



SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

INDEPENDENT AUDITOR'S REPORT

To The Shareholders and Board of Directors of
Se-Education Public Company Limited

Opinion

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

In my opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of Se-Education Public Company Limited and its subsidiaries as at December 31, 2023, its consolidated financial performance and its consolidated cash flows for the year then ended and the separate financial position of Se-Education Public Company Limited as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by 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 matters that are most significant to my professional judgment in auditing the consolidated financial statements and separate financial statements for the current period. I have considered these matters under the context of the overall audit of the consolidated and separate financial statements. In the expression of my opinion, I do not express a separate opinion on these matters.

Revenue recognition from sales

Revenue from sales is a transaction with the significant value in the financial statements and also has a direct effect on the performance that the users of the financial statements pay attention to. I consider that the revenue recognition is a significant risk in the audit. Therefore, I have paid special attention on such revenue recognition regarding the accuracy and completeness of the revenue transactions recorded in the account.

I have audited the revenue recognition from sales by understanding and evaluating the effectiveness of significant internal controls related to sales revenue cycle and randomly testing compliance with the control system designed by the Company by testing from the sales process until the end of the process and evaluating the efficiency of the computer system that the Company uses to retrieve all the information related to sales reports, checking sales revenue recognition to be consistent with the Company's revenue recognition policy, randomly checking of sales documentation that incurred during the year and near the end of the accounting period, reviewing of credit memos issued by the Company after the end of the accounting period and analysing income by comparing historical data and industrial data, and checking potential irregularities that may incur in sales transactions especially the accounting transactions are made through journal vouchers.

Estimation of allowance for declining in value of inventories

The Company's inventories had the significant balances in the financial statements which were educational publications depending on the popularity of consumers, the Company has a risk in the value of inventories higher than the net realizable value. However, the consideration of the net realizable value requires the considerable judgment of the management including the related assumptions. Therefore, I have paid special attention on the use of the management judgment regarding such estimation.

I have made the understanding policies and methods used by the management to estimate the net realizable value of inventories, using the methods to assess the net realizable value of inventories, randomly testing transactions in the report to separate age and net realizable value with relevant documents, assessing the reasonableness of the assumptions used by the management in determining sales at a price lower than cost to consider the appropriateness of the declining value of inventories, testing the accuracy of calculating the net realizable value of inventories and considering the appropriateness of the main assumptions the Company used as well as referencing internal and external data, considering the operational plan, including the analysis of past trends and considering the adequacy of disclosure according to Thai Financial Reporting Standards.

Other Information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance in order for those charged with governance to correct 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 consolidated financial statements and separate 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 consolidated financial statements and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 consolidated financial statements and separate financial statements.

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and separate financial statements, including the disclosures, and whether the consolidated financial statements and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

The engagement partner responsible for the audit resulting in this independent auditor's report is Miss Nannaphat Wannasomboon.



(Miss Nannaphat Wannasomboon)

Certified Public Accountant

Registration No. 7793

Dharmniti Auditing Company Limited

Bangkok, Thailand

February 22, 2024

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

ASSETS

	Notes	Baht					
		Consolidated financial statements			Separate financial statements		
		As at December 31, 2023	As at December 31, 2022 (Restated)	As at January 1, 2022 (Restated)	As at December 31, 2023	As at December 31, 2022 (Restated)	As at January 1, 2022 (Restated)
Current assets							
Cash and cash equivalents	5	118,730,390	102,097,735	135,702,719	16,534,202	18,375,391	32,757,370
Trade and other current receivables	4, 6	58,469,578	47,255,903	50,221,956	54,966,650	43,308,870	45,973,421
Inventories	7	227,006,131	220,117,558	223,588,903	224,768,230	218,027,450	221,303,745
Other current financial assets	8	1,302,686	12,693,465	56,658,729	1,302,686	12,693,465	56,658,729
Other current assets	9	22,627,438	21,376,489	22,661,128	20,350,350	19,710,521	20,860,701
Total current assets		428,136,223	403,541,150	488,833,435	317,922,118	312,115,697	377,553,966
Non-current assets							
Restricted bank deposits and other investments	10	8,000,000	8,499,110	12,971,637	8,000,000	8,499,110	12,971,637
Investment in associated company	11	17,407,273	19,709,507	19,654,461	100,000	100,000	100,000
Investment in subsidiary companies	12	-	-	-	83,000,000	83,150,000	69,482,091
Investment property	13	123,900,000	101,400,000	-	123,900,000	101,400,000	-
Property, plant and equipment	14	1,745,483,007	1,586,436,042	1,637,544,388	1,351,731,155	1,189,631,616	1,321,702,560
Right-of-use assets	15	161,146,681	171,388,960	241,621,922	118,057,641	126,281,194	213,455,712
Intangible assets	16	8,038,714	3,293,731	4,704,378	6,847,692	2,935,116	4,438,102
Prepaid book copyright and translation fee		24,249,586	23,184,940	22,607,425	24,249,586	23,184,940	22,607,425
Rental guarantee and deposit		70,640,046	75,699,292	82,084,705	70,640,046	75,699,292	82,084,705
Current tax assets		1,522,811	5,539,561	1,617,180	1,521,981	5,538,114	1,614,503
Withholding tax pending for the refund		18,612,421	23,499,013	25,956,897	18,613,251	23,499,013	25,956,897
Other non-current financial assets	8	81,934	184,411	-	81,934	184,411	-
Other non-current assets		9,324,024	8,871,577	9,629,190	6,303,340	7,096,890	7,669,365
Total non-current assets		2,188,406,497	2,027,706,144	2,058,392,183	1,813,046,626	1,647,199,696	1,762,082,997
Total assets		2,616,542,720	2,431,247,294	2,547,225,618	2,130,968,744	1,959,315,393	2,139,636,963

Notes to the financial statements form an integral part of these statements.

