share capital	20				
Registered					
2,869,560,000 ordinary shares of Baht 0.5 each		<u>1,434,780,000</u>	<u>1,434,780,000</u>	<u>1,434,780,000</u>	<u>1,434,780,000</u>
Issued and fully paid					
2,865,179,910 ordinary shares of Baht 0.5 each		1,432,589,955	1,432,589,955	1,432,589,955	1,432,589,955
Premium on ordinary shares	20	14,494,582,321	14,494,582,321	14,494,582,321	14,494,582,321
Surplus on the amalgamation		483,694,988	483,694,988	483,694,988	483,694,988
Deficit on business combination under common control		(787,230,800)	(787,230,800)	-	-
Retained earnings					
Appropriated - statutory reserve	22	143,478,000	143,478,000	143,478,000	143,478,000
Unappropriated		19,681,328,439	20,210,346,086	19,140,128,561	19,873,457,838
Other components of shareholders' equity					
Surplus on revaluation of assets - net of income tax		653,969,765	723,299,958	518,734,899	584,196,071
Surplus (deficit) on changes in fair value through					
other comprehensive income of investments in equity		616,060,981	(205,101,423)	-	-
Cash flow hedge reserve - net of income tax		15,356,560	76,298,323	15,356,560	76,298,323
Exchange differences on translation of					
financial statements in foreign currencies		<u>103,140,298</u>	<u>238,748,019</u>	<u>-</u>	<u>-</u>
<b>Total shareholders' equity</b>		<u>36,836,970,507</u>	<u>36,810,705,427</u>	<u>36,228,565,284</u>	<u>37,088,297,496</u>
<b>Total liabilities and shareholders' equity</b>		<u>46,582,125,761</u>	<u>48,528,532,943</u>	<u>45,613,484,654</u>	<u>48,119,315,360</u>
		-	-	-	-

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

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Directors  
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**Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries**

**Statement of comprehensive income**

**For the year ended 31 December 2023**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Profit or loss:</b>					
Revenues from sales of goods and services	27	19,665,175,405	23,304,819,683	18,307,789,533	21,540,900,522
Cost of sales and services		(17,516,348,753)	(19,048,019,604)	(16,531,202,212)	(18,128,798,981)
<b>Gross profit</b>		2,148,826,652	4,256,800,079	1,776,587,321	3,412,101,541
Other income	23	214,372,287	204,572,243	207,050,078	204,904,419
Dividend income	11, 12	13,898,330	4,741,865	-	23,999,640
Selling and distribution expenses		(948,331,548)	(1,332,515,853)	(660,953,012)	(1,054,957,697)
Administrative expenses		(1,268,799,936)	(1,068,562,987)	(1,127,468,325)	(891,189,803)
Gain (loss) on exchange rates		(10,904,627)	101,695,960	4,863,959	170,045,453
Other loss	24	(33,213,211)	(257,241,719)	(55,844,282)	(141,062,769)
<b>Operating profit</b>		115,847,947	1,909,489,588	144,235,739	1,723,840,784
Finance income		361,022,900	160,847,413	66,627,748	69,021,006
Finance cost		(306,204,916)	(186,806,428)	(293,946,505)	(179,314,156)
<b>Profit (loss) before income tax</b>		170,665,931	1,883,530,573	(83,083,018)	1,613,547,634
Income tax	26	(17,977,141)	(231,479,073)	37,782,814	(153,550,106)
<b>Profit (loss) for the year</b>		<u>152,688,790</u>	<u>1,652,051,500</u>	<u>(45,300,204)</u>	<u>1,459,997,528</u>

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

**Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries**

**Statement of comprehensive income (continued)**

**For the year ended 31 December 2023**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Other comprehensive income:</b>					
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods					
Exchange differences on translation of					
financial statements in foreign currencies		(135,607,721)	(43,458,109)	-	-
Gain (loss) on cash flow hedges - net of income tax		(60,941,763)	93,364,108	(60,941,763)	93,364,108
Other comprehensive income to be reclassified to					
profit or loss in subsequent periods - net of income tax		(196,549,484)	49,905,999	(60,941,763)	93,364,108
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods					
Changes in revaluation of assets - net of income tax	13	(43,529,754)	347,075,104	(43,529,754)	291,274,286
Actuarial gain - net of income tax	19	8,783,706	7,377,364	6,330,091	5,207,227
Gain (loss) on changes in value of equity investments					
designated at fair value through					
other comprehensive income		821,162,404	(197,063,928)	-	-
Other comprehensive income not to be reclassified to					
profit or loss in subsequent periods - net of income tax		786,416,356	157,388,540	(37,199,663)	296,481,513
<b>Other comprehensive income for the year</b>					
		<b>589,866,872</b>	<b>207,294,539</b>	<b>(98,141,426)</b>	<b>389,845,621</b>
<b>Total comprehensive income for the year</b>					
		<b>742,555,662</b>	<b>1,859,346,039</b>	<b>(143,441,630)</b>	<b>1,849,843,149</b>
<b>Earnings per share</b>					
28					
Basic earnings per share					
Profit (loss) attributable to equity holders of the Company		0.05	0.58	(0.02)	0.51
Diluted earnings per share					
Profit (loss) attributable to equity holders of the Company		0.05	0.58	(0.02)	0.51

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

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements								
	Issued and paid-up share capital	Premium on ordinary shares	Share-based payment reserve	Surplus on the amalgamation	Deficit on business combination under common control	Retained earnings Appropriated - statutory reserve	Unappropriated	Total other components of shareholders' equity	Total shareholders' equity
<b>Balance as at 1 January 2022</b>	1,431,630,705	14,463,099,736	8,181,559	483,694,988	(787,230,800)	143,478,000	21,812,503,774	657,761,259	38,213,119,221
Profit for the year	-	-	-	-	-	-	1,652,051,500	-	1,652,051,500
Other comprehensive income for the year	-	-	-	-	-	-	7,377,364	199,917,175	207,294,539
Total comprehensive income for the year	-	-	-	-	-	-	1,659,428,864	199,917,175	1,859,346,039
Amortisation on surplus on revaluation of assets	-	-	-	-	-	-	21,253,643	(21,253,643)	-
Share-based payment	-	-	2,858,441	-	-	-	-	-	2,858,441
Issuance of additional ordinary shares	959,250	27,952,545	-	-	-	-	-	-	28,911,795
Transfer share-based payment reserve to premium on ordinary shares	-	3,530,040	(11,040,000)	-	-	-	7,509,960	-	-
Dividend paid (Note 30)	-	-	-	-	-	-	(3,293,530,069)	-	(3,293,530,069)
Disposal of other financial assets	-	-	-	-	-	-	3,179,914	(3,179,914)	-
<b>Balance as at 31 December 2022</b>	<b>1,432,589,955</b>	<b>14,494,582,321</b>	<b>-</b>	<b>483,694,988</b>	<b>(787,230,800)</b>	<b>143,478,000</b>	<b>20,210,346,086</b>	<b>833,244,877</b>	<b>36,810,705,427</b>
<b>Balance as at 1 January 2023</b>	<b>1,432,589,955</b>	<b>14,494,582,321</b>	<b>-</b>	<b>483,694,988</b>	<b>(787,230,800)</b>	<b>143,478,000</b>	<b>20,210,346,086</b>	<b>833,244,877</b>	<b>36,810,705,427</b>
Profit for the year	-	-	-	-	-	-	152,688,790	-	152,688,790
Other comprehensive income for the year	-	-	-	-	-	-	8,783,706	581,083,166	589,866,872
Total comprehensive income for the year	-	-	-	-	-	-	161,472,496	581,083,166	742,555,662
Amortisation on surplus on revaluation of assets	-	-	-	-	-	-	25,800,439	(25,800,439)	-
Dividend paid (Note 30)	-	-	-	-	-	-	(716,290,582)	-	(716,290,582)
<b>Balance as at 31 December 2023</b>	<b>1,432,589,955</b>	<b>14,494,582,321</b>	<b>-</b>	<b>483,694,988</b>	<b>(787,230,800)</b>	<b>143,478,000</b>	<b>19,681,328,439</b>	<b>1,388,527,604</b>	<b>36,836,970,507</b>

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

**Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity (continued)**

**For the year ended 31 December 2023**

Details of other components of shareholders' equity:

(Unit: Baht)

<b>Consolidated financial statements</b>					
Other components of shareholders' equity					
Other comprehensive income					
Surplus on revaluation of assets - net of income tax	Surplus (deficit) on changes in fair value through other comprehensive income of investments in equity	Cash flow hedge reserve - net of income tax	Exchange differences on translation of financial statements in foreign currencies	Total other components of shareholders' equity	
<b>Balance as at 1 January 2022</b>	397,478,497	(4,857,581)	(17,065,785)	282,206,128	657,761,259
Profit for the year	-	-	-	-	-
Other comprehensive income for the year	347,075,104	(197,063,928)	93,364,108	(43,458,109)	199,917,175
Total comprehensive income for the year	347,075,104	(197,063,928)	93,364,108	(43,458,109)	199,917,175
Amortisation on surplus on revaluation of assets	(21,253,643)	-	-	-	(21,253,643)
Diposal of other financial assets	-	(3,179,914)	-	-	(3,179,914)
<b>Balance as at 31 December 2022</b>	<b>723,299,958</b>	<b>(205,101,423)</b>	<b>76,298,323</b>	<b>238,748,019</b>	<b>833,244,877</b>
<b>Balance as at 1 January 2023</b>	723,299,958	(205,101,423)	76,298,323	238,748,019	833,244,877
Profit for the year	-	-	-	-	-
Other comprehensive income for the year	(43,529,754)	821,162,404	(60,941,763)	(135,607,721)	581,083,166
Total comprehensive income for the year	(43,529,754)	821,162,404	(60,941,763)	(135,607,721)	581,083,166
Amortisation on surplus on revaluation of assets	(25,800,439)	-	-	-	(25,800,439)
<b>Balance as at 31 December 2023</b>	<b>653,969,765</b>	<b>616,060,981</b>	<b>15,356,560</b>	<b>103,140,298</b>	<b>1,388,527,604</b>

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

Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2023

(Unit: Baht)

	Separate financial statements							
	Issued and paid-up share capital	Premium on ordinary shares	Share-based payment reserve	Surplus on the amalgamation	Retained earnings		Total other components of shareholders' equity	Total shareholders' equity
					Appropriated - statutory reserve	Unappropriated		
<b>Balance as at 1 January 2022</b>	1,431,630,705	14,463,099,736	8,181,559	483,694,988	143,478,000	21,675,295,805	294,833,387	38,500,214,180
Profit for the year	-	-	-	-	-	1,459,997,528	-	1,459,997,528
Other comprehensive income for the year	-	-	-	-	-	5,207,227	384,638,394	389,845,621
Total comprehensive income for the year	-	-	-	-	-	1,465,204,755	384,638,394	1,849,843,149
Amortisation on surplus on revaluation of assets	-	-	-	-	-	18,977,387	(18,977,387)	-
Share-based payment	-	-	2,858,441	-	-	-	-	2,858,441
Issuance of additional ordinary shares	959,250	27,952,545	-	-	-	-	-	28,911,795
Transfer share-based payment reserve to premium on ordinary shares	-	3,530,040	(11,040,000)	-	-	7,509,960	-	-
Dividend paid (Note 30)	-	-	-	-	-	(3,293,530,069)	-	(3,293,530,069)
<b>Balance as at 31 December 2022</b>	<b>1,432,589,955</b>	<b>14,494,582,321</b>	<b>-</b>	<b>483,694,988</b>	<b>143,478,000</b>	<b>19,873,457,838</b>	<b>660,494,394</b>	<b>37,088,297,496</b>
<b>Balance as at 1 January 2023</b>	<b>1,432,589,955</b>	<b>14,494,582,321</b>	<b>-</b>	<b>483,694,988</b>	<b>143,478,000</b>	<b>19,873,457,838</b>	<b>660,494,394</b>	<b>37,088,297,496</b>
Profit (loss) for the year	-	-	-	-	-	(45,300,204)	-	(45,300,204)
Other comprehensive income for the year	-	-	-	-	-	6,330,091	(104,471,517)	(98,141,426)
Total comprehensive income for the year	-	-	-	-	-	(38,970,113)	(104,471,517)	(143,441,630)
Amortisation on surplus on revaluation of assets	-	-	-	-	-	21,931,418	(21,931,418)	-
Dividend paid (Note 30)	-	-	-	-	-	(716,290,582)	-	(716,290,582)
<b>Balance as at 31 December 2023</b>	<b>1,432,589,955</b>	<b>14,494,582,321</b>	<b>-</b>	<b>483,694,988</b>	<b>143,478,000</b>	<b>19,140,128,561</b>	<b>534,091,459</b>	<b>36,228,565,284</b>

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

**Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity (continued)**

**For the year ended 31 December 2023**

Details of other components of shareholders' equity:

(Unit: Baht)