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT DECEMBER 31, 2023

LIABILITIES AND SHAREHOLDERS' EQUITY

	Notes	Baht					
		Consolidated financial statements			Separate financial statements		
		As at December 31, 2023	As at December 31, 2022 (Restated)	As at January 1, 2022 (Restated)	As at December 31, 2023	As at December 31, 2022 (Restated)	As at January 1, 2022 (Restated)
Current liabilities							
Bank overdraft and short-term loan							
from financial institution	17	227,805,930	162,849,680	140,000,000	227,805,930	162,849,680	140,000,000
Trade and other current payables	18	388,647,405	404,996,071	473,504,505	370,943,703	388,478,900	458,658,370
Income received in advance recognisable							
within one year	19	78,131,280	73,536,630	63,935,223	-	-	-
Current portion of long-term loans	21	104,172,000	80,180,000	62,302,000	31,172,000	56,280,000	62,302,000
Current portion of long-term employee							
benefits obligations	23	6,417,037	2,344,230	3,654,371	6,417,037	2,344,230	3,654,371
Current portion of lease liabilities	26	35,987,981	56,401,537	82,069,723	34,515,653	55,268,038	80,523,544
Accrued income tax		26,336	-	-	-	-	-
Other current financial liabilities	27	-	254,390	-	-	254,390	-
Other current liabilities	20	23,738,463	23,345,733	23,664,044	22,341,741	21,344,980	21,792,372
Total current liabilities		864,926,432	803,908,271	849,129,866	693,196,064	686,820,218	766,930,657
Non-current liabilities							
Income received in advance	19	46,357,388	44,889,588	40,063,880	-	-	-
Long-term loans	21	54,680,000	160,852,000	241,032,000	54,680,000	85,852,000	142,132,000
Educational guarantee	22	15,003,000	4,202,000	4,143,000	-	-	-
Deferred tax liabilities	25	92,835,757	46,260,502	37,791,302	83,288,761	36,416,661	34,294,654
Long-term employee benefits obligations	23	82,194,092	82,384,416	77,167,609	63,331,081	68,057,356	63,598,038
Lease liabilities	26	82,515,380	84,237,737	119,305,823	51,742,000	52,861,975	97,031,181
Provision for decommissioning costs	24	27,959,089	37,788,382	41,642,857	27,959,089	37,788,382	41,642,857
Other non-current financial liabilities	27	211,435	-	2,427,219	211,435	-	2,427,219
Other non-current liabilities		3,707,022	6,125,981	7,478,396	3,029,476	3,399,477	5,823,908
Total non-current liabilities		405,463,163	466,740,606	571,052,086	284,241,842	284,375,851	386,949,857
Total liabilities		1,270,389,595	1,270,648,877	1,420,181,952	977,437,906	971,196,069	1,153,880,514

Notes to the financial statements form an integral part of these statements.

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT DECEMBER 31, 2023

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

	Baht					
	Consolidated financial statements			Separate financial statements		
	As at December 31, 2023	As at December 31, 2022 (Restated)	As at January 1, 2022 (Restated)	As at December 31, 2023	As at December 31, 2022 (Restated)	As at January 1, 2022 (Restated)
Shareholders' equity						
Share capital						
Authorized share capital						
391,944,529 ordinary shares of Baht 1 each	391,944,529	391,944,529	391,944,529	391,944,529	391,944,529	391,944,529
Issued and paid-up						
391,944,418 ordinary shares of Baht 1 each	391,944,418	391,944,418	391,944,418	391,944,418	391,944,418	391,944,418
Share premium	149,420,558	149,420,558	149,420,558	149,420,558	149,420,558	149,420,558
Retained earnings						
Appropriated to legal reserve						
Company	39,194,453	39,194,453	39,194,453	39,194,453	39,194,453	39,194,453
Subsidiaries	2,303,459	1,879,770	1,540,819	-	-	-
Unappropriated	108,792,867	72,866,674	75,006,265	64,677,945	38,579,022	35,738,712
Other components of shareholders' equity	525,461,936	387,615,444	375,061,648	508,293,464	368,980,873	369,458,308
Total shareholders' equity of parent	1,217,117,691	1,042,921,317	1,032,168,161	1,153,530,838	988,119,324	985,756,449
Total non-controlling interests of the subsidiaries	129,035,434	117,677,100	94,875,505	-	-	-
Total shareholders' equity	1,346,153,125	1,160,598,417	1,127,043,666	1,153,530,838	988,119,324	985,756,449
Total liabilities and shareholders' equity	2,616,542,720	2,431,247,294	2,547,225,618	2,130,968,744	1,959,315,393	2,139,636,963

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Notes to the financial statements form an integral part of these statements.

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF INCOME

FOR THE YEAR ENDED DECEMBER 31, 2023

	Notes	Baht			
		Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Revenues					
Revenues from sales		1,818,738,898	1,729,504,104	1,818,867,342	1,729,696,306
Tuition fees income		277,660,398	257,443,067	-	-
Interest income and dividend income		436,599	477,422	5,875,339	4,163,453
Gain from fair value measurement of investment property		22,500,000	-	22,500,000	-
Other income		51,616,543	69,279,919	37,752,251	60,746,665
Total revenues		2,170,952,438	2,056,704,512	1,884,994,932	1,794,606,424
Expenses					
Cost of sales		1,162,718,767	1,100,910,067	1,162,847,211	1,101,102,269
Cost of tuition fees		198,395,288	187,576,970	-	-
Selling expenses		439,820,939	468,457,296	439,820,939	468,457,296
Administrative expenses		283,183,603	265,777,127	227,730,989	215,165,532
Loss on impairment of investments in subsidiaries (reversal)		-	-	-	(13,667,908)
Other loss		129,501	69,978	129,501	69,978
Total expenses		2,084,248,098	2,022,791,438	1,830,528,640	1,771,127,167
Profit (loss) from operating activities		86,704,340	33,913,074	54,466,292	23,479,257
Finance cost		(21,698,439)	(22,248,942)	(17,974,439)	(18,994,375)
Share of profit (loss) from associated company	11	82,405	56,699	-	-
Profit (loss) before income tax (expenses)		65,088,306	11,720,831	36,491,853	4,484,882
Income tax (expenses)	31	(11,676,829)	(2,057,924)	(11,713,747)	(2,122,007)
Profit (loss) for the year		53,411,477	9,662,907	24,778,106	2,362,875
Profit (loss) attributable to					
Equity holders of the Company		36,054,684	(2,945,900)	24,778,106	2,362,875
Non-controlling interests of the subsidiaries		17,356,793	12,608,807	-	-
		53,411,477	9,662,907	24,778,106	2,362,875
Basic earnings (loss) per share					
Attributable to equity holders of the Company	32	0.092	(0.008)	0.063	0.006

Notes to the financial statements form an integral part of these statements.

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2023

	Notes	Baht			
		Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit (loss) for the year		53,411,477	9,662,907	24,778,106	2,362,875
Other comprehensive income :					
Item that will not be reclassified to profit or loss					
Actuarial gain (loss) arising from past-employment benefit,					
- net from tax expense		(2,625,896)	-	888,628	-
Change surplus on revaluation of assets					
- Effect from tax expense		139,977,542	26,752,516	139,744,780	-
Share of other comprehensive income (loss)					
of associated company	11	(884,639)	598,348	-	-
Other comprehensive income (loss) for the year		136,467,007	27,350,864	140,633,408	-
Total comprehensive income (loss) for the year		189,878,484	37,013,771	165,411,514	2,362,875
Total comprehensive income (loss) attributable to					
Equity holders of the Company		174,196,373	10,753,156	165,411,514	2,362,875
Non-controlling interests of subsidiaries		15,682,111	26,260,615	-	-
		189,878,484	37,013,771	165,411,514	2,362,875

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Notes to the financial statements form an integral part of these statements.

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2023

	Consolidated financial statements											Total shareholders' equity
	Equity attributable to the parent's shareholders						Equity attributable to non-controlling interests of the subsidiaries				Total shareholders' equity	
	Issued and paid-up share capital	Share premium	Retained earnings		Other components of shareholders' equity		Total equity attributable to shareholders of the Company	Total other components of shareholders' equity	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity		
			Appropriated to Company	Unappropriated Subsidiary	Unrealised gain (losses) on investments in equity designated at fair value through other comprehensive income	Surplus on revaluation of assets						
Beginning balance as at January 1, 2022	391,944,418	149,420,558	39,194,453	1,540,819	75,006,265	(3,573,368)	378,635,016	375,061,648	1,032,168,161	94,875,505	1,127,043,666	
Legal reserve	-	-	-	338,951	(338,951)	-	-	-	-	-	-	
Dividend paid	-	-	-	-	-	-	-	-	-	(3,459,020)	(3,459,020)	
Profit (loss) for the year	-	-	-	-	(2,945,900)	-	-	-	(2,945,900)	12,608,807	9,662,907	
Other comprehensive income (loss) for the year	-	-	-	-	108,460	598,348	12,992,248	13,590,596	13,699,056	13,651,808	27,350,864	
Total comprehensive income (loss) for the year	-	-	-	-	(2,837,440)	598,348	12,992,248	13,590,596	10,753,156	26,260,615	37,013,771	
Transferred surplus on revaluation of assets to retained earnings	-	-	-	-	1,036,800	-	(1,036,800)	(1,036,800)	-	-	-	
Balance as at December 31, 2022	391,944,418	149,420,558	39,194,453	1,879,770	72,866,674	(2,975,020)	390,390,464	387,615,444	1,042,921,317	117,677,100	1,160,598,417	
Legal reserve	-	-	-	423,689	(423,689)	-	-	-	-	-	-	
Dividend paid	-	-	-	-	-	-	-	-	-	(4,323,775)	(4,323,775)	
Profit (loss) for the year	-	-	-	-	36,054,684	-	-	-	36,054,684	17,356,793	53,411,477	
Other comprehensive income (loss) for the year	-	-	-	-	(718,451)	(884,639)	139,744,780	138,860,141	138,141,690	(1,674,684)	156,467,006	
Total comprehensive income (loss) for the year	-	-	-	-	35,336,233	(884,639)	139,744,780	138,860,141	174,196,374	15,682,109	189,878,483	
Transferred surplus on revaluation of assets to retained earnings	-	-	-	-	1,013,649	-	(1,013,649)	(1,013,649)	-	-	-	
Balance as at December 31, 2023	391,944,418	149,420,558	39,194,453	2,303,459	108,792,867	(3,859,659)	529,321,595	525,461,936	1,217,117,691	129,035,434	1,346,153,125	

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Notes to the financial statements form an integral part of these statements.

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2023

	Bant							Total shareholders' equity
	Separate financial statements							
	Issued and paid-up share capital	Share premium	Retained earnings		Other components of shareholders' equity		Total	
Notes	Appropriated to legal reserve	Unappropriated	Surplus on revaluation of assets	Total other components of shareholders' equity	Shareholders' equity	Total	Total	
Beginning balance as at January 1, 2022	391,944,418	149,420,558	39,194,453	35,738,712	369,458,308	369,458,308	985,756,449	
Profit (loss) for the year	-	-	-	2,362,875	-	-	2,362,875	
Other comprehensive income (loss) for the year	-	-	-	-	-	-	-	
Total comprehensive income (loss) for the year	-	-	-	2,362,875	-	-	2,362,875	
Transferred surplus on revaluation of assets to retained earnings	28	-	-	477,435	(477,435)	(477,435)	-	
Balance as at December 31, 2022	391,944,418	149,420,558	39,194,453	38,579,022	368,980,873	368,980,873	988,119,324	
Profit (loss) for the year	-	-	-	24,778,106	-	-	24,778,106	
Other comprehensive income (loss) for the year	-	-	-	888,628	139,744,780	139,744,780	140,633,408	
Total comprehensive income (loss) for the year	-	-	-	25,666,734	139,744,780	139,744,780	165,411,514	
Transferred surplus on revaluation of assets to retained earnings	28	-	-	432,189	(432,189)	(432,189)	-	
Balance as at December 31, 2023	391,944,418	149,420,558	39,194,453	64,677,945	508,293,464	508,293,464	1,153,530,838	

Notes to the financial statements form an integral part of these statements.

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit (loss) for the year	53,411,477	9,662,907	24,778,106	2,362,875
Adjustments to reconcile profit (loss) net cash provided by				
(paid) from operating activities:				
(Gain) on disposal of temporary investments	(280,387)	(207,515)	(280,387)	(207,515)
Other unrealized (gain) loss	(328,249)	(2,357,240)	(328,249)	(2,357,240)
(Gain) from reviewing interest rate	(6,402,497)	-	(6,402,497)	-
(Gain) loss on adjusting investment value	(8,782)	49,888	(8,782)	49,888
(Gain) from fair value measurement of investment property	(22,500,000)	-	(22,500,000)	-
Loss on impairment of investments in subsidiaries (reversal)	-	-	-	(13,667,908)
Share of (gain) loss from associated company	(82,405)	(56,699)	-	-
Loss for expected credit loss for accounts receivable				
and estimated goods return (reversal)	990,379	995,482	797,433	1,453,160
Bad debt	121,475	533,082	121,475	340,582
Expense from loss of inventories (reversal)	2,665,243	(500,777)	2,665,243	(500,777)
Expense from allowance for loss of inventories, dilapidated				
and slow moving (reversal)	(32,398,535)	(11,894,843)	(32,398,535)	(11,894,843)
Expense for donation of goods	14,374,344	14,020,252	14,374,344	14,020,252
Loss on destroy goods	7,788,084	4,911,796	7,788,084	4,911,796
Depreciation and amortization	55,822,946	59,531,596	28,390,237	35,274,061
Amortization of right-of-use assets	67,000,648	86,868,437	64,981,922	85,084,252
(Gain) loss from cancellation of lease agreements	(410,638)	1,578,910	(410,638)	1,155,218
Loss on impairment of assets (reversal)	45,977	(238,579)	45,977	(238,579)
(Gain) loss on sales of equipment	226,203	(487,566)	183,759	(467,371)
Loss on written-off fixed assets	2,960,190	391,468	661,647	391,468
Loss on written-off intangible assets	-	38,767	-	38,767
Loss on written-off supplies	-	586,023	-	586,023
Rental reduction	(2,322,105)	(7,566,318)	(2,322,105)	(7,566,318)
Loss from dissolution of a subsidiary company	-	-	66,429	-
Adjustment from clearing long outstanding payable	(9,542,405)	(31,046,577)	(9,542,405)	(31,046,577)
Long-term employee benefits expenses	9,036,686	8,193,788	7,332,526	6,532,177
Written-off withholding tax	532,435	-	532,435	-
Interest income	(436,599)	(477,422)	(225,339)	(243,453)

Notes to the financial statements form an integral part of these statements.



SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2023

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Interest expenses	21,698,439	22,248,942	17,974,439	18,994,375
Dividend received	-	-	(5,650,000)	(3,920,000)
(Income) tax expenses	11,676,829	2,057,924	11,713,747	2,122,007
Profit from operating activities before changes in operating assets and liabilities	173,638,753	156,835,726	102,338,866	101,206,320
Operating assets (increase) decrease				
Trade and other current receivables	(12,325,529)	1,437,488	(12,576,688)	870,808
Inventories	682,291	(3,065,083)	830,084	(3,260,133)
Prepaid expense	(1,122,938)	(567,416)	(476,953)	(718,585)
Other current assets	(128,011)	1,266,032	(162,876)	1,282,742
Prepaid book copyright and translation fee	(1,064,646)	(577,515)	(1,064,646)	(577,515)
Rental guarantee and deposit	5,059,246	6,385,412	5,059,246	6,385,412
Other non-current assets	(450,999)	760,291	793,550	572,475
Operating liabilities increase (decrease)				
Trade and other current payables	(11,859,518)	(37,000,096)	(13,097,333)	(38,807,350)
Income received in advance	6,062,450	14,427,115	-	-
Educational guarantee	10,801,000	59,000	-	-
Other current liabilities	1,124,650	(277,011)	1,728,681	(406,092)
Other non-current liabilities	(2,418,959)	(1,352,415)	(370,001)	(2,424,431)
Cash received from operating activities	167,997,790	138,331,528	83,001,930	64,123,651
Cash paid for decommissioning cost	(4,803,236)	(4,006,319)	(4,803,236)	(4,006,319)
Cash paid for employee benefit	(3,133,944)	(4,332,122)	(2,451,208)	(3,428,000)
Cash received from employee benefit	-	45,000	-	45,000
Cash paid for interest expenses	(21,631,100)	(22,148,970)	(17,907,100)	(18,894,403)
Cash received from income tax	9,891,441	-	9,891,441	-
Cash paid for income tax	(1,522,811)	(1,467,174)	(1,521,981)	(1,465,727)
Net cash provided by operating activities	146,798,140	106,421,943	66,209,846	36,374,202
Cash flows from investing activities				
Cash paid for purchase other current financial assets	(673,990,000)	(831,340,000)	(673,990,000)	(831,340,000)
Cash received from sale of other current financial assets	681,169,058	879,954,878	681,169,058	879,954,878
Cash received from government bond	5,000,000	-	5,000,000	-
Increase in restricted bank deposits and other investment	-	(19,460)	-	(19,460)

Notes to the financial statements form an integral part of these statements.

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2023

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash received from dissolution of a subsidiary company	-	-	83,571	-
Cash paid for purchase of fixed assets	(49,760,881)	(76,868,357)	(22,117,110)	(4,578,449)
Cash paid for purchase of intangible assets	(211,999)	(19,795)	(211,999)	-
Cash paid for purchase of right-of-use assets	(18,177,221)	(10,279,627)	(18,177,221)	(601,261)
Cash received from sale of equipment	354,074	1,936,285	315,114	1,891,285
Dividend received	1,500,000	600,000	5,650,000	3,920,000
Cash received from interest income	436,599	477,422	225,339	243,453
Cash received from cancelled lease	-	287,024	-	287,024
Net cash provided by (used in) investing activities	(53,680,370)	(35,271,630)	(22,053,248)	49,757,470
Cash flows from financing activities				
Increase in bank overdraft	4,956,250	12,849,680	4,956,250	12,849,680
Cash received from short-term loan from financial institution	210,000,000	10,000,000	210,000,000	10,000,000
Cash paid for short-term loan from financial institution	(150,000,000)	-	(150,000,000)	-
Cash paid for long-term loans	(82,180,000)	(62,302,000)	(56,280,000)	(62,302,000)
Cash paid for lease liabilities	(54,937,590)	(61,843,957)	(54,674,037)	(61,061,331)
Dividend paid	(4,323,775)	(3,459,020)	-	-
Net cash used in financing activities	(76,485,115)	(104,755,297)	(45,997,787)	(100,513,651)
Net increase (decrease) in cash and cash equivalents	16,632,655	(33,604,984)	(1,841,189)	(14,381,979)
Cash and cash equivalents at beginning of year	102,097,735	135,702,719	18,375,391	32,757,370
Cash and cash equivalents at end of year	118,730,390	102,097,735	16,534,202	18,375,391
Supplemental cash flows information				
Non-cash transactions				
Gain in revaluation surplus on changes in value of unit trust	117	238	117	238
Increase in right-of-use assets	(40,156,176)	(47,001,589)	(40,156,176)	(35,697,507)
Increase in lease liabilities	40,156,176	47,001,589	40,156,176	35,697,507
Increase for demolition costs	(1,291,384)	-	(1,291,384)	-
Increase provision for decommissioning costs	1,291,384	-	1,291,384	-
(Increase) decrease in payables for purchase of assets	99,903	(484,002)	(305,211)	347,784
Accrued employee benefits	(4,424,000)	-	(4,424,000)	-
Actuarial gain (loss) arising from past-employment benefit	(2,403,741)	-	1,110,786	-
Increase in surplus revaluation of assets	(174,680,976)	(33,163,792)	(174,680,976)	-

Notes to the financial statements form an integral part of these statements.

SE-EDUCATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. GENERAL INFORMATION

1.1 Address and legal status

Se-Education Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company listed on the Stock Exchange of Thailand on 29 April 1993.

The address of its registered office is as follows:

Head office : located at 1858/87-90, Debaratana Road, Bangna South Sub-District, Bangna District, Bangkok.

Distribution center : located at 118 Moo 1, Tambon Sisa Chorakhe Yai, Bang Sao Tong District, Samutprakarn.

1.2 Nature of the Company’s business and shareholder

The Group operate their businesses in Thailand and are authorised to engage in the following:

1. Operate bookstores which consist of SE-ED Book Center and network stores and various university bookstores in Bangkok and other provinces as well as the network and sales area in various forms.

2. Distribute books for both published by SE-ED and other publishers to bookstores all over the country and to other sales channels.

3. Publish books by producing books and book printing.


4. Plearnpattana School, which operates a private school offering courses for students from pre-kindergarten to Matayom 6.

5. BaesLab Co., Ltd., which operates in consulting, provision and distribution of software and hardware business. (Complete liquidation on September 21,2023).