	<b>Separate financial statements</b>		
	Other components of shareholders' equity		
	Other comprehensive income		
	Surplus on		
	revaluation of assets	Cash flow hedge reserve	Total other components
	- net of income tax	- net of income tax	of shareholders' equity
<b>Balance as at 1 January 2022</b>	311,899,172	(17,065,785)	294,833,387
Profit for the year	-	-	-
Other comprehensive income for the year	291,274,286	93,364,108	384,638,394
Total comprehensive income for the year	291,274,286	93,364,108	384,638,394
Amortisation on surplus on revaluation of assets	(18,977,387)	-	(18,977,387)
<b>Balance as at 31 December 2022</b>	<b>584,196,071</b>	<b>76,298,323</b>	<b>660,494,394</b>
<b>Balance as at 1 January 2023</b>	584,196,071	76,298,323	660,494,394
Profit for the year	-	-	-
Other comprehensive income for the year	(43,529,754)	(60,941,763)	(104,471,517)
Total comprehensive income for the year	(43,529,754)	(60,941,763)	(104,471,517)
Amortisation on surplus on revaluation of assets	(21,931,418)	-	(21,931,418)
<b>Balance as at 31 December 2023</b>	<b>518,734,899</b>	<b>15,356,560</b>	<b>534,091,459</b>

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

**Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries**

**Cash flow statement**

**For the year ended 31 December 2023**

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Cash flows from operating activities</b>				
Profit (loss) before income tax	170,665,931	1,883,530,573	(83,083,018)	1,613,547,634
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities				
Unrealised loss on exchange rates	11,456,974	65,517,555	5,614,273	56,407,307
Unrealised (gain) loss on revaluation of derivative financial instruments	86,178,438	(162,435,844)	102,054,377	(177,514,227)
Loss on disposal of derivative financial instruments	-	1,682,521	-	-
Loss (gain) on conversion of derivative instruments to underlying equity instruments	(6,560,620)	83,848,169	-	-
Share-based payment expense	-	2,858,441	-	2,858,441
Expected credit losses	20,495,064	103,586,830	20,273,859	103,025,432
Reduction of inventory cost to net realisable value	96,207,889	156,187,926	77,554,010	52,576,273
Expenses for retirement benefit obligations	11,092,326	18,745,133	7,968,923	15,757,016
Depreciation	1,649,960,722	1,428,658,288	1,612,757,644	1,385,556,447
Amortisation on intangible assets	24,114,635	20,891,607	23,181,422	18,237,471
Impairment loss from assets revaluation	-	4,013,294	-	5,795,655
Impairment loss	182,016,955	-	199,555,939	-
Finance income	(361,022,900)	(160,847,413)	(66,627,748)	(69,021,006)
Finance cost	306,204,916	186,806,428	293,946,505	179,314,156
Dividend income	(13,898,330)	(4,741,865)	-	(23,999,640)
Loss (gain) on disposal and write-off for machinery and equipment, right-of-use assets and intangible assets	(3,791,924)	(1,092,689)	(3,597,413)	(949,779)
Profit from operating activities before changes in operating assets and liabilities	2,173,120,076	3,627,208,954	2,189,598,773	3,161,591,180
Operating assets (increase) decrease				
Trade and other receivables	(307,428,093)	575,548,414	(205,513,746)	1,627,967,897
Inventories	(304,252,533)	1,257,815,426	(613,125,776)	1,176,853,911
Other current assets	18,075,836	355,585,764	(1,580,269)	285,920,474
Other non-current assets	(1,305,389)	681,729	(5,300)	689,287
Operating liabilities increase (decrease)				
Trade and other payables	148,077,466	(834,753,084)	298,704,759	(715,640,147)
Other current liabilities	(4,135,045)	(48,750,871)	(2,595,194)	(46,700,355)
Provision for retirement benefit obligations	(3,800,200)	(1,386,333)	(2,627,533)	(1,069,000)
Cash flows provided by operating activities	1,718,352,118	4,931,949,999	1,662,855,714	5,489,613,247
Interest received	334,773,295	155,706,801	65,876,366	93,009,856
Interest paid	(343,330,138)	(257,577,791)	(331,076,777)	(250,085,925)
Withholding tax deducted at source refunded	91,034,488	29,597,911	-	6,054,938
Income tax paid	(117,236,879)	(774,661,220)	(74,709,001)	(665,897,749)
<b>Net cash flows provided by operating activities</b>	<b>1,683,592,884</b>	<b>4,085,015,700</b>	<b>1,322,946,302</b>	<b>4,672,694,367</b>

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



**Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries**

**Cash flow statement (continued)**

**For the year ended 31 December 2023**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Cash flows from investing activities</b>				
Increase in other current financial assets	(5,213,142,212)	-	-	-
Dividends received	13,855,504	4,183,563	-	23,999,640
Cash received from disposal of other financial assets	-	27,754,495	-	-
Cash paid for purchases of other financial assets	(2,894,963,232)	(693,287,175)	-	-
Cash received from disposal of derivative financial instruments	-	357,205	-	-
Cash paid for purchases of derivative financial instruments	-	(2,039,726)	-	-
Cash received from repayment of short-term loan to subsidiary	-	-	150,000,000	250,000,000
Cash paid for investments in subsidiaries	-	-	(4,337,324,445)	(2,943,592,360)
Cash paid for advance payment for fixed assets	-	(1,176,930)	-	(1,176,930)
Cash received from disposal of machinery and equipment	24,034,566	5,132,856	20,047,441	4,899,641
Cash paid for purchases of property, plant and equipment and intangible assets	<u>(1,075,651,842)</u>	<u>(7,074,650,322)</u>	<u>(1,262,968,578)</u>	<u>(7,624,642,181)</u>
<b>Net cash flows used in investing activities</b>	<u>(9,145,867,216)</u>	<u>(7,733,726,034)</u>	<u>(5,430,245,582)</u>	<u>(10,290,512,190)</u>
<b>Cash flows from financing activities</b>				
Cash received from short-term borrowings from financial institutions	-	171,726,000	-	-
Repayments of short-term borrowings from financial institutions	(106,678,463)	-	-	-
Repayments of long-term borrowings from financial institutions	(1,716,200,000)	(1,333,550,000)	(1,716,200,000)	(1,333,550,000)
Proceeds from issuance of debentures	-	1,500,000,000	-	1,500,000,000
Payment of principal portion of lease liabilities	(47,616,510)	(38,703,076)	(13,084,984)	(14,323,254)
Proceeds from increase in ordinary shares	-	28,911,795	-	28,911,795
Dividends paid	<u>(716,290,582)</u>	<u>(3,293,530,069)</u>	<u>(716,290,582)</u>	<u>(3,293,530,069)</u>
<b>Net cash flows used in financing activities</b>	<u>(2,586,785,555)</u>	<u>(2,965,145,350)</u>	<u>(2,445,575,566)</u>	<u>(3,112,491,528)</u>
<b>Decrease in translation adjustments</b>	<u>(71,498,921)</u>	<u>(41,571,568)</u>	<u>-</u>	<u>-</u>
<b>Net decrease in cash and cash equivalents</b>	<u>(10,120,558,808)</u>	<u>(6,655,427,252)</u>	<u>(6,552,874,846)</u>	<u>(8,730,309,351)</u>
Cash and cash equivalents at beginning of the year	<u>14,350,701,692</u>	<u>21,006,128,944</u>	<u>8,790,234,346</u>	<u>17,520,543,697</u>
<b>Cash and cash equivalents at end of the year</b>	<u>4,230,142,884</u>	<u>14,350,701,692</u>	<u>2,237,359,500</u>	<u>8,790,234,346</u>
	-	-	-	-
<b>Supplemental cash flows information</b>				
Non-cash transactions:				
Purchases of assets by entering into lease agreements	18,963,950	44,842,186	5,340,888	5,178,878
Increase in retention	90,983,663	96,707,894	-	70,528,995

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

**Sri Trang Gloves (Thailand) Public Company Limited and its subsidiaries**  
**Notes to consolidated financial statements**  
**For the year ended 31 December 2023**

**1. General information**

Sri Trang Gloves (Thailand) Public Company Limited (“the Company”) is a public company incorporated domiciled in Thailand. The parent company is Sri Trang Agro-Industry Public Company Limited (“parent company”), which is incorporated in Thailand. The Company is principally engaged in the manufacture and distribution of rubber gloves. The registered office of the Company is at 110 Kanjanavanit Road, Pahtong, Hat Yai, Songkhla, Thailand.

**2. Basis of preparation**

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

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

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

## 2.2 Basis of consolidation

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

Company's name	Nature of business	Country of incorporation	Paid-up capital		Shareholding percentage		
			Currency	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
						(%)	(%)
Premier System Engineering Co., Ltd.	Providing engineering services	Thailand	Baht	50,000,000	50,000,000	99.99	99.99
Sadao P.S. Rubber Co., Ltd.	Providing rental services of real estate	Thailand	Baht	40,000,000	40,000,000	99.99	99.99
Shidong Shanghai Medical Equipment Co., Ltd.	Distribution of gloves	China	USD	4,150,000	4,150,000	100.00	100.00
Sri Trang Gloves (Singapore) Pte. Ltd.	Distribution of gloves and research and development	Singapore	USD	1,000,000	1,000,000	100.00	100.00
Sri Trang Gloves Global Pte. Ltd.	Financial asset management and financial investment	Singapore	USD	305,000,000*	180,000,000*	100.00	100.00
PT Sri Trang Gloves Indo	Distribution of gloves	Indonesia	IDR	10,000,000,000	10,000,000,000	100.00	100.00
Sri Trang Gloves Vietnam Company Limited.	Distribution of gloves	Vietnam	VND	22,670,000,000	22,670,000,000	100.00	100.00
Sri Trang Gloves Philippines Inc.	Distribution of gloves	Philippines	PHP	10,470,100	10,470,100	99.99	99.99
Sri Trang USA, Inc.	Distribution of gloves	United states of America	USD	115	115	100.00	100.00
Sri Trang Responsible Gloves Supply Inc.	Distribution of gloves	United states of America	USD	500,000	500,000	100.00	100.00

\*Paid-up capital of STGG is comprised of 20,000,000 ordinary shares and 285,000,000 preferred shares (2022: 20,000,000 ordinary shares and 160,000,000 preferred shares) par value of USD 1 each.

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

2.3 The separate financial statements present investments in subsidiaries under the cost method net of allowance for impairment loss (if any).

### **3. New financial reporting standards**

#### **3.1 Financial reporting standards that became effective in the current year**

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

The adoption of these financial reporting standards does not have any significant impact on the Group’s financial statements.

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

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

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements except for the following standard, which involves changes to key principles, as summarised below.

### **TAS 12, Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction**

The amendment narrows the scope of the initial recognition exception, so that deferred tax related to assets and liabilities arising from a single transaction that give rise to equal taxable and deductible temporary differences such as leases and decommissioning obligations shall be recognised.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented.

The management of the Group is currently evaluating the impact of this standard on the financial statements in the year when it is adopted.

### **TAS 12, Income Taxes - International Tax Reform - Pillar Two Model Rules**

The amendment requires that entities shall neither recognise nor disclose information about deferred taxes related to Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). This mandatory temporary exemption applies immediately.

The amendment also includes disclosure requirements for affected entities to help users of financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date. These disclosure requirements apply for annual reporting periods beginning on or after 1 January 2024, but not for any interim periods ending on or before 31 December 2024.

The management of the Group is currently in the process of assessing the potential exposure to Pillar Two income taxes on the financial statements.

## **4. Significant accounting policies**

### **4.1 Revenue and expense recognition**

#### *Sales of goods*

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

### *Rendering of services*

Service revenue is recognised over time when services have been rendered taking into account the stage of completion, measuring based on information provided by the Group's engineers or project managers.

The recognised revenue which is not yet due per the contracts has been presented under caption of "Unbilled receivables" included in trade and other receivables in the statement of financial position. The amounts recognised as unbilled receivables are reclassified to other receivables when the Group's right to consideration is unconditional such as upon completion of services and acceptance by the customer.

The obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer is presented under the caption of "Advance received from customers" included in trade and other payables in the statement of financial position. Advance received from customers is recognised as revenue when the Group performs under the contract.

### *Dividends*

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

### *Finance income*

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the carrying amount of a financial asset net of allowance the expected credit loss (if any).

### *Finance cost*

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

## **4.2 Government Grants**

The Group recognises government grants when all attached conditions are met and there is reasonable assurance that the grants will be received. The Group recognises those government grants as income in profit or loss, included in other income.

## **4.3 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and cash at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

#### **4.4 Inventories**

Inventories are valued at the lower of cost or net realisable value. Cost is determined by weighted average method. 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 charges, less all attributable discounts, or rebates.

The cost of finished goods and work in process are measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads based on the normal operating capacity, but excluding borrowing costs. Raw materials, chemicals, spare parts and factory supplies are charged to production costs whenever consumed.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Allowance is made for obsolete, slow-moving and defective inventories.

#### **4.5 Investments in subsidiaries**

Investments in subsidiaries in the separate financial statements are stated at cost net of allowance for impairment loss (if any).

#### **4.6 Property, plant and equipment and depreciation**

Land and building are stated at revalued amount. Other assets are stated at cost less accumulated depreciation and allowance for loss on impairment of asset (if any).

Such subsequent cost may include the cost of replacing part of the buildings and equipment, only when it is probable that future economic benefits are expected from its use will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are recognised in profit or loss as incurred.

Land and buildings are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Group's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of "Surplus on revaluation of assets". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Group's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Surplus on revaluation of assets" in respect of the same asset.

The surplus is amortised to retained earnings on a straight-line basis over the remaining useful lives of the related assets and can neither be offset against deficit nor used for dividend payment.

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

Land improvements	3 - 50	years
Buildings and structures	5 - 50	years
Machinery and equipment	2 - 20	years
Furniture, fixtures and office equipment	3 - 10	years
Motor vehicles	2 - 5	years

Depreciation is included in profit or loss.

No depreciation is provided on land and assets under construction and installation.

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

The assets will be tested for impairment whenever there is an indication.

The residual values and useful lives of assets are reviewed at each reporting period, and adjusted if appropriate.



#### **4.7 Borrowing costs**

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

#### **4.8 Intangible assets - computer software**

Computer software is recognised at cost. Following the initial recognition, the computer software is carried at cost less accumulated amortisation and accumulated allowance for impairment loss (if any).

Computer software with finite useful lives of 3 - 10 years is amortised on the straight-line basis over the economic useful lives and tested for impairment whenever there is an indication that the computer software may be impaired. The amortisation period and the amortisation method of such computer software are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

No amortisation is provided on computer software under installation.

#### **4.9 Business combinations and goodwill**

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss on the initial recognition date.

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

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of group of cash-generating unit that is expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each group of cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss and will not be reversed in future periods.

### ***Business combinations under common control***

Business combinations under common control are accounted for using the similar to pooling of interests method, with the cost of the business combinations under common control being the fair value, at the date of exchange, of the consideration transferred to obtain control. The assets and liabilities of the entities pooled are recognised based on their book values, in proportion to the interests previously under common control.

Differences between the cost of the business combination under common control and the acquirer's proportionate interests in the book value of the pooled entities is presented as "Surplus (deficit) on business combination under common control" in shareholders' equity.

Costs relating to business combinations under common control are accounted for as expenses in the period in which the business combination occurred.

#### **4.10 Leases**

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

##### **The Group as a lessee**

The Group recognises right-of-use assets and lease liabilities for all leases. At the date the underlying asset is available for use (the commencement date of the lease). However, the Group recognises rental expenses on a straight-line basis over the lease term not more than 12 months or leases of low-value assets.

##### ***Right-of-use assets***

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

Depreciation of right-of-use assets is calculated by reference to their costs on the straight-line basis over the lease term or estimated useful lives of the asset, if ownership of the leased asset is transferred to the Group at the end of the lease term as follows.

Land and land improvement	2 - 3	years
Buildings and structures	3	years
Motor vehicles	3 - 5	years

### ***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term, which discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made and is remeasured if there is a change in the lease.

### **The Group as a lessor**

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

#### **4.11 Related party transactions**

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

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

#### **4.12 Foreign currencies**

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

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

Gain and loss on exchange are included in profit or loss.

#### **4.13 Impairment of non-financial assets**

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right of use assets and computer software whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss. However, in cases where land and building were previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, a reversal of that impairment loss is recognised in profit or loss but shall not exceed the impairment loss was previously recognised in profit or loss, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

#### **4.14 Employee benefits**

##### **Short-term employee benefits**

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

##### **Post-employment benefits**

###### ***Defined contribution plans***

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

###### ***Defined benefit plans***

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

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

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the entity recognises restructuring-related costs.

#### **4.15 Provisions**

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

#### **4.16 Share-based payments with equity-settled transactions**

The Company recognises share-based payment transactions on the date on which the options are granted, based on the fair value of the options. They are recorded to expenses over the expected lives of the vesting period, and a capital reserve for share-based payment transactions is presented in shareholders' equity.

Estimating the fair value of share-based payment transactions requires the exercise of judgement to make valuations, as well as appropriate assumptions regarding various matters, such as the expected life of the share options, share price volatility and dividend yield.

#### **4.17 Income tax**

Income tax represents the sum of corporate income tax and deferred tax.

##### **Current income tax**

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

##### **Deferred tax**

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

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

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

The Group reviews and reduces the carrying amount of deferred tax assets every year, or there are indicators that future taxable profits may not be sufficient to allow whole or partial utilisation of the deferred tax assets.

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

#### **4.18 Financial instruments**

##### **Classification and measurement of financial assets**

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

##### ***Financial assets at amortised cost***

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

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

##### ***Financial assets designated at FVOCI (equity instruments)***

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Moreover, equity instruments designated at FVOCI are not subject to impairment assessment.

### ***Financial assets at FVTPL***

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivative financial instruments and equity linked notes, which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Returns on the financial assets at FVTPL are recognised as other income in profit or loss.

### **Classification and measurement of financial liabilities**

The Group's financial liabilities are initially recognised at fair value net of transaction costs and classified as financial liabilities to be subsequently measured at amortised cost, except for derivative liabilities as described in Note 33.1 to the financial statements. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

### **Derecognition of financial instruments**

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

### **Impairment of financial assets**

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

For trade receivables, the Group applies a simplified approach in calculating ECLs. The Group recognises a loss based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

#### **4.19 Derivatives and hedge accounting**

The Group has entered into contracts of derivative financial instruments as follows.

- Forward foreign exchange contracts to hedge its foreign currency risks
- Interest rate swaps to hedge its interest rate risks
- Equity accumulators for investment activity

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss unless the derivative is designated and effective as a hedging instrument under cash flow hedge. Derivatives are carried as financial assets or financial liabilities by considering the fair value of the derivatives.

Derivatives are presented as non-current assets or liabilities and current assets or liabilities by considering the remaining maturity with more than or less than 12 months respectively.

##### ***Hedge accounting for cash flow hedges***

The Group prepares formal documentation on the date that hedge accounting is applied, and provides regular updates regarding the risk management objectives and strategies and the hedging relationships.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements, including analysis of the sources of hedge ineffectiveness and how the hedge ratio is determined.

The Group considers of the hedge effectiveness by comparing the critical terms between hedging instruments and hedged items. If the critical terms match, the hedging relationship is expected to be highly effective. The effective portion of the gain or loss from changes in fair value of hedge instruments is recognised as cash flow hedge reserve in other comprehensive income. The reserve will subsequently transfer to profit or loss. While any ineffective portion is recognised immediately in profit or loss.

#### **4.20 Fair value measurement**

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



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

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

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

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

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

## **5. Significant accounting judgements and estimates**

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

### **Property, plant and equipment**

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

The Group measures land and buildings at revalued amounts. Such amounts are determined by the independent valuer using the market approach for land and the replacement cost approach for buildings. The valuation involves certain assumptions and estimations.

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

### **Deferred tax assets**

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

## 6. Related party transactions

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Transactions with parent company</b>				
Sales of goods	12,924	10,152	802	198
Purchases of goods	4,683,611	4,892,117	4,683,611	4,892,117
Service income	314,077	267,646	-	-
Other income	27,251	8,438	22,622	3,372
Rental income	25	-	-	-
Service expenses	73,251	68,226	58,339	53,435
<b>Transactions with subsidiaries</b>				
Sales of goods	-	-	2,024,035	3,515,661
Purchases of goods	-	-	19,691	32,697
Dividend income	-	-	-	24,000
Other income	-	-	11,346	8,963
Commission expenses	-	-	2,558	2,141
Service expenses	-	-	294,119	314,482
Interest income	-	-	1,555	2,588
Purchases of fixed assets	-	-	355,170	1,904,400
<b>Transactions with related companies</b>				
Sales of goods	11,775	6,405	92	-
Purchases of goods	2,362,728	2,308,450	2,356,010	2,308,402
Service income	257,040	94,591	-	-
Other income	10,944	14,407	4,528	7,096
Rental income	360	360	360	360
Service expenses	259,727	247,141	240,055	228,486
Purchases of fixed assets	-	104,560	-	104,560

The pricing policies of the Group are as follows.

- 1) Sales/purchases of goods are made at market prices or reference to market prices.
- 2) Income/expenses of service, rental and commission are based on prices or conditions specified in contract.

- 3) Dividend income is made with announced payment rate.
- 4) Other income is based on contract prices or agreement prices.
- 5) Interest income is referred to rates of short-term loan from commercial bank.
- 6) Purchases of fixed assets are based on contract prices which reference to market prices.

### Outstanding balances arising from significant business transactions

As at 31 December 2023 and 2022, the balances of the accounts between the Group and those related parties were as follows.

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Trade accounts receivable</b>				
(Note 8)				
Parent company	10,688	35,236	36	84
Subsidiaries	-	-	480,251	665,310
Related companies	6,489	14,637	9	37
	<u>17,177</u>	<u>49,873</u>	<u>480,296</u>	<u>665,431</u>
<b>Other receivables (Note 8)</b>				
Parent company	11,132	37,104	2,126	3,170
Subsidiaries	-	-	4,698	3,289
Related companies	9,951	1,320	581	632
	<u>21,083</u>	<u>38,424</u>	<u>7,405</u>	<u>7,091</u>
<b>Trade accounts payables</b>				
(Note 17)				
Parent company	456,174	314,701	455,653	314,188
Subsidiaries	-	-	41,945	24,320
Related companies	107,339	55,310	106,041	54,142
	<u>563,513</u>	<u>370,011</u>	<u>603,639</u>	<u>392,650</u>
<b>Other payables (Note 17)</b>				
Parent company	146	77	6	5
Subsidiaries	-	-	10,598	56,289
Related companies	1,313	1,918	1,310	1,802
	<u>1,459</u>	<u>1,995</u>	<u>11,914</u>	<u>58,096</u>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Retention payables (Note 17)</b>				
Subsidiaries	-	-	15,487	20,140
<b>Advance receipt for goods and others (Note 17)</b>				
Parent company	5,061	30,205	-	-
Related companies	6,956	27,788	-	-
	<u>12,017</u>	<u>57,993</u>	<u>-</u>	<u>-</u>

#### Short-term loan to subsidiary

Movements in the balance of short-term loans to Premier System Engineering Co., Ltd. during the years ended 31 December 2023 and 2022 are as follows.

	(Unit: Thousand Baht)	
	Separate financial statements	
	<u>2023</u>	<u>2022</u>
Balance at beginning of year	150,000	400,000
Decrease	(150,000)	(250,000)
Balance at end of year	<u>-</u>	<u>150,000</u>
Interest rates per annum (%)	1.85	1.20 - 1.85
Collateral	Unsecured	Unsecured
Repayment term	August 2023	March 2023

## Directors and management's benefits

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	95,968	108,187	54,883	61,713
Post-employment benefits	4,407	2,927	2,544	1,447
Share-based payment benefits	-	1,643	-	1,643
Total	<u>100,375</u>	<u>112,757</u>	<u>57,427</u>	<u>64,803</u>

## Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its subsidiary, as described in Note 18.1 to the financial statements.

## 7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash	243	255	175	195
Bank deposits	4,229,900	14,350,447	2,237,185	8,790,039
Total	<u>4,230,143</u>	<u>14,350,702</u>	<u>2,237,360</u>	<u>8,790,234</u>
Interest rate (percent per annum)	0.01 - 6.70	0.05 - 8.50	0.50 - 2.35	0.05 - 0.60

## 8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Trade accounts receivable</b>				
<b>- related parties</b> (Note 6)				
Aged on the basis of due dates				
Not yet due	17,170	49,860	457,690	424,592
Past due				
Up to 30 days	7	13	17,979	88,463
31 - 60 days	-	-	2,730	112,682
61 - 90 days	-	-	1,897	39,694
Total trade accounts receivable				
- related parties	<u>17,177</u>	<u>49,873</u>	<u>480,296</u>	<u>665,431</u>
<b>Trade accounts receivable</b>				
<b>- unrelated parties</b>				
Aged on the basis of due dates				
Not yet due	1,729,012	1,519,903	1,502,757	1,294,859
Past due				
Up to 30 days	312,466	132,893	264,225	104,020
31 - 60 days	43,437	18,048	39,943	17,495
61 - 90 days	11,267	50,155	10,997	50,150
91 - 120 days	-	10,874	-	10,871
121 - 365 days	2,377	168,239	-	168,233
Over 365 days	<u>157,847</u>	<u>5,139</u>	<u>157,847</u>	<u>5,139</u>
Total	2,256,406	1,905,251	1,975,769	1,650,767
Less: Allowance for expected credit losses	<u>(131,299)</u>	<u>(110,804)</u>	<u>(128,804)</u>	<u>(108,530)</u>
Total trade accounts receivable - unrelated parties, net	<u>2,125,107</u>	<u>1,794,447</u>	<u>1,846,965</u>	<u>1,542,237</u>
Total trade accounts receivable - net	<u>2,142,284</u>	<u>1,844,320</u>	<u>2,327,261</u>	<u>2,207,668</u>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Other receivables</b>				
Other receivables - related parties (Note 6)	21,083	38,424	7,405	7,091
Other receivables - unrelated parties	187,119	105,655	129,802	67,877
Prepaid expenses and advance payments				
- unrelated parties	<u>39,628</u>	<u>97,844</u>	<u>12,457</u>	<u>17,666</u>
Total other receivables	<u>247,830</u>	<u>241,923</u>	<u>149,664</u>	<u>92,634</u>
Total trade and other receivables - net	<u><u>2,390,114</u></u>	<u><u>2,086,243</u></u>	<u><u>2,476,925</u></u>	<u><u>2,300,302</u></u>

The general credit term is approximate 60 days.