2. BASIS FOR PREPARATION OF THE FINANCIAL STATEMENTS

2.1 Basis for preparation of the financial statements

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E.2547 by complying with Thai Financial Reporting Standards. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for public limited company, issued under the Accounting Act B.E.2543.

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

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 such financial statements in Thai language.

2.2 Basis of consolidated financial statements preparation

2.2.1 The consolidated financial statements are prepared by including the Group financial statements as follows:-

Subsidiary companies' name	Nature of business	Country of incorporation	Shareholding percentage	
			2023	2022
BaesLab Co., Ltd.	Operates in consulting, provision and distribution of software and hardware business. (Complete liquidation on September 21,2023)	Thailand	-	60.00
Plearn Patt Co.,Ltd.	Private school	Thailand	48.97	48.97

2.2.2 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.

2.2.3 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.

2.2.4 The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

2.2.5 Material balances and transactions between the Group companies have been eliminated from the consolidated financial statements.

2.2.6 Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

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

2.4 Financial reporting standards that became effective in the current year

During the year, the Company and its subsidiaries have adopted the revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2023. This revision is for the financial reporting standards to be clearer and more appropriate and to conform with international financial reporting standards. Such revision does not affect the principles of the standards and does not affect the users of the financial reporting standards.

The adoption of these financial reporting standards does not have any significant impact on the financial statements in the current year.



2.5 Revised financial reporting standards to be applied in the future

The Federation of Accounting Professions has announced to apply the revised financial reporting standards 2023 and it was announced in the Royal Gazette on August 8, 2023 on altogether 4 topics: definition of the accounting estimates, disclosure of information of the accounting policy, deferred income tax related to assets and liabilities arising from one transaction and other adjustments due to the change of the Accounting Standard No. 17 “Insurance Contracts”. This adjustment is an adjustment for the financial reporting standards to be clearer and more appropriate. This is effective for the financial statements for the accounting period beginning on or after January 1, 2024.

The Management of the Company and its subsidiaries have assessed and believed that this revision will not significantly affect the financial statements in the year that such standard is applied.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenues recognition

- 3.1.1 Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on 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 except for consignment where the revenue from consignment is recognized when the event of either the sales report is received or the payment is received first
- 3.1.2 Advertising service revenue is recognized when services have been rendered taking into account the stage of completion.
- 3.1.3 Service income is recognized when services have been rendered taking into account the stage of completion.
- 3.1.4 The entrance fee income the Company has recognized the entrance fee for the period of rights specified by the students' status.
- 3.1.5 Education supporting fees are recognized as income of the school term to which they relate.
- 3.1.6 Interest income is recognized on an accrual basis based on the effective interest rate.
- 3.1.7 Dividends are recognized when the right to receive the dividends is established.

3.2 Cash and cash equivalents

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

3.3 Inventories/Allowance for dilapidated, slow moving and loss of inventories

Finished goods are valued at the lower of cost (weighted average) and net realisable value. Cost includes all production costs and attributable overheads.

Work in process are valued at the lower of standard cost (which approximates actual cost) and net realisable value.

Raw materials are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

Allowance for dilapidated and slow moving is based on the percentage of the inventory turnover in conjunction with the consideration of the book editor.

Allowance for lost goods are charged based on percentage of sales of each branch. The reversal of such allowance incurred when the inventory taking and inventories lost actually at the branch.

3.4 Investments in associate and subsidiaries

3.4.1 Investment in associate are accounted for in the consolidated financial statements using the equity method.

3.4.2 Investments in subsidiaries and associate are accounted for in the separate financial statements using the cost method net of provision for impairment of investments (if any).

3.5 Investments property / Depreciation

Investment property is defined as property held with the held to capitalize on the increase in the value of the asset and not use in operations.

Land and land improvement for investment property are stated at revalued amount less accumulated depreciation and allowance for impairment (if any).

Investments property are initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made every 5 years 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 assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised equity under the heading of "Revaluation surplus". 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 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 "Revaluation surplus" in respect of the same asset.

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Depreciation of investments property is calculated by reference to their costs amount, on the straight-line basis over the following estimated useful lives:

Land improvement	10 years
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Depreciation is included in determining income.

No depreciation is provided for land classified as investment property

3.6 Property, plant and equipment/Depreciation

Land and building and improvement are stated at revalued amount less accumulated depreciation and allowance for impairment (if any).

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 every 5 years to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Equipment are stated at cost less accumulated depreciation and allowance on impairment (if any).

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 assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised equity under the heading of "Revaluation surplus". 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 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 "Revaluation surplus" in respect of the same asset.

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

	<u>Useful lives</u>
Land improvement	10 - 50 years
Buildings and building improvement	5 - 50 years
Building decorations	5 - 6 years
Office equipment and air conditioners	5 - 10 years
Motor vehicles	5 - 10 years <i>M</i>

Depreciation is included in determining income.

No depreciation is provided on land and assets under 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.

3.7 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 an entity incurs in connection with the borrowing of funds.

3.8 Intangible assets

Intangible assets are carried at cost less accumulated amortization and allowance for impairment (if any).

Intangible assets with finite lives are amortized on a systematic basis over the economic useful line and tested for impairment whenever there is an indication that the intangible assets may be impaired. The amortization period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense are included in determining income.

Amortization is included in determining income.

A summary of the intangible assets with finite useful lives is as follows.

	Useful lives
Computer software	5 - 10 years
Book copyright and translation fee	Amortised per number of book sold

3.9 Leases

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

The Group assesses the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercise by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

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Right-of-use assets - as a lessee

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

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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

Lease liabilities

At the commencement date of the lease, lease liabilities are stated at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable (if any) and amount expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

In calculating the present value of lease payments, the Group use its incremental borrowing rate, which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of the interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group apply the short-term lease recognition exemption to its short-term leases (those leases that have a lease term of 12 months or less from the commencement date and not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term and leases of low-value assets are recognized as expense in profit and loss on a straight-line basis over the lease term.

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3.10 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company. They also include associated companies and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel directors, and officers with authority in the planning and direction of the Group's operations.

3.11 Foreign currencies

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

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

Gains and losses on exchange are included in determining income.

3.12 Impairment of assets

At the end of each reporting period, the Group performs impairment reviews in respect of the investments property, property, plant and equipment and other intangible assets 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 investments property and property plant and equipment 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 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 only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.



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

Post-employment benefits (Defined benefit plans)

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plans. The Group treat these severance payment obligations as a defined benefit plan. In addition, the Company provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary, based on actuarial techniques, using the projected unit credit method

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income. are recognised immediately in other comprehensive income and other long-term benefits are recognised immediately in profit and loss.

3.14 Provision for decommissioning costs

The Group recognises a provision for decommissioning costs, where an obligation exists. The estimated amount of the eventual costs relating to the decommissioning is discounted to its present value. The decommissioning costs are included in right-of-use assets and depreciated on a straight-line basis over the expected period of the decommissioning. The Group recognised provision for decommissioning costs is based on decommissioning costs which involves various assumptions, such as decommissioning period, future inflation rate and discount rate.

3.15 Provisions

Provisions are recognized 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.

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3.16 Income tax

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

Current tax

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

Deferred tax

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

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

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

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

3.17 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 apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

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

Level 1 - Use of quoted market prices in an 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.

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3.18 Financial instruments

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss. The classification of financial assets at initial recognition is driven by the Company and its subsidiaries' business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Equity instruments can be classified and cannot be changed by two types of measurement which are measuring fair value through profit or loss or measuring fair value through other comprehensive income that without recycling to profit or loss.

The initial recognition of financial assets that are not measured at fair value through profit or loss with fair value plus or deduct transaction cost directly related to the acquisition or issuance. Financial assets that are measured at fair value through profit or loss, transaction costs are recognized as expense in profit or loss. However, trade receivables, that do not contain a significant financing component are measured at the transaction price.

Subsequent measurement of debt instruments by 3 methods depends on the classification of debt instruments.

- Financial assets measured at amortized cost when financial assets are held to receive cash flow under the agreement and condition of the agreement of the financial assets that generate cash flow to pay the principal and interest from the principal balance on the specified date only. Such financial assets have to be calculated using the effective rate and are subject to impairment assessment. Profit or loss arising from derecognized, modified or impaired will be recognized in profit or loss.
- Financial assets measured at fair value through other comprehensive income when financial assets are held to receive cash flow under the agreement and to sell financial assets and the agreement condition of financial assets generating cash flow that only pays the principal and interest from the principal balance on the specified date. The change of value of financial assets is recognized through other comprehensive income except loss on impairment and interest income and gain and loss on exchange rate are recognized as profit or loss upon recognized of financial assets. Earning or deficit previously recognized in other comprehensive income has to be reclassified into profit or loss. Such financial asset has to be calculated using the effective interest rate same as financial assets measured at amortized cost.
- Financial assets measured at fair value through profit or loss when financial assets that do not meet the criteria for amortized cost or financial assets measured at fair value through other comprehensive income will be presented in the statement of financial position at fair value by recognizing the net change of fair value in profit or loss.

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Subsequent valuation of equity instruments must present equity instruments using the fair value and record profit/loss from change in fair value through profit or loss or other comprehensive income depending on equity instruments classification.

Classification and valuation of financial liabilities

The Group is recognized initially of financial liabilities at fair value net of transaction costs and classified as financial liabilities as financial liabilities subsequently measured at amortized cost using the effective rate. The amortized cost is calculated taking into account fees or costs that are an integral part of the effective rate. Amortization by the effective rate is presented as part of financial costs in profit or loss.

Derivative

Derivative is recognized at fair value and measured fair value at the end of the reporting period. Profit or loss from fair value remeasurement is recognized in profit or loss immediately unless that derivative is used for hedge.

Derecognition of financial instruments

Financial assets will be derecognized from the account when the right to receive cash flow of such asset has ended or when the right to receive cash flow of the assets is transferred including upon the transfer of all risk and consideration of that asset or transfer of internal control in that asset although there is no transfer or maintaining of nearly all risk and consideration of such asset.

Financial liabilities will be derecognized from the account when the obligation of such liabilities has been complied, the obligation is cancelled or the obligation has ended. In case existing financial liabilities are changed to new liabilities from one single lender with considerably different requirements or there is a significant amendment in the requirements of existing liabilities, these are considered as recognition old liabilities and recognizing new liabilities by recognizing the difference of such carrying value under profit or loss.

Impairment of financial assets

Expected credit loss for financial assets measured at amortized cost or debt instrument financial asset measured at fair value through other comprehensive income and assets arising from credit facility obligation and financial guarantee agreement are assessed without having to wait for the credit event to occur first. The Company and its subsidiaries use the general approach in considering the allowance for loss on impairment. For trade receivables, the Company and its subsidiaries apply a simplified approach in calculating ECLs. The Company and its subsidiaries recognize 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.

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Offset of financial instruments

Financial assets and liabilities will be offset and presented at net balance in the statement of financial position in the case legally enforced in offsetting the recognized amount. The Company and its subsidiaries intend to pay the net balance or intends to receive assets and settle payment of liabilities at the same time.

3.19 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.

Consolidation of subsidiaries that the Company holds less than half of shares

The management of the Company determined that the Company has control over Plearn Patt Company Limited, even though the Company holds 48.97% of shares and voting rights that is less than half of shares and voting rights. This is because the Company is a major shareholder and has the ability to direct the significant activities, while other shareholders are only minor shareholders. As a result, Plearn Patt Company Limited is deemed to be a subsidiary of the Company and has to be included in the consolidated financial statements from the date on which the Company assumed control

Expected credit losses for accounts receivable

In determining an allowance for expected credit losses for accounts receivable, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Provision for diminution in value of inventories

In determining of provision for diminution in value of inventories (allowance for dilapidated, slow moving and lost goods), the management needs to make judgement and estimates based upon, among other things, past goods returned history, inventory turnover, the consideration of the book edition and past good lost history.

Determining the lease term of contracts with renewal and termination options

The Group determined the lease term as the non- cancellable term of the lease, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The management is required to use judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease, considering all relevant factors that create an economic incentive to exercise either the renewal or termination. After the commencement date, the Group reassessed the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit of the lease. Therefore, the incremental borrowing rate of the Group is used to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group has would have to pay for necessary borrowing to acquire the assets, or assets with close value to right-of-use assets in similar economic environment, borrowing period and borrowing security.

Depreciation of investments property, property plant and equipment and right-of-use assets and amortization of intangible assets

In determining depreciation of investments property plant and equipment and right-of-use assets and amortization of intangible assets, the management is required to make estimates of the useful lives and residual values of the investments property, plant and equipment and intangible assets and to review estimate useful lives and residual values when there are any changes.

The Group measures investments property, land and buildings at revalued amounts such amounts are determined by the independent valuer using the market approach for land and the cost approach for buildings. The valuation involves certain assumptions and estimates as described in Note 14.

In addition, the management is required to review property, plant and equipment and right-of-use assets and intangible assets 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.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increases rate and staff turnover rate.

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Fair value of financial instruments

In determining the fair value of financial instruments recognized in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

4. TRANSACTIONS WITH RELATED PARTIES

The Company had significant business transactions with related parties. These parties are directly or indirectly related through common shareholding and/or directorship. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiaries and those related parties.