## 9. Inventories

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Reduction of cost to net realisable value		Inventories, net	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Finished goods	1,900,633	1,811,427	(139,227)	(133,198)	1,761,406	1,678,229
Work in process	706,886	457,583	(107,586)	(57,909)	599,300	399,674
Raw materials, packaging, and chemicals	879,960	548,443	(70,302)	(25,113)	809,658	523,330
Spare parts and supplies	<u>718,333</u>	<u>816,053</u>	<u>(48,511)</u>	<u>(53,198)</u>	<u>669,822</u>	<u>762,855</u>
Total	<u><u>4,205,812</u></u>	<u><u>3,633,506</u></u>	<u><u>(365,626)</u></u>	<u><u>(269,418)</u></u>	<u><u>3,840,186</u></u>	<u><u>3,364,088</u></u>

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduction of cost to net realisable value		Inventories, net	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Finished goods	1,124,629	733,589	(59,518)	(25,606)	1,065,111	707,983
Work in process	539,164	340,040	(107,586)	(57,909)	431,578	282,131
Raw materials, packaging and chemicals	604,037	483,499	(23,332)	(24,680)	580,705	458,819
Spare parts and supplies	717,584	815,160	(48,511)	(53,198)	669,073	761,962
<b>Total</b>	<b>2,985,414</b>	<b>2,372,288</b>	<b>(238,947)</b>	<b>(161,393)</b>	<b>2,746,467</b>	<b>2,210,895</b>

For the years ended 31 December 2023 and 2022, reduction of cost to net realisable value was summarised as follows.

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Recorded amount is included in cost of sales	96	156	78	53

#### 10. Other current assets

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Refundable value-added tax	264,540	286,677	214,191	217,022
Current tax assets	10,662	5,670	-	-
Input tax waiting for tax invoice or not yet due	12,213	8,152	11,070	6,659
<b>Total other current assets</b>	<b>287,415</b>	<b>300,499</b>	<b>225,261</b>	<b>223,681</b>



## 11. Other financial assets

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2023</u>	<u>2022</u>
<b>Financial assets at amortised cost</b>		
Fixed deposits due later than 3 months	5,213,142	-
<b>Equity instruments designated at fair value through other comprehensive income</b>		
Quoted equity instruments		
Overseas listed companies	1,415,561	572,153
Unquoted equity instruments		
Paragon Alpha VCC	3,270,671	451,715
Total other financial assets	<u>9,899,374</u>	<u>1,023,868</u>
Current	5,213,142	-
Non-current	4,686,232	1,023,868
	<u>9,899,374</u>	<u>1,023,868</u>

Movements in the balances of other financial assets during the years ended 31 December 2023 and 2022 are as follows.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2023</u>	<u>2022</u>
Net book value as at beginning of year	1,023,868	634,816
Increase from investing	8,114,666	609,439
Disposal	-	(27,754)
Unrealised gain (loss) on changes in fair value	819,560	(198,936)
Unrealised gain on exchange rate	1,602	1,872
Translation adjustment	(60,322)	4,431
Net book value as at end of year	<u>9,899,374</u>	<u>1,023,868</u>

As at 31 December 2023, an overseas subsidiary had fixed deposits due later than 3 months of Baht 5,213 million, which bore a fixed interest rate at 5 - 6 percent per annum. They will mature in January to May 2024.

During the current year, the Group received dividends in the equivalent amount of approximately Baht 14 million (2022: Baht 5 million) from overseas listed companies.

## 12. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements as at 31 December 2023 and 2022 are as follows:

Company's name	Cost		(Unit: Thousand Baht) Dividend received during the year	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	Shidong Shanghai Medical Equipment Co., Ltd.	163,073	163,073	-
Sri Trang USA, Inc.	267,415	267,415	-	-
Premier System Engineering Co., Ltd.	1,120,000	1,120,000	-	-
Sadao P.S. Rubber Co., Ltd.	147,000	147,000	-	24,000
Sri Trang Gloves (Singapore) Pte. Ltd.	32,820	32,820	-	-
Sri Trang Gloves Global Pte. Ltd.	10,533,448	6,196,124	-	-
PT Sri Trang Gloves Indo	24,000	24,000	-	-
Sri Trang Gloves Vietnam Co., Ltd.	33,500	33,500	-	-
Sri Trang Responsible Gloves Supply Inc.	17,655	17,655	-	-
Sri Trang Gloves Philippines Inc.	6,867	6,867	-	-
Total	12,345,778	8,008,454	-	24,000
Less: allowance for impairment	(17,539)	-		
Total investments in subsidiaries, net	<u>12,328,239</u>	<u>8,008,454</u>		

### 12.1 Sri Trang Gloves Global Pte. Ltd. (“STGG”)

On 9 May 2023, the meeting of the Company’s Board of Directors passed a resolution approving the increase in its investment in STGG amounting to USD 100 million in preferred shares. As a result of the increase in this investment, STGG has the registered share capital of USD 280 million, comprising of 20,000,000 ordinary shares and 260,000,000 preferred shares, with a par value of USD 1 per share.

The Company paid for the shares of USD 100 million, or approximately Baht 3,433 million and STGG already registered its share capital increase in May 2023.

Subsequently on 22 September 2023, the meeting of the Company's Board of Directors passed a resolution approving the increase in its investment in STGG amounting to USD 25 million in preferred shares. As a result of the increase in this investment, STGG has the registered share capital of USD 305 million, comprising of 20,000,000 ordinary shares and 285,000,000 preferred shares, with a par value of USD 1 per share.

The Company paid for the shares of USD 25 million, or approximately Baht 905 million and STGG already registered its share capital increase in October 2023.

## **12.2 Sri Trang Responsible Gloves Supply Inc. ("STRG")**

On 24 November 2023, the meeting of the Company's Board of Directors passed a resolution approving the dissolution of STRG due to recurring losses from the operation. The Company is in the process of dissolving and liquidating STRG. Therefore, the Company recognised the allowance for impairment of investment in STRG in the 2023 separate financial statements.

### 13. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						Total
	Revaluation basis		Cost basis				
	Land and land improvement	Building and structures	Machinery and equipment	Vehicles	Fixture and office equipment	Advance payments and assets under construction and installation	
<b>As at 1 January 2022</b>							
Cost / Revalued amount	2,067,440	2,698,850	12,556,879	483,977	232,955	10,938,159	28,978,260
Less: Accumulated depreciation	(206,789)	(467,181)	(7,439,004)	(286,119)	(193,969)	-	(8,593,062)
Less: Allowance for impairment	-	-	(15,530)	-	-	-	(15,530)
Net book value	<u>1,860,651</u>	<u>2,231,669</u>	<u>5,102,345</u>	<u>197,858</u>	<u>38,986</u>	<u>10,938,159</u>	<u>20,369,668</u>
<b>For the year ended 31 December 2022</b>							
Net book value at beginning of year	1,860,651	2,231,669	5,102,345	197,858	38,986	10,938,159	20,369,668
Additions	2,775	12,277	49,692	64,933	31,734	6,474,575	6,635,986
Transfers in (out)	235,998	692,375	2,599,102	115,982	19,108	(3,662,565)	-
Transfers from Right-of-use assets (Note14)	-	-	-	1,250	-	-	1,250
Additions of assets revaluation	319,749	121,788	-	-	-	-	441,537
Reductions of assets revaluation	(657)	(11,049)	-	-	-	-	(11,706)
Disposals and write-off, net	-	-	(3,937)	-	(200)	-	(4,137)
Depreciation for the year	(47,189)	(136,170)	(1,097,547)	(82,171)	(21,350)	-	(1,384,427)
Interest capitalised to assets	-	-	-	-	-	83,656	83,656
Translation adjustment, net	(73)	(706)	-	-	(289)	-	(1,068)
Net book value at end of year	<u>2,371,254</u>	<u>2,910,184</u>	<u>6,649,655</u>	<u>297,852</u>	<u>67,989</u>	<u>13,833,825</u>	<u>26,130,759</u>

(Unit: Thousand Baht)

	Consolidated financial statements						Total
	Revaluation basis		Cost basis				
	Land and land improvement	Building and structures	Machinery and equipment	Vehicles	Fixture and office equipment	Advance payments and assets under construction and installation	
<b>As at 31 December 2022</b>							
Cost / Revalued amount	2,455,728	3,080,545	15,094,216	656,215	263,143	13,833,825	35,383,672
Less: Accumulated depreciation	(84,474)	(170,361)	(8,429,031)	(358,363)	(195,154)	-	(9,237,383)
Less: Allowance for impairment	-	-	(15,530)	-	-	-	(15,530)
Net book value	<u>2,371,254</u>	<u>2,910,184</u>	<u>6,649,655</u>	<u>297,852</u>	<u>67,989</u>	<u>13,833,825</u>	<u>26,130,759</u>
<b>For the year ended 31 December 2023</b>							
Net book value at beginning of year	2,371,254	2,910,184	6,649,655	297,852	67,989	13,833,825	26,130,759
Additions	158	231	15,716	19,025	9,231	889,003	933,364
Transfers in (out)	284,573	1,353,505	2,295,237	28,070	60,735	(4,022,120)	-
Transfer to other types of assets	-	-	-	-	-	(268,162)	(268,162)
Disposals and write-off, net	(465)	(244)	(5,286)	(1,501)	(3,946)	(8,855)	(20,297)
Depreciation for the year	(65,286)	(177,101)	(1,241,071)	(95,036)	(28,335)	-	(1,606,829)
Loss on impairment	-	(63,666)	(172,763)	-	-	-	(236,429)
Interest capitalised to assets	-	-	-	-	-	39,203	39,203
Translation adjustment, net	9	68	-	-	(43)	-	34
Net book value at end of year	<u>2,590,243</u>	<u>4,022,977</u>	<u>7,541,488</u>	<u>248,410</u>	<u>105,631</u>	<u>10,462,894</u>	<u>24,971,643</u>

(Unit: Thousand Baht)

## Consolidated financial statements

	Revaluation basis		Cost basis				Total
	Land and land improvement	Building and structures	Machinery and equipment	Vehicles	Fixture and office equipment	Advance payments and assets under construction and installation	
<b>As at 31 December 2023</b>							
Cost / Revalued amount	2,740,000	4,432,688	17,244,561	669,692	322,406	10,462,894	35,872,241
Less: Accumulated depreciation	(149,757)	(346,045)	(9,514,780)	(421,282)	(216,775)	-	(10,648,639)
Less: Allowance for impairment	-	(63,666)	(188,293)	-	-	-	(251,959)
Net book value	<u>2,590,243</u>	<u>4,022,977</u>	<u>7,541,488</u>	<u>248,410</u>	<u>105,631</u>	<u>10,462,894</u>	<u>24,971,643</u>
<b>Depreciation for the year</b>						<u>2023</u>	<u>2022</u>
Included in manufacturing cost						1,347,535	1,212,224
Included in selling and administrative expenses						259,294	172,203
						<u>1,606,829</u>	<u>1,384,427</u>

(Unit: Thousand Baht)

	Separate financial statements						Total
	Revaluation basis		Cost basis				
	Land and land improvement	Building and structures	Machinery and equipment	Vehicles	Fixture and office equipment	Advance payments and assets under construction and installation	
<b>As at 1 January 2022</b>							
Cost / Revalued amount	1,782,027	2,581,647	12,491,515	464,446	181,764	10,606,762	28,108,161
Less: Accumulated depreciation	(203,684)	(435,982)	(7,375,104)	(267,381)	(155,719)	-	(8,437,870)
Less: Allowance for impairment	-	-	(15,530)	-	-	-	(15,530)
Net book value	<u>1,578,343</u>	<u>2,145,665</u>	<u>5,100,881</u>	<u>197,065</u>	<u>26,045</u>	<u>10,606,762</u>	<u>19,654,761</u>
<b>For the year ended 31 December 2022</b>							
Net book value at beginning of year	1,578,343	2,145,665	5,100,881	197,065	26,045	10,606,762	19,654,761
Additions	1,326	108	47,367	64,093	26,060	6,892,471	7,031,425
Transfers in (out)	233,712	694,406	2,598,551	115,982	19,050	(3,661,701)	-
Transfers from Right-of-use assets (Note14)	-	-	-	1,250	-	-	1,250
Additions of assets revaluation	272,948	95,126	-	-	-	-	368,074
Reductions of assets revaluation	(657)	(9,120)	-	-	-	-	(9,777)
Disposals and write-off, net	-	-	(3,937)	-	(13)	-	(3,950)
Depreciation for the year	(45,849)	(129,087)	(1,097,208)	(81,803)	(16,888)	-	(1,370,835)
Interest capitalised to assets	-	-	-	-	-	83,656	83,656
Net book value at end of year	<u>2,039,823</u>	<u>2,797,098</u>	<u>6,645,654</u>	<u>296,587</u>	<u>54,254</u>	<u>13,921,188</u>	<u>25,754,604</u>

(Unit: Thousand Baht)

	Separate financial statements						Total
	Revaluation basis		Cost basis				
	Land and land improvement	Building and structures	Machinery and equipment	Vehicles	Fixture and office equipment	Advance payments and assets under construction and installation	
<b>As at 31 December 2022</b>							
Cost / Revalued amount	2,122,963	2,963,700	15,026,001	637,473	208,619	13,921,188	34,879,944
Less: Accumulated depreciation	(83,140)	(166,602)	(8,364,817)	(340,886)	(154,365)	-	(9,109,810)
Less: Allowance for impairment	-	-	(15,530)	-	-	-	(15,530)
Net book value	<u>2,039,823</u>	<u>2,797,098</u>	<u>6,645,654</u>	<u>296,587</u>	<u>54,254</u>	<u>13,921,188</u>	<u>25,754,604</u>
<b>For the year ended 31 December 2023</b>							
Net book value at beginning of year	2,039,823	2,797,098	6,645,654	296,587	54,254	13,921,188	25,754,604
Additions	158	-	13,020	18,787	5,335	1,109,102	1,146,402
Transfers in (out)	284,572	1,353,505	2,290,593	28,069	60,682	(4,017,421)	-
Transfer to other types of assets	-	-	-	-	-	(225)	(225)
Disposals and write-off, net	(465)	(244)	(5,285)	(1,501)	(101)	(8,854)	(16,450)
Depreciation for the year	(62,937)	(168,378)	(1,248,550)	(94,611)	(24,120)	-	(1,598,596)
Interest capitalised to assets	-	-	-	-	-	39,203	39,203
Loss on impairment	-	(63,666)	(172,763)	-	-	-	(236,429)
Net book value at end of year	<u>2,261,151</u>	<u>3,918,315</u>	<u>7,522,669</u>	<u>247,331</u>	<u>96,050</u>	<u>11,042,993</u>	<u>25,088,509</u>



(Unit: Thousand Baht)

	Separate financial statements						
	Revaluation basis		Cost basis				
	Land and land improvement	Building and structures	Machinery and equipment	Vehicles	Fixture and office equipment	Advance payments and assets under construction and installation	Total
<b>As at 31 December 2023</b>							
Cost / Revalued amount	2,407,228	4,315,563	17,163,687	650,939	274,460	11,042,993	35,854,870
Less: Accumulated depreciation	(146,077)	(333,582)	(9,452,725)	(403,608)	(178,410)	-	(10,514,402)
Less: Allowance for impairment	-	(63,666)	(188,293)	-	-	-	(251,959)
Net book value	<u>2,261,151</u>	<u>3,918,315</u>	<u>7,522,669</u>	<u>247,331</u>	<u>96,050</u>	<u>11,042,993</u>	<u>25,088,509</u>
<b>Depreciation for the year</b>						<u>2023</u>	<u>2022</u>
Included in manufacturing cost						1,344,137	1,201,120
Included in selling and administrative expenses						254,459	169,715
						<u>1,598,596</u>	<u>1,370,835</u>

The Group arranges to have its land and building revalued by independent professional appraisers (who are approved by The Securities and Exchange Commission). Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value. The methods of the asset revaluation are as follows.

- Land and land improvements are revalued using the market approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as spaces, location, environment, and highest best use. The most significant input into this valuation approach is price per Rai and size of land.
- Buildings and structures are revalued the depreciated replacement cost approach. Replacement value is calculated from construction prices in the market to build the similar characteristics of properties in close proximity and adjusted for depreciation which calculated from utilised period and remaining expected useful lives. The most significant input into this valuation approach is construction price per square meter, utility spaces and useful lives of buildings.

Had the land, land improvement, building and structures been carried in the financial statements on a historical cost basis, their net book value as of 31 December 2023 and 2022 would have been as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Land and land improvements	2,261,744	1,933,584	2,261,151	1,654,973
Buildings and structures	3,917,002	2,852,360	3,918,315	2,460,990

As at 31 December 2023 and 2022, the Company's construction of new plants has been financed by loans from financial institutions. Borrowing costs are capitalised with details as follows.

	Consolidated and Separate	
	financial statements	
	<u>2023</u>	<u>2022</u>
Outstanding balance of new plants under construction (Million Baht)	11,043	13,921
Borrowing costs included in costs of plants (Million Baht)	39	84
Capitalisation weighted average rates (percent per annum)	3.13 - 5.27	2.36 - 3.97

As at 31 December 2023 and 2022, certain items of buildings and equipment had been fully depreciated but were still in use of which the amounts were as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
The gross carrying amount before				
deducting accumulated depreciation				
and allowance for impairment loss	6,725	5,812	6,610	5,694

In November 2023, the meeting of the Company's Board of Directors passed a resolution approving the recognition of the allowance for impairment of certain buildings and machinery with net book values as at 31 October 2023 amounting to Baht 236 million, which the Company planned to permanently stop using. The Company recognised impairment loss on assets amounting to Baht 182 million included in profit or loss, and decrease in surplus on revaluation of assets (net of income tax) amounting to Baht 44 million included in other comprehensive income.

## 14. Leases

### 14.1 Right-of-use assets

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

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	Land and land improvement	Building and structures	Motor vehicles	Total
As at 1 January 2022	6,606	41,122	29,911	77,639
Additions	85	35,709	9,048	44,842
Transfer to Property, plant and equipment (Note 13)	-	-	(1,250)	(1,250)
Written off	-	(1,813)	(432)	(2,245)
Depreciation for the year	(3,088)	(27,571)	(13,572)	(44,231)
Translation adjustment	-	(2,020)	-	(2,020)
As at 31 December 2022	3,603	45,427	23,705	72,735
Additions	1,119	13,623	4,221	18,963
Written off	-	(206)	(195)	(401)
Depreciation for the year	(3,446)	(27,239)	(12,446)	43,131
Translation adjustment	-	(1,203)	-	(1,203)
As at 31 December 2023	1,276	30,402	15,285	46,963

(Unit: Thousand Baht)

	Separate financial statements			
	Land and land improvement	Building and structures	Motor vehicles	Total
As at 1 January 2022	6,606	1,985	23,770	32,361
Additions	85	-	5,094	5,179
Transfer to Property, plant and equipment (Note 13)	-	-	(1,250)	(1,250)
Depreciation for the year	(3,088)	(786)	(10,848)	(14,722)
As at 31 December 2022	3,603	1,199	16,766	21,568
Additions	1,119	-	4,222	5,341
Depreciation for the year	(3,446)	(786)	(9,930)	(14,162)
As at 31 December 2023	1,276	413	11,058	12,747

**14.2 Lease liabilities**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Lease payments	44,572	76,215	12,324	20,161
Less: Deferred interest expenses	(1,523)	(3,149)	(430)	(523)
Total	43,049	73,066	11,894	19,638
Less: Portion due within one year	(25,026)	(39,443)	(6,979)	(11,628)
Lease liabilities - net of current portion	18,023	33,623	4,915	8,010

Movements of the lease liability account during the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Balance at beginning of year	73,066	71,037	19,638	28,782
Additions	18,964	44,842	5,341	5,179
Accretion of interest	(455)	(2,342)	-	-
Repayments	(47,617)	(38,703)	(13,085)	(14,323)
Translation	(909)	(1,768)	-	-
Balance at end of year	<u>43,049</u>	<u>73,066</u>	<u>11,894</u>	<u>19,638</u>

A maturity analysis of lease payments is disclosed in Note 33.2 to the financial statements under the liquidity risk.

#### 14.3 Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Depreciation expense of right-of-use assets	43,131	44,231	14,162	14,722
Interest expense on lease liabilities	2,076	2,453	487	541
Expense relating to leases of low-value assets	49,786	45,207	12,787	28,578

## 15. Intangible asset - Computer software

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
<b>As at 1 January 2022</b>		
Cost	247,749	221,132
Less: Accumulated amortisation	<u>(78,518)</u>	<u>(56,006)</u>
Net book value	<u><u>169,231</u></u>	<u><u>165,126</u></u>
<b>For the year ended 31 December 2022</b>		
Net book value at beginning of year	169,231	165,126
Additions	46,806	46,181
Amortisation	(20,892)	(18,237)
Translation adjustment	<u>(30)</u>	<u>-</u>
Net book value at end of year	<u><u>195,115</u></u>	<u><u>193,070</u></u>
<b>As at 31 December 2022</b>		
Cost	265,944	238,765
Less: Accumulated amortisation	<u>(70,828)</u>	<u>(45,696)</u>
Net book value	<u><u>195,115</u></u>	<u><u>193,070</u></u>
<b>For the year ended 31 December 2023</b>		
Net book value at beginning of year	195,115	193,070
Additions	4,366	4,389
Amortisation	(24,115)	(23,181)
Transfer from other assets	225	109
Translation adjustment	<u>(21)</u>	<u>-</u>
Net book value at end of year	<u><u>175,570</u></u>	<u><u>174,387</u></u>
<b>As at 31 December 2023</b>		
Cost	261,706	243,264
Less: Accumulated amortisation	<u>(86,136)</u>	<u>(68,877)</u>
Net book value	<u><u>175,570</u></u>	<u><u>174,387</u></u>

## 16. Goodwill

For the propose of annual impairment testing for goodwill, the Group determines the recoverable amount of the cash generating units based on value in use, with the cash flow projections derived from financial budgets approved by management. The projections cover a five-year period. The cash flow projections after the fifth-year period are extrapolated using the estimated growth rates stated below. The terminal growth rate does not exceed the long-term average growth rate for the business in which the cash generating units operate.

Key assumptions used in the value in use calculation of the cash generating units are summarised below:

Terminal growth rate at the year-end that the projection was prepared.	0.00% per annum
Pre-tax discount rate	14.14% per annum

The management determines the forecasted operations and future cash flow projections based on factors including historical operating results, expected market growth and economic growth. The discount rate is a pre-tax rate that reflects the risks specific to cash generating unit.

The management determines that goodwill is not impaired.

## 17. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade accounts payable				
- related parties (Note 6)	563,513	370,011	603,639	392,650
Trade accounts payable				
- unrelated parties	705,538	663,738	665,355	605,228
Other payables - related parties (Note 6)	1,459	1,995	11,914	58,096
Other payables - unrelated parties	571,588	694,162	455,378	464,354
Retention payables				
- related parties (Note 6)	-	-	15,487	20,140
Retention payables - unrelated parties	189,758	283,923	123,547	197,750
Advance receipt for goods and others				
- related parties (Note 6)	12,017	57,993	-	-
Advance receipt for goods and others				
- unrelated parties	371,687	331,401	354,228	308,713
Total trade and other payables	<u>2,415,560</u>	<u>2,403,223</u>	<u>2,229,548</u>	<u>2,046,931</u>

## 18. Borrowings

### 18.1 Short-term borrowings from financial institutions

Movements in account of the short-term borrowing from financial institutions for the years ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2023</u>	<u>2022</u>
Balance at beginning of year	172,812	-
Increase (Decrease), net	(106,678)	171,726
Translation adjustment	1,005	1,086
Balance at end of year	<u>67,139</u>	<u>172,812</u>

Sri Trang USA, Inc., a subsidiary, has credit facilities with an overseas financial institution which are guaranteed by the Company as follows:

	Consolidated financial statements			
	31 December 2023		31 December 2022	
	Million US Dollar	(Equivalent) Million Baht	Million US Dollar	(Equivalent) Million Baht
Credit facilities	10	342	10	346
Balances of short-term borrowings	1	43	5	173



## 18.2 Long-term loans from financial institutions

As at 31 December 2023 and 2022, the Company had entered into long-term borrowing agreements with commercial banks with details as follows.

(Unit: Thousand Baht)

No.	Credit facility	Borrowing periods	Interest rate (%) per annum	Principal and interest are repayable quarterly from	Consolidated and Separate financial statements	
					2023	2022
1	Baht 950 million granted in 2018	7 years 6 months	MLR less fixed rate	September 2018	350,000	518,000
2	Baht 700 million granted in 2018	4 years 6 months	MLR less fixed rate	June 2019	-	115,000
3	Baht 1,623 million granted in 2019	7 years	THOR (2022: 6M THBFIX) plus fixed rate*	December 2019	518,000**	883,000**
4	Baht 1,445 million granted in 2019	7 years 9 months	MLR less fixed rate	March 2020	605,000	905,000
5	Baht 1,000 million granted in 2020	6 years	THOR (2022: 6M THBFIX) plus fixed rate*	March 2022	750,000	900,000
6	Baht 2,000 million granted in 2020	6 years 1 month	MLR less fixed rate	June 2021	1,425,000	1,725,000
7	Baht 1,500 million granted in 2021	6 years 2 months	MLR less fixed rate	March 2022	1,080,000	1,320,000

(Unit: Thousand Baht)

No.	Credit facility	Borrowing periods	Interest rate (%) per annum	Principal and interest are repayable quarterly from	Consolidated and Separate financial statements	
					<u>2023</u>	<u>2022</u>
8	Baht 782 million granted in 2021	6 years	MLR less fixed rate	December 2022	684,250	762,450
Total					5,412,250	7,128,450
Less: Deferred financial service fees					(268)	(753)
Long-term borrowings - net					5,411,982	7,127,697
Less: Current portion of long-term borrowings					(1,884,604)	(1,715,715)
Long-term borrowings - net from current portion					<u>3,527,378</u>	<u>5,411,982</u>

\* During the current year, the Company amended its long-term borrowing agreements and related interest rate swap agreements, in which the interest rate benchmark was changed from 6M THBFIX to THOR becoming effective from March and December 2023 onwards. As a result, the Company can continue to apply the hedge accounting.

\*\* The Company manages interest rate risk of the partial credit facilities by entering into interest rate swap contracts with fixed rate per annum.

In addition, the long-term borrowing agreements of the Company contain certain covenants that, among other things, require the Company to maintain financial ratios.