The related companies include the following:

Company	Relationship
Pleam Patt Co., Ltd.	Subsidiary company by direct shareholders
BaesLab Co., Ltd.	Subsidiary company by direct shareholders (Complete liquidation on September 21,2023)
M AND E Co., Ltd.	Associated company by direct shareholders

The significant transactions with related parties for the years ended December 31, 2023 and 2022, can be summarized as follows:

Transfer Pricing Policy		Baht			
		Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<u>Transactions in the statements of income</u>					
<u>Subsidiary companies</u>					
Sales of goods	Mutually agreed agreement	-	-	125,049	192,202
Service revenue	Mutually agreed agreement	-	-	2,336	4,673
Dividend income	As declared	-	-	4,150,000	3,320,000
<u>Transactions in associate company</u>					
Dividend income	As declared	-	-	1,500,000	600,000
<u>Related companies</u>					
Service revenue	Mutually agreed agreement	11,215	11,411	11,215	11,411
Sales of goods	Mutually agreed agreement	-	1,039,488	-	1,039,488
<u>Shareholder and directors of subsidiary companies</u>					
Amortized right-of-use on land	Mutually agreed agreement	858,357	1,286,315	-	-
Amortized leasehold right on land	Mutually agreed agreement	666,073	285,258	-	-
Interest expenses	3% - 5% per annum	55,767	75,082	-	-

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As at December 31, 2023 and 2022 Significant outstanding balances with related companies are as follow:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Outstanding balances at the statements of financial position				
Subsidiary companies				
Trade and other current receivables	-	-	-	45,402
Shareholder and directors of subsidiary companies				
Leasehold on land	13,229,589	13,895,663	-	-
Lease liabilities	25,913,681	31,526,329	-	-
Long - term loan from director	1,300,000	2,300,000	-	-

Directors and management's benefits (According to the definition of the Securities and Exchange Commission (SEC))

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

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Short-term employee benefits	19,484,528	20,013,631	14,788,652	14,948,565
Post-employment benefits	566,752	630,895	537,920	560,360
Total	20,051,280	20,644,526	15,326,572	15,508,925

5. CASH AND CASH EQUIVALENTS

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash	7,044,000	8,404,708	6,785,428	8,180,394
Bank deposits - current accounts	3,127,145	900,055	2,745,497	518,408
Bank deposits - saving accounts	108,559,245	92,792,972	7,003,277	9,676,589
Total	118,730,390	102,097,735	16,534,202	18,375,391

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6. TRADE AND OTHER CURRENT RECEIVABLES

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<u>Trade receivables - Related parties</u>				
Classified by aging				
Not yet due	-	1,039,485	-	1,084,887
Total	-	1,039,485	-	1,084,887
<u>Trade receivables - Other companies</u>				
Classified by aging				
Not yet due	46,800,544	33,529,530	46,800,545	33,529,530
0 - 6 months	13,577,205	13,669,223	11,272,302	10,884,362
6 - 12 months	1,928,305	900,470	411,580	76,227
Over 12 months	2,633,934	2,649,192	201,767	63,730
Total	64,939,988	50,748,415	58,686,194	44,553,849
<u>Less Allowance for expected credit losses</u>	(6,072,904)	(5,265,361)	(2,882,375)	(2,267,778)
Allowance for goods return	(2,342,885)	(2,160,049)	(2,342,885)	(2,160,049)
Total	56,524,199	43,323,005	53,460,934	40,126,022
Total trade receivable	56,524,199	44,362,490	53,460,934	41,210,909
<u>Other current receivables</u>				
Advances	422,509	965,509	392,509	955,509
Others	1,522,870	1,927,904	1,113,207	1,142,452
Total other current receivables	1,945,379	2,893,413	1,505,716	2,097,961
Total trade and other current receivables - net	58,469,578	47,255,903	54,966,650	43,308,870

The movements in transactions of allowance for expected credit losses and allowance for returned goods as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	Allowance for expected credit losses	Allowance for goods return	Allowance for expected credit losses	Allowance for goods return
Beginning balance	5,265,361	2,160,049	2,267,778	2,160,049
<u>Add</u> Increase during the year	836,390	182,836	643,444	182,836
<u>Less</u> reversal during the year	(28,847)	-	(28,847)	-
Ending balance	6,072,904	2,342,885	2,882,375	2,342,885

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7. INVENTORIES

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Finished goods	369,596,297	394,016,580	367,258,811	391,826,887
Work in process	8,281,549	9,206,248	8,281,549	9,206,248
Raw material	565,912	730,892	565,912	730,892
Total	378,443,758	403,953,720	376,106,272	401,764,027
Less Allowance for loss of inventories	(4,771,790)	(7,023,238)	(4,771,790)	(7,023,238)
Allowance for dilapidated and slow moving	(146,665,837)	(176,812,924)	(146,566,252)	(176,713,339)
Inventories - net	227,006,131	220,117,558	224,768,230	218,027,450

Movements in transactions of allowance for loss of inventories and dilapidated and slow moving are summarized as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Beginning balance	183,836,162	195,731,005	183,736,577	195,631,420
Add Increase during the year	1,510,316	10,816,568	1,510,316	10,816,568
Less reversal during the year	(33,908,851)	(22,711,411)	(33,908,851)	(22,711,411)
Ending balance	151,437,627	183,836,162	151,338,042	183,736,577

8. OTHER CURRENT AND NON-CURRENT FINANCIAL ASSETS

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Investment in securities in unit trust - at cost	1,302,569	8,201,240	1,302,569	8,201,240
Add Unrealized gain on changes in the value of investments	117	238	117	238
Investment in securities - at fair value	1,302,686	8,201,478	1,302,686	8,201,478
Saving bonds with 10 years maturity	-	4,491,987	-	4,491,987
	1,302,686	12,693,465	1,302,686	12,693,465
Interest rate swap transaction	81,934	184,411	81,934	184,411
Total	1,384,620	12,877,876	1,384,620	12,877,876

9. OTHER CURRENT ASSETS

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Supplies	12,705,659	12,947,791	12,704,192	12,920,107
Prepaid expenses	8,119,293	6,996,355	5,848,385	5,371,432
Other	1,802,486	1,432,343	1,797,773	1,418,982
Total	22,627,438	21,376,489	20,350,350	19,710,521

10. RESTRICTED BANK DEPOSITS AND OTHER INVESTMENTS

This account consisted of:

	Baht	
	Consolidated/Separate financial statements	
	2023	2022
Fixed deposits with 12 months maturity	8,000,000	8,000,000
Saving bonds with 10 years maturity	-	499,110
Total	8,000,000	8,499,110

As at December 31, 2023, the fixed deposits with 12 months maturity, with the interest rate of 0.70% per annum has been used to guarantee electricity use, rental of space and dealers (Note 34.2 to financial statements).

As at December 31, 2022, the fixed deposits with 12 months maturity, with the interest rate of 0.10% per annum and savings bonds with 10 years maturity, face value Baht 0.50 million with the interest rate of 3.625% per annum has been used to guarantee electricity use, rental of space and dealers.