Movements of Long-term loans from financial institutions during the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	<u>2023</u>	<u>2022</u>
Balance at beginning of year	7,127,697	8,460,556
Repayments	(1,716,200)	(1,333,550)
Amortisation of finance fee	485	691
Balance at end of year	<u>5,411,982</u>	<u>7,127,697</u>

### 18.3 Debentures

As at 28 September 2022, The Company issues senior unsecured green debentures, interest is payable semi-annually starting from 28 March 2023. Details of the debentures are summarised below:

							(Unit: Thousand Baht)	
Debenture	Term (years)	Maturity date	Quantity (Thousand Units)	Par value (Baht per unit)	Fixed interest rate (Percent per annum)	Final interest payment due	Consolidated and Separate financial statements	
							2023	2022
STGT259A	3	28 September 2025	550	1,000	2.97	28 September 2025	550,000	550,000
STGT299A	7	28 September 2029	400	1,000	3.91	28 September 2029	400,000	400,000
STGT329A	10	28 September 2032	550	1,000	4.25	28 September 2032	550,000	550,000
Total							1,500,000	1,500,000
<u>Add</u> accrued interest expenses							14,407	14,407
<u>Less</u> deferred expenses of issuing debentures							(1,737)	(2,188)
Debentures - net							1,512,670	1,512,219
<u>Less</u> current portion							(13,952)	(13,953)
Debentures, net of current portion							<u>1,498,717</u>	<u>1,498,265</u>
Fair value							1,545,854	1,572,300

The debenture agreements contain covenants and restrictions on the Company, pertaining to matters such as the maintenance of a certain debt to equity ratio.

Movements of debentures during the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	<u>2023</u>	<u>2022</u>
Balance at beginning of year	1,512,219	-
Issuance	-	1,500,000
Increase in accrued interest expenses	-	14,407
Increase in deferred expenses of issuing debentures	-	(2,306)
Amortisation of deferred expenses of issuing debentures	451	118
Balance at end of year	<u>1,512,670</u>	<u>1,512,219</u>

#### 19. Provision for retirement benefit obligations

Movements of provision for retirement benefit obligations, which represent compensation payable to employees after they retire, during the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Balance at beginning of year	176,412	168,275	140,339	132,160
Included in profit or loss:				
Current service cost	14,995	15,077	12,846	12,845
Interest cost	4,940	3,668	3,966	2,912
Past service cost	(8,843)	-	(8,843)	-
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	-	(2,633)	-	(2,109)
Financial assumptions changes	(18,386)	(14,993)	(14,535)	(12,285)
Experience adjustments	7,406	8,404	6,623	7,885
Benefits paid during the year	<u>(3,800)</u>	<u>(1,386)</u>	<u>(2,628)</u>	<u>(1,069)</u>
Balance at end of year	<u>172,725</u>	<u>176,412</u>	<u>137,768</u>	<u>140,339</u>

The Group expects to pay Baht 3 million (2022: Baht 2 million) of long-term employee benefits during the next year.

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit was 15 years (2022: 16 years).

Significant actuarial assumptions are summarised below:

(Unit: percent per annum)

	Consolidated and Separate financial statements	
	<u>2023</u>	<u>2022</u>
Discount rate	3.1	3.1
Future salary increase rate	3.0	3.0 - 4.0
Turnover rate	0.0 - 35.0	0.0 - 35.0

The result of sensitivity analysis for significant assumptions that affect the present value of the provision for retirement benefit obligations as at 31 December 2023 and 2022 are summarised below:

(Unit: Thousand Baht)

	As at 31 December 2023			
	Consolidated financial statements		Separate financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(17,288)	20,066	(14,111)	16,429
Future salary increase rate	19,883	(17,457)	16,281	(14,251)
	<u>Increase 20%</u>	<u>Decrease 20%</u>	<u>Increase 20%</u>	<u>Decrease 20%</u>
Turnover rate	(10,073)	11,885	(8,634)	10,243

  

	As at 31 December 2022			
	Consolidated financial statements		Separate financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(19,171)	22,409	(15,560)	18,240
Future salary increase rate	22,008	(19,205)	17,921	(15,593)
	<u>Increase 20%</u>	<u>Decrease 20%</u>	<u>Increase 20%</u>	<u>Decrease 20%</u>
Turnover rate	(11,355)	13,339	(9,663)	11,414

## 20. Share capital

	Consolidated and Separate financial statements				
	Par value per share (Baht)	Number of shares		Share capital	
		Registered	Issued and fully paid	Registered	Issued and fully paid
		(Million Shares)		(Million Baht)	
<b>Share capital as at 1 January 2022</b>	0.5	2,869.56	2,863.26	1,434.78	1,431.63
Increase from receipt for additional shares	0.5	-	1.92	-	0.96
<b>Share capital as at 31 December 2022</b>	0.5	2,869.56	2,865.18	1,434.78	1,432.59
<b>Share capital as at 31 December 2023</b>	0.5	2,869.56	2,865.18	1,434.78	1,432.59

### Share repurchase program

On 17 February 2022, the meeting of the Company's Board of Directors passed a resolution approving the share repurchase program for financial management purpose in the maximum amount not exceeding Baht 3,600 million and the number of the shares to be repurchased not exceeding 120,000,000 shares (par value of Baht 0.5 each) or equivalent to 4.2 percent of the total issued shares. The repurchase period covers the duration of 6 months, starting from 7 March 2022 to 6 September 2022. In this regard, the Company intends to repurchase the shares on the Stock Exchange of Thailand only. The share resales period will be determined after 6 months from the completion date not later than 3 years.

The share repurchase program for financial management purpose ended on 6 September 2022. The Company did not repurchase any shares from the program.

### Offering of newly issued ordinary shares of the Company to the directors executives and/or employees of the Group ("STGT ESOP")

On 24 June 2022, the meeting of the Company's Board of Directors passed a resolution approving an offer of newly issued ordinary shares under the STGT ESOP for the third allocation of 6,000,000 of new shares with a par value of Baht 0.50 each, at an offering price of Baht 15.07 per share, which is equivalent to 90 percent of the market price.

Subsequently, on 5 July 2022, there were 1,918,500 exercised rights to acquire. The Company received full payment of the additional capital and then registered the increase of its issued and paid-up share capital from Baht 1,431,630,705 (2,863,261,410 ordinary shares with a par value of Baht 0.5 each) to Baht 1,432,589,955 (2,865,179,910 ordinary shares with a par value of Baht 0.5 each) with the Ministry of Commerce in July 2022. In addition, the STGT ESOP expired for offering of the newly issued ordinary shares.

As a result of the above matters, the Company recorded premium on ordinary shares amounting to Baht 27,952,545 and transferred share-based payment reserve for the third allocation amounting to Baht 3,530,040 to premium on ordinary shares, resulting in a total premium on ordinary shares amounting to Baht 14,494,582,321 after this offering of newly issued ordinary shares.

## 21. Share-based payments

Options to purchase newly-issued ordinary shares of the Company offered to the directors executives and/or employees of the Group (“STGT ESOP”)

<b>Type of securities</b>	Newly-issued ordinary shares of the Company to be offered to the directors, executives, and/or employees of the Company and the Company’s subsidiaries									
<b>Term</b>	Two years from the date on which the ordinary shares of the Company are listed on the SET									
<b>Number of newly-issued ordinary shares to be issued and offered</b>	Not more than 20,000,000 shares with a par value of Baht 0.5 per share									
<b>Offering price per share</b>	<p>At the date of the IPO: 90 percent of the IPO price</p> <p>The first to second year after the IPO: 90 percent of the market price *</p> <p>* As specified under the notification of the Office of the Securities and Exchange Commission regarding the calculation of offer price of securities and determination of market price for consideration of offer for sale of newly-issued shares with discount</p>									
<b>Offering period</b>	<p>The Company will offer the newly-issued ordinary shares through the STGT ESOP’s scheme as detailed below:</p> <table border="0"> <tr> <td>The first allocation</td> <td>The date of the IPO:</td> <td>Not more than 40 percent or 8,000,000 shares</td> </tr> <tr> <td>The second allocation</td> <td>The first year after the IPO:</td> <td>Not more than 30 percent, or 6,000,000 shares</td> </tr> <tr> <td>The third allocation</td> <td>The second year after the IPO:</td> <td>Not more than 30 percent, or 6,000,000 shares</td> </tr> </table>	The first allocation	The date of the IPO:	Not more than 40 percent or 8,000,000 shares	The second allocation	The first year after the IPO:	Not more than 30 percent, or 6,000,000 shares	The third allocation	The second year after the IPO:	Not more than 30 percent, or 6,000,000 shares
The first allocation	The date of the IPO:	Not more than 40 percent or 8,000,000 shares								
The second allocation	The first year after the IPO:	Not more than 30 percent, or 6,000,000 shares								
The third allocation	The second year after the IPO:	Not more than 30 percent, or 6,000,000 shares								



<b>Conditions of the allocation</b>	<p>At the record date</p> <ul style="list-style-type: none"> <li>• Being a director, executive, and/or employee of the Company and the subsidiaries no less than 3 months</li> <li>• Not being under a probationary period</li> </ul> <p>At the offering date</p> <ul style="list-style-type: none"> <li>• Remaining a director, executive, and/or employee of the Company and the subsidiaries</li> </ul>
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For the year ended 31 December 2023, there were no share-based payment expenses which the Company needed to recognise (2022: Baht 2.9 million).

Details of option movements are as follows:

	Number of option units	
	<u>2023</u>	<u>2022</u>
Outstanding as at beginning of year	-	6,000,000
Exercised during the year	-	(1,918,500)
Expired during the year	-	(4,081,500)
Outstanding as at ending of year	-	-

## 22. Statutory reserve

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

## 23. Other income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Compensation income received under the credit support program for rubber producers by the Rubber Authority of Thailand	76,753	91,980	76,753	91,980
Revenue from export incentive	20,700	25,774	20,700	25,774
Revenue from scrap sales	19,139	23,288	19,138	23,288
Rental income	13,709	11,238	11,300	8,889
Income from insurance claim net of damaged business assets and interruption	2,122	5,388	2,122	5,388
Others	81,949	46,904	77,037	49,585
Total other income	<u>214,372</u>	<u>204,572</u>	<u>207,050</u>	<u>204,904</u>

## 24. Other loss

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Loss on derivative financial instruments	(37,005)	(258,335)	(59,441)	(142,013)
Gain on disposals and write-off for machinery, equipment, right of use and intangible asset	3,792	1,093	3,597	950
Total other loss, net	<u>(33,213)</u>	<u>(257,242)</u>	<u>(55,844)</u>	<u>(141,063)</u>

## 25. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Changes in inventories of finished goods and work in progress	(338,509)	1,048,487	(590,164)	938,886
Raw materials and consumables used	9,739,680	12,221,708	9,210,438	9,693,722
Reduction of inventory cost to net realisable value	96,208	156,188	77,554	52,576
Salaries and wages and other employee benefits	2,320,396	2,535,049	1,710,656	1,888,975
Depreciation	1,649,961	1,428,658	1,612,758	1,385,556
Amortisation of intangible assets	24,115	20,892	23,181	18,237
Loss on impairment of fixed assets	182,017	-	182,017	-
Loss on Impairment of investment in subsidiary	-	-	17,539	-

## 26. Income tax

Income tax for the years ended 31 December 2023 and 2022 is made up as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Current income tax:</b>				
Current income tax charge	31,163	173,294	16,585	150,607
Adjustment in respect of corporate income tax of previous year	(450)	374	(450)	(25)
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(12,736)	57,811	(53,918)	2,968
<b>Income tax reported in the profit or loss</b>	<u>17,977</u>	<u>231,479</u>	<u>(37,783)</u>	<u>153,550</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax relating to				
Gain (loss) on revaluation of assets	(10,882)	86,769	(10,882)	72,818
Gain on actuarial gain	2,196	1,844	1,583	1,302
Gain (loss) on cash flow hedges	(5,221)	11,022	(5,221)	11,022
	<u>(13,907)</u>	<u>99,635</u>	<u>(14,521)</u>	<u>85,142</u>

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Accounting profit (loss) before tax	170,666	1,883,531	(83,083)	1,613,548
Applicable tax rate	17 - 25%	17 - 25%	20%	20%
Accounting profit (loss) before tax multiplied by income tax rate	39,642	396,046	(16,617)	322,710
Adjustment in respect of income tax of previous year	(180)	374	(450)	(25)
Unused tax losses and deductible temporary difference were not recognised during the year	2,447	-	-	-
Write-off deferred tax assets	65,618	-	-	-
Effects of:				
Promotional privileges (Note 27)	(463)	(169,534)	-	(169,534)
Exempted income	(526)	-	(526)	(4,800)
Non-deductible expenses	25,282	10,807	25,169	10,338
Additional expense deductions allowed	(51,929)	(5,267)	(51,686)	(5,173)
Corporate income tax exemption (a)	(53,099)	5,739	-	-
Others	(8,815)	(6,686)	6,327	34
Total	<u>(89,550)</u>	<u>(164,941)</u>	<u>(20,716)</u>	<u>(169,135)</u>
Income tax reported in the profit or loss	<u>17,977</u>	<u>231,479</u>	<u>(37,783)</u>	<u>153,550</u>

## Additional information

- (a) STGG is awarded the lifetime of Enhanced-Tier Fund Tax Incentive Scheme under section 13U from The Monetary Authority of Singapore (MAS). Under this scheme, upon specified terms and conditions, specific income derived by designated investments is exempted from corporate income tax in Singapore. Withholding tax on interest and dividend under the scheme paid by STGG is also exempted. In addition, the Fund can obtain a remission of Goods and Services Tax (“GST”) incurred on expenses.

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Deferred tax assets</b>				
Loss from changes in fair value of derivative financial instruments	43	225	43	225
Allowance for diminution in value of inventories	83,211	213,205	11,720	8,706
Cumulative loss from assets revaluation and allowance for asset impairment	5,587	5,351	4,520	4,640
Provision for retirement benefit obligations	34,546	35,282	27,554	28,068
Unused tax losses	188,819	77,306	-	-
Allowance for investment in subsidiary	-	-	3,508	-
Intercompany profit in inventories	-	4,579	-	-
Intercompany profit in fixed assets	69,422	69,291	-	-
Others	45,239	28,234	40,264	8,425
<b>Total</b>	<b>426,867</b>	<b>433,473</b>	<b>87,609</b>	<b>50,064</b>
<b>Deferred tax liabilities</b>				
Assets revaluation surplus	163,492	201,491	129,684	166,715
Gain from changes in fair value on derivative financial instruments	6,193	19,768	6,193	19,768
Fair value adjustments from business acquisition	46,406	26,596	22,726	2,916
Others	1,210	318	53	151
<b>Total</b>	<b>217,301</b>	<b>248,173</b>	<b>158,656</b>	<b>189,550</b>
<b>Deferred tax assets (liabilities) presented in the statements of financial position:</b>				
Deferred tax assets	320,162	374,509	-	-
Deferred tax liabilities	(110,596)	(189,209)	(71,047)	(139,486)
	<u>209,566</u>	<u>185,300</u>	<u>(71,047)</u>	<u>(139,486)</u>

The movements in deferred tax assets and liabilities for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Balance at beginning of year	185,300	345,487	(139,486)	(51,376)
Deferred tax recognised in				
profit or loss	12,736	(57,811)	53,918	(2,968)
other comprehensive income	13,907	(99,635)	14,521	(85,142)
Translation adjustment	<u>(2,377)</u>	<u>(2,741)</u>	<u>-</u>	<u>-</u>
Balance at end of year	<u>209,566</u>	<u>185,300</u>	<u>(71,047)</u>	<u>(139,486)</u>

The Group has the unused tax losses amounting to Baht 270 million (2022: Nil) which have no expiration.

## 27. Promotional privileges

The Company is granted certain privileges on its manufactures of rubber gloves pursuant to the Investment Promotion Act B.E. 2520, subjected to certain imposed conditions, the privileges included among the others as follows:

- a) Exemption from payment of import duty on imported machinery and equipment as approved by BOI committee
- b) Exemption from payment of income tax for the periods of 5 - 8 years starting from the commencement date of the promoted business, and 50 percent reduced from the normal income tax rate for the next 3 to 5 years after the period of exemption from payment of income tax is expired

As a promoted industry, the Company must comply with certain conditions and restrictions provided for in the promotional certificates.

The Group's operating revenues for the years ended 31 December 2023 and 2022, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Promoted operations		Non-promoted operations		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Sales and service income						
Domestic sales and service income	920,629	997,666	2,249,692	3,612,542	3,170,321	4,610,208
Export sales	11,114,030	12,001,456	8,111,899	12,387,736	19,225,929	24,389,192
Total sales	<u>12,034,659</u>	<u>12,999,122</u>	<u>10,361,591</u>	<u>16,000,278</u>	22,396,250	28,999,400
Inter-company elimination					(2,731,075)	(5,694,580)
Total					<u>19,665,175</u>	<u>23,304,820</u>

(Unit: Thousand Baht)

	Separate financial statements					
	Promoted operations		Non-promoted operations		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Sales and service income						
Domestic sales and service income	920,629	997,666	911,521	1,039,815	1,832,150	2,037,481
Export sales	11,114,030	12,001,456	5,361,610	7,501,964	16,475,640	19,503,420
Total sales	<u>12,034,659</u>	<u>12,999,122</u>	<u>6,273,131</u>	<u>8,541,779</u>	<u>18,307,790</u>	<u>21,540,901</u>

## 28. Earnings per share

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

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that dilutive potential ordinary shares shall be deemed to have been converted into ordinary shares at the date of the issue of the options to purchase newly issued ordinary shares without considering the exercise date.

The following tables set forth the computation of basic and diluted earnings per share:

Consolidated financial statements						
For the year ended 31 December						
		Weighted average		Earnings per share		
Profit for the year (Thousand Baht)		number of ordinary shares (Thousand Shares)		(Baht per Share)		
<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company						
152,689	1,652,052	2,865,180	2,864,208	0.05	0.58	
<b>Effect of dilutive potential ordinary shares</b>						
The options of newly issued ordinary shares under the STGT ESOP						
-	-	-	304			
<b>Diluted earnings per share</b>						
Profit attributable to equity holders of the Company assuming the conversion of the options to ordinary shares						
<u>152,689</u>	<u>1,652,052</u>	<u>2,865,180</u>	<u>2,864,512</u>	0.05	0.58	
Separate financial statements						
For the year ended 31 December						
		Weighted average		Earnings per share		
Profit (loss) for the year (Thousand Baht)		number of ordinary shares (Thousand Shares)		(Baht per Share)		
<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
<b>Basic earnings per share</b>						
Profit (loss) attributable to equity holders of the Company						
(45,300)	1,459,998	2,865,180	2,864,208	(0.02)	0.51	
<b>Effect of dilutive potential ordinary shares</b>						
The options of newly issued ordinary shares under the STGT ESOP						
-	-	-	304			
<b>Diluted earnings per share</b>						
Profit (loss) attributable to equity holders of the Company assuming the conversion of the options to ordinary shares						
<u>(45,300)</u>	<u>1,459,998</u>	<u>2,865,180</u>	<u>2,864,512</u>	(0.02)	0.51	



## 29. Segment information

The chief operating decision-maker has been identified as the Chief Executive Officer. The Chief Executive Officer reviews the Group's internal reporting regularly in order to assess performance and allocate resources. The Chief Executive Officer measures the business based on a measure of segment profit, which is derived on a basis consistent with the measurement of profit for the year in the consolidated financial statements.

Operating segments are defined as components of the Group for which separate financial statements available on a company basis are evaluated regularly by the chief operating decision-maker.

There are two reportable segments as follows:

- 1) Gloves: this segment also includes the manufacture and sale of powdered, powder-free, and nitrile latex gloves.
- 2) Other businesses
  - Engineering business: This is engaged in the engineering services including research and development of machinery and production processes, and also providing information system services.
  - Financial asset management and financial investment

The Group's financial information by segments for the years ended 31 December 2023 and 2022

(Unit: Million Baht)

	Gloves		Others		Elimination		Consolidated financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Revenues</b>								
Revenues from external customers	19,034	22,896	631	409	-	-	19,665	23,305
Inter-segment revenues	-	-	707	2,164	(707)	(2,164)	-	-
<b>Total revenues</b>	<u>19,034</u>	<u>22,896</u>	<u>1,338</u>	<u>2,573</u>	<u>(707)</u>	<u>(2,164)</u>	<u>19,665</u>	<u>23,305</u>
<b>Other income and expenses</b>								
Depreciation and amortisation	(1,666)	(1,434)	(22)	(22)	13	6	(1,675)	(1,450)
Finance income	71	73	292	91	(2)	(3)	361	161
Finance cost	(306)	(187)	(2)	(3)	2	3	(306)	(187)
<b>Segment profit</b>								
Profit before income tax	(178)	1,993	349	61	-	(171)	171	1,883
Income tax	(13)	(241)	(5)	(19)	-	29	(18)	(231)
<b>Profit (loss) for the year</b>	<u>(191)</u>	<u>1,752</u>	<u>344</u>	<u>42</u>	<u>-</u>	<u>(142)</u>	<u>153</u>	<u>1,652</u>
<b>Total assets</b>	<u>46,105</u>	<u>48,965</u>	<u>14,152</u>	<u>9,175</u>	<u>(13,675)</u>	<u>(9,611)</u>	<u>46,582</u>	<u>48,529</u>

## Geographic information

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

	(Unit: Million Baht)	
	For the year ended 31 December	
	<u>2023</u>	<u>2022</u>
Revenue from external customers		
United States of America	3,235	4,013
Brazil	1,968	1,677
Thailand	1,831	2,446
China	1,380	3,092
Japan	1,057	1,138
Turkey	902	924
Germany	846	1,515
Others	8,446	8,500
Total	<u>19,665</u>	<u>23,305</u>
Non-current assets (other than financial instrument and deferred tax assets)		
Thailand	25,486	26,718
China	34	42
Indonesia	13	14
United States of America	4	8
Others	2	3
Total	<u>25,539</u>	<u>26,785</u>

## Major customers

The Group has no major customer with revenue of 10 percent or more of revenues.

### 30. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht per share)
Dividends for the year 2021	Annual General Meeting of the shareholders on 7 April 2022	1,860.95	0.65
Interim dividends for 2022	the Company's Board of Director Meeting on 10 August 2022	1,432.59	0.50
Total dividend paid in 2022		3,293.54	
Dividends for the year 2022	Annual General Meeting of the shareholders on 10 April 2023	716.29	0.25
Total dividend paid in 2023		716.29	

On 16 February 2024, the meeting of the Company's Board of Directors passed resolutions approving a dividend payment in respect of retained earnings and operating results of 2023 to shareholders of Baht 0.5 per share, totaling of Baht 1,432.59 million. The Company will propose the Company's Shareholder Annual General Meeting to approve the dividend payment within second quarter of 2024.

### 31. Commitments and contingent liabilities

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Capital commitments - purchase of fixed assets</b>	625	3,256	3,269	6,741
<b>Commitments from guarantees and contingent liabilities</b>				
Bank guarantees to guarantee electricity usage	144	141	144	141
Bank guarantee for distribution of rubber gloves	5	9	5	9
<b>The future aggregate minimum payments under non-cancellable lease and service agreements</b>				
Not later than 1 year	4	2	4	2
Later than 1 year but not later than 5 years	1	1	1	1

### 32. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows.

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	As at 31 December 2023			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Land and building	-	-	6,613,220	6,613,220
Derivative financial instruments	-	75,437	-	75,437
Other financial assets	1,415,561	-	3,270,671	4,686,232
<b>Liabilities measured at fair value</b>				
Derivative financial instruments	-	537	-	537
<b>Liabilities for which fair value are disclosed</b>				
Debentures	-	1,545,854	-	1,545,854

(Unit: Thousand Baht)

Consolidated financial statements

As at 31 December 2022

	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Land and building	-	-	5,281,438	5,281,438
Derivative financial instruments	-	243,879	-	243,879
Other financial assets	572,153	451,715	-	1,023,868
<b>Liabilities measured at fair value</b>				
Derivative financial instruments	-	16,638	-	16,638
<b>Liabilities for which fair value are disclosed</b>				
Debentures	-	1,572,300	-	1,572,300

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2023

	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Land and building	-	-	6,179,466	6,179,466
Derivative financial instruments	-	75,059	-	75,059
<b>Liabilities measured at fair value</b>				
Derivative financial instruments	-	537	-	537
<b>Liabilities for which fair value are disclosed</b>				
Debentures	-	1,545,854	-	1,545,854

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2022

	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Land and building	-	-	4,836,921	4,836,921
Derivative financial instruments	-	243,866	-	243,866
<b>Liabilities measured at fair value</b>				
Derivative financial instruments	-	1,127	-	1,127
<b>Liabilities for which fair value are disclosed</b>				
Debentures	-	1,572,300	-	1,572,300

During the current year, there are no transfer within the fair value hierarchy.

### 33. Financial instruments

#### 33.1 Derivatives and hedge accounting

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Current derivative assets</b>				
<i>Derivative assets not designated as hedging instruments</i>				
Equity accumulators	378	13	-	-
<i>Derivative assets designated as hedging instruments</i>				
Forward foreign exchange contracts	<u>73,543</u>	<u>241,869</u>	<u>73,543</u>	<u>241,869</u>
Total current derivative assets	<u>73,921</u>	<u>241,882</u>	<u>73,543</u>	<u>241,869</u>
<b>Non - current derivative assets</b>				
<i>Derivative assets designated as hedging instruments</i>				
Interest rate swap	<u>1,516</u>	<u>1,997</u>	<u>1,516</u>	<u>1,997</u>
Total non - current derivative assets	<u>1,516</u>	<u>1,997</u>	<u>1,516</u>	<u>1,997</u>
<b>Total derivative assets</b>	<u><u>75,437</u></u>	<u><u>243,879</u></u>	<u><u>75,059</u></u>	<u><u>243,866</u></u>
<b>Current derivative liabilities</b>				
<i>Derivatives liabilities not designated as hedging instruments</i>				
Equity accumulators	-	15,511	-	-
<i>Derivatives liabilities designated as hedging instruments</i>				
Forward foreign exchange contracts	<u>537</u>	<u>-</u>	<u>537</u>	<u>-</u>
Total current derivative liabilities	<u>537</u>	<u>15,511</u>	<u>537</u>	<u>-</u>
<b>Non - current derivative liabilities</b>				
<i>Derivatives liabilities designated as hedging instruments</i>				
Interest rate swap	<u>-</u>	<u>1,127</u>	<u>-</u>	<u>1,127</u>
Total non - current derivative liabilities	<u>-</u>	<u>1,127</u>	<u>-</u>	<u>1,127</u>
<b>Total derivative liabilities</b>	<u><u>537</u></u>	<u><u>16,638</u></u>	<u><u>537</u></u>	<u><u>1,127</u></u>

## Derivatives not designated as hedging instruments

The Group uses equity accumulators for investment activity.

## Derivatives designated as hedging instruments

### Interest rate risk

The Group has an interest rate swap agreement to hedge the exposure to cash flow volatility which the Group has to pay. The Group receives a variable rate of interest and pays fixed rate of interest.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the interest rate swap match the terms of the variable interest rate loan (i.e., interest rate, notional amount, maturity and payment dates). There is no ineffectiveness portion of such hedge.

	(Unit: Million Baht)	
	Consolidated and Separate financial statements	
	<u>2023</u>	<u>2022</u>
Carrying amount of interest rate swap		
Assets	2	2
Liabilities	-	(1)
Notional amount	259	883
Hedge ratio	1:1	1:1
Maturity date	March 2025	June 2023 to March 2025
Changes in fair value of the hedging instruments		
used for measuring ineffectiveness	1	22
Effectiveness recognised in		
other comprehensive income	1	22
Ineffectiveness recognised in profit or loss	-	-
Cash flow hedge reserve, net of tax	1	1



### Foreign currency risk

Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of forecast sales in US dollar. These forecast transactions are highly probable. The foreign exchange forward contract balances vary with the level of expected foreign currency sales and changes in foreign exchange forward rates.

In addition, hedge ineffectiveness can arise from changes to the forecasted amount of cash flows of hedged items and hedging instruments.

	(Unit: Million Baht)	
	Consolidated and Separate financial statements	
	<u>2023</u>	<u>2022</u>
Carrying amount of the foreign exchange forward contracts		
Assets	74	242
Liabilities	(1)	-
Notional amount (Million USD)	85	117
Hedge ratio	1:1	1:1
Maturity date	January 2024 to July 2024	February 2023 to July 2023
Changes in fair value of the hedging instruments used for measuring ineffectiveness	(169)	242
Effectiveness recognised in other comprehensive income	(169)	208
Ineffectiveness recognised in profit or loss	-	34
Cash flow hedge reserve, net of tax	14	75

### Impact of hedging on equity

Set out below is a reconciliation of each component of equity and analysis of other comprehensive income:

	(Unit: Million Baht)
	<u>Cash flow hedge reserve</u>
	<u>Consolidated and Separate</u>
	<u>financial statements</u>
<b>As at 1 January 2022</b>	(17)
Effective portion of changes in fair value arising from derivatives designated as hedging instruments for cash flow hedges	250
Amount reclassified to profit or loss	(146)
Tax effect	(11)
<b>As at 31 December 2022</b>	76
Effective portion of changes in fair value arising from derivatives designated as hedging instruments for cash flow hedges	(168)
Amount reclassified to profit or loss	102
Tax effect	5
<b>As at 31 December 2023</b>	<u>15</u>

### 33.2 Financial risk management objectives and policies

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

#### Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, deposits with banks and financial institutions and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

### Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored.

An impairment analysis is performed at each reporting date to measure expected credit losses. The allowance rates are based on days past due for groupings of various customer segments with similar credit risks based on past experience updated with future forecast information. The Group classifies customer into different segments by geography, product type, customer type and customer rating.

### Cash deposits and financial instruments

The credit risk on cash deposits and financial instruments are limited because the Group has a policy to consider and approve credit limits assigned to each counterparty by the Group's Board of Director. The counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

### **Market risk**

There are two types of market risk comprising foreign currency risk and interest rate risk. The Group enters into a variety of derivatives to manage its risk exposure, including:

- forward foreign exchange contracts to hedge the foreign currency risk arising on the export or import of goods;
- interest rate swaps to mitigate the risk of volatility of interest rates;

### **Foreign currency risk**

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange options and forward foreign exchange contracts when it considers appropriate. Generally, the forward contracts mature within 6 months.

As at 31 December 2023 and 2022, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	51.39	38.91	9.23	2.98	34.2233	34.5624

Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	65.42	58.15	9.23	2.98	34.2233	34.5624

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in US dollar exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities as at 31 December 2023 and 2022. The Group's exposure to foreign currency changes for other currencies is not material.

Currency	Increase / (Decrease) (percent)	Effect on profit before tax (Thousand Baht)			
		Consolidated financial statements		Separate financial statements	
		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
US dollar	2.89	50,766	23,965	50,761	37,886
	(2.89)	(50,766)	(23,965)	(50,761)	(37,886)

This information is not a forecast or prediction of future market conditions and should be used with care.

### **Interest rate risk**

The Group's exposure to interest rate risk relates primarily to its cash at banks, loan to subsidiaries, short-term and long-term borrowings from financial institutions and debentures. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Group manages its interest rate risk by enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

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

(Unit: Thousand Baht)

Consolidated financial statements as at 31 December 2023							
Fixed interest rates							
	Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non - interest bearing	Total	Effective interest rate (percent per annum)
<b>Financial assets</b>							
Cash and cash equivalent	2,545,606	-	-	1,427,667	256,869	4,230,143	0.125 - 6.7
Trade and other receivables	-	-	-	-	2,350,486	2,350,486	-
Other financial assets	5,213,142	-	-	-	4,686,232	9,899,374	5.0 - 6.0
Total	<u>7,758,748</u>	<u>-</u>	<u>-</u>	<u>1,427,667</u>	<u>7,293,587</u>	<u>16,480,003</u>	
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	2,031,856	2,031,856	-
Short-term borrowings from financial institutions	67,139	-	-	-	-	67,139	(1)
Long-term borrowings from financial institutions	-	-	-	5,412,250	-	5,412,250	(2) , (4)
Debentures	-	550,000	950,000	-	14,407	1,514,407	2.97 - 4.25
Total	<u>67,139</u>	<u>550,000</u>	<u>950,000</u>	<u>5,412,250</u>	<u>2,046,263</u>	<u>9,025,652</u>	

(Unit: Thousand Baht)

## Consolidated financial statements as at 31 December 2022

	Fixed interest rates					Total	Effective interest rate (percent per annum)
	Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non - interest bearing		
<b>Financial assets</b>							
Cash and cash equivalent	4,974,702	-	-	9,302,390	73,610	14,350,702	0.05 - 8.50
Trade and other receivables	-	-	-	-	2,099,203	2,099,203	-
Other financial assets	-	-	-	-	1,023,868	1,023,868	-
<b>Total</b>	<b>4,974,702</b>	<b>-</b>	<b>-</b>	<b>9,302,390</b>	<b>3,196,681</b>	<b>17,473,773</b>	
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	2,013,829	2,013,829	-
Short-term borrowings from financial institutions	172,812	-	-	-	-	172,812	(1)
Long-term borrowings from financial institutions	-	-	-	7,128,450	-	7,128,450	(2) , (3)
Debentures	-	550,000	950,000	-	14,406	1,514,406	2.97 - 4.25
<b>Total</b>	<b>172,812</b>	<b>550,000</b>	<b>950,000</b>	<b>7,128,450</b>	<b>2,028,235</b>	<b>10,829,497</b>	

(Unit: Thousand Baht)

## Separate financial statements as at 31 December 2023

	Fixed interest rates					Total	Effective interest rate (percent per annum)
	Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non - interest bearing		
<b>Financial assets</b>							
Cash and cash equivalent	1,105,430	-	-	991,912	140,018	2,237,360	0.12 - 0.70
Trade and other receivables	-	-	-	-	2,464,468	2,464,468	-
<b>Total</b>	<b>1,105,430</b>	<b>-</b>	<b>-</b>	<b>991,912</b>	<b>2,604,485</b>	<b>4,701,828</b>	
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	1,736,286	1,736,286	-
Long-term borrowings from financial institutions	-	-	-	5,412,250	-	5,412,250	(2) , (4)
Debentures	-	550,000	950,000	-	14,407	1,514,407	2.97 - 4.25
<b>Total</b>	<b>-</b>	<b>550,000</b>	<b>950,000</b>	<b>5,412,250</b>	<b>1,750,693</b>	<b>8,662,943</b>	

(Unit: Thousand Baht)

## Separate financial statements as at 31 December 2022

	Fixed interest rates					Total	Effective interest rate (percent per annum)
	Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non - interest bearing		
<b>Financial assets</b>							
Cash and cash equivalent	-	-	-	8,760,658	29,576	8,790,234	0.05 - 0.60
Trade and other receivables	-	-	-	-	2,391,166	2,391,166	-
Short-term loans to subsidiary	150,000	-	-	-	-	150,000	(1)
<b>Total</b>	<b>150,000</b>	<b>-</b>	<b>-</b>	<b>8,760,658</b>	<b>2,420,742</b>	<b>11,331,400</b>	
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	1,738,218	1,738,218	-
Long-term borrowings from financial institutions	-	-	-	7,128,450	-	7,128,450	(2) , (3)
Debentures	-	550,000	950,000	-	14,406	1,514,406	2.97 - 4.25
<b>Total</b>	<b>-</b>	<b>550,000</b>	<b>950,000</b>	<b>7,128,450</b>	<b>1,752,624</b>	<b>10,381,074</b>	
(1)	Fixed rate						
(2)	MLR less fixed rate per annum						
(3)	THBFIX6M plus fixed rate per annum						
(4)	THOR plus fixed rate per annum						

*Interest rate sensitivity*

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

Consolidated and Separate financial statements		
Effect on profit before tax		
Increase / (decrease)	2023	2022
(Percent)	(Thousand Baht)	(Thousand Baht)
1.00	(48,943)	(46,841)
(1.00)	48,943	46,841

The above analysis has been prepared assuming that the amounts of long-term loans from financial institutions, and derivatives on which interest is charged at floating rates and all other variables remain constant over one year. Moreover, the floating legs of loans from financial institutions and derivatives are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest payable for the full 12-month period of the sensitivity calculation. This information is not a forecast or prediction of future market conditions and should be used with care.

### **Liquidity risk**

The Group implements liquidity risk management procedures through the use of loan from financial institution, leases and debentures. The Group's management assessed the risk relating to its ability to repay as low since the Group has access to sufficient and varied sources of funding and ability to request an extension to the repayment period for debts due within 12 months. Moreover, the management of the Group considers that there is sufficient working capital to the meet the cash flows to be paid in the near future.

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

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2023			
	Less than 1 year	1 - 5 years	Over 5 years	Total
<b>Non-derivatives</b>				
Trade and other payables	1,842,098	-	-	1,842,098
Short-term loans from financial institution	67,438	-	-	67,438
Long-term loans from financial institution	2,105,926	2,114,313	1,588,247	5,808,486
Debentures	55,350	718,233	1,049,370	1,822,953
Lease liabilities	27,854	17,310	3,201	48,364
<b>Total non-derivatives</b>	<b>4,098,666</b>	<b>2,849,856</b>	<b>2,640,818</b>	<b>9,589,339</b>
<b>Derivatives</b>				
Forward foreign exchange contracts	537	-	-	537
<b>Total derivatives</b>	<b>537</b>	<b>-</b>	<b>-</b>	<b>537</b>



(Unit: Thousand Baht)

## Consolidated financial statements

	31 December 2022			
	Less than 1 year	1 - 5 years	Over 5 years	Total
<b>Non-derivatives</b>				
Trade and other payables	2,013,829	-	-	2,013,829
Short-term loans from financial institution	173,679	-	-	173,679
Long-term loans from financial institution	1,932,975	5,707,930	-	7,640,905
Debentures	55,350	734,568	1,088,385	1,878,303
Lease liabilities	40,914	33,941	-	74,855
<b>Total non-derivatives</b>	<b>4,216,747</b>	<b>6,476,439</b>	<b>1,088,385</b>	<b>11,781,571</b>
<b>Derivatives</b>				
Equity accumulators	-	15,511	-	15,511
Interest rate swap	-	1,127	-	1,127
<b>Total derivatives</b>	<b>-</b>	<b>16,638</b>	<b>-</b>	<b>16,638</b>

(Unit: Thousand Baht)

## Separate financial statements

	31 December 2023			
	Less than 1 year	1 - 5 years	Over 5 years	Total
<b>Non-derivatives</b>				
Trade and other payables	1,736,286	-	-	1,736,286
Long-term loans from financial institution	2,105,926	2,114,313	1,588,247	5,808,486
Debentures	55,350	718,233	1,049,370	1,822,953
Lease liabilities	7,217	3,224	1,883	12,324
<b>Total non-derivatives</b>	<b>3,904,779</b>	<b>2,835,770</b>	<b>2,639,500</b>	<b>9,380,049</b>
<b>Derivatives</b>				
Forward foreign exchange contracts	537	-	-	537
<b>Total derivatives</b>	<b>537</b>	<b>-</b>	<b>-</b>	<b>537</b>

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2022			
	Less than 1 year	1 - 5 years	Over 5 years	Total
<b>Non-derivatives</b>				
Trade and other payables	1,738,218	-	-	1,738,218
Long-term loans from financial institution	1,932,975	5,707,930	-	7,640,905
Debentures	55,350	734,568	1,088,385	1,878,303
Lease liabilities	11,978	8,183	-	20,161
<b>Total non-derivatives</b>	<b>3,738,521</b>	<b>6,450,681</b>	<b>1,088,385</b>	<b>11,277,587</b>
<b>Derivatives</b>				
Interest rate swap	-	1,127	-	1,127
<b>Total derivatives</b>	<b>-</b>	<b>1,127</b>	<b>-</b>	<b>1,127</b>

### 33.3 Fair values of financial instruments

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

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

- The fair value of derivatives has been determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, the respective currencies, interest rate and commodity price. The Group has considered counterparty credit risk when determining the fair value of derivatives.
- The fair value of fixed rate debentures is estimated by discounting expected future cash flow by the current market interest rate of debentures with similar terms and conditions.
- The carrying amounts of long-term loans carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.
- The fair value of equity securities is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.

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

**34. Capital management**

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value and it meets financial covenants attached to the loan agreements and debentures. The Group has complied with these covenants throughout the reporting periods.

**35. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Director on 16 February 2024.