11. INVESTMENTS IN AN ASSOCIATE

11.1 Investments in an associate is summarized below.

Company's name	Nature of business	Shareholding percentage (%)	Baht							
			Consolidated financial statements				Separate financial statements			
			At equity method		Allowance for impairment of investments		At equity method - Net		At cost method	
			2023	2022	2023	2022	2023	2022	2023	2022
M AND E Co., Ltd.	Printing office production of technical magazines and engineering manuals	25	17,987,273	20,289,507	(580,000)	(580,000)	17,407,273	19,709,507	100,000	100,000
Total			17,987,273	20,289,507	(580,000)	(580,000)	17,407,273	19,709,507	100,000	100,000

11.2 Share of comprehensive income and dividend received

During the years, the Company has recognized its share of gain (loss) from investments in associate in the consolidated financial statements and dividend income in the separate financial statements as follows:

Company's name	Baht					
	Consolidated financial statements				Separate financial statements	
	Share of gain (loss) from associate		Share of other comprehensive income (loss) of associate		Dividend	
	2023	2022	2023	2022	2023	2022
M and E Co., Ltd.	82,405	56,699	(884,639)	598,348	1,500,000	600,000

11.3 Summarized financial information of associate

Financial information of the associate is summarized below.

Company's name	Baht									
	Paid-up capital		Total assets		Total liabilities		Total revenues		Profit for the year ended	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
M and E Co., Ltd.	400,000	400,000	79,258,969	85,000,499	1,309,876	1,442,472	3,856,107	4,691,502	801,376	1,234,252

For the year 2023

According to the Shareholders' Meeting No. 1/2023 dated April 29, 2023 of M AND E Co., Ltd., it had a resolution to approve the dividend payment from the operating results ended December 31, 2024 to the shareholders at Bath 1,500.00 per share for 4,000 shares. Totalled Baht 6.00 million on July 20, 2023.

For the year 2022

According to the Shareholders' Meeting No. 1/2022 dated April 25, 2022 of M AND E Co., Ltd., it had a resolution to approve the dividend payment from the operating results ended December 31, 2003 and 2004 to the shareholders at Bath 600.00 per share for 4,000 shares. Totalled Baht 2.40 million on June 30, 2022.

12. INVESTMENTS IN SUBSIDIARIES

12.1 Investments in subsidiaries as presented in the separate financial statements is summarized below.

Company's name	Baht											
	Paid-up capita		Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net		Dividend received during the year	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	(Thousand Baht)	(Thousand Baht)	(%)	(%)								
BaesLab Co., Ltd.	-	250	-	60.00	-	150,000	-	-	-	150,000	-	-
Pleam Patt Co., Ltd.	151,850	151,850	48.97	48.97	83,000,000	83,000,000	-	-	83,000,000	83,000,000	4,150,000	3,320,000
Total					<u>83,000,000</u>	<u>83,150,000</u>	<u>-</u>	<u>-</u>	<u>83,000,000</u>	<u>83,150,000</u>	<u>4,150,000</u>	<u>3,320,000</u>

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

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	2023	2022	2023	2022	2023	2022	2023	2022
	(%)	(%)						
Pleam Patt Co., Ltd.	51.03	51.03	129,035,434	117,677,100	17,356,793	12,608,807	4,323,775	3,459,020

12.3 Summarized financial information that based on amounts before inter-company elimination about Pleam Patt Co., Ltd. that have material non-controlling

	Baht	
	2023	2022
Current assets	110,145,591	91,298,022
Non-current assets	441,805,282	444,926,670
Current liabilities	171,719,868	117,127,320
Non-current liabilities	121,150,278	181,966,366
Revenue	277,660,398	266,194,573
Profit	34,032,604	24,724,654
Other comprehensive income (loss) for the year	(3,281,763)	27,079,859
Total comprehensive income	30,750,841	51,804,513
Cash flow provided by operating activities	80,969,763	70,296,482
Cash flow used in investing activities	(27,759,236)	(81,943,069)
Cash flow provided by (used in) financing activities	(34,637,328)	(7,561,645)
Increase (decrease) in cash and cash equivalents - net	18,573,199	(19,208,232)

BaesLab Co., Ltd.

According to the Extraordinary Shareholders' Meeting No. 1/2023 dated July 10, 2023, BaesLab Co., Ltd. had a special resolution to dissolve the company and the company had registered for the dissolution with Ministry of Commerce on July 20, 2023. The liquidation had been completed on September 21, 2023. And on September 21, 2023, such subsidiary had repaid the investment to the Company amounted Baht 0.08 million.

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Pleam Patt Co., Ltd.

For the year 2023

On March 31, 2023, the Annual General Shareholders' Meeting for the year 2023 of Ploenpat Co., Ltd., a subsidiary, the meeting resolved to pay dividends from the operating results ended December 31, 2022 to the shareholders at Baht 0.50 per share for 16,947,550 shares, totaled Baht 8.70 million on April 30, 2023.

For the year 2022

On April 26, 2022, the Annual General Shareholders' Meeting for the year 2022 of Ploenpat Co., Ltd., a subsidiary, the meeting resolved to pay dividends from the operating results ended December 31, 2021 to the shareholders at Baht 0.40 per share for 16,947,550 shares, totaled Baht 6.78 million on May 25, 2022.

13. INVESTMENTS PROPERTY

This account consisted of:

	Baht				Balance as at December 31, 2023
	Consolidated/Separate financial statements				
	Balance as at December 31, 2022	Transaction during the year			
		Additions	Deduction	Transfer In (out)	
Cost					
Land and land improvement	50,154,022	-	-	-	50,154,022
Less Accumulated depreciation	658,412	-	-	-	658,412
Total	49,495,610				49,495,610
Appraised value - net					
Land and land improvement	51,904,390	22,500,000	-	-	74,404,390
Land and land improvement appraised value - net	51,904,390	22,500,000	-	-	74,404,390
Investment property, net	101,400,000				123,900,000

	Baht				Balance as at December 31, 2022
	Consolidated/Separate financial statements				
	Balance as at December 31, 2021	Transaction during the year			
		Additions	Deduction	Transfer In (out)	
Cost					
Land and land improvement	-	-	-	50,154,022	50,154,022
Less Accumulated depreciation	-	-	-	658,412	658,412
Total	-				49,495,610
Appraised value - net					
Land and land improvement	-	-	-	51,904,390	51,904,390
Land and land improvement appraised value - net	-	-	-	51,904,390	51,904,390
Investment property, net	-				101,400,000

The Group arranged for an independent professional value to appraise the value of certain assets in 2022 on an asset-by-asset basis (Level 3) appraised investment property is land that is not used in operations. Appraised value Baht 123.90 million (In 2017 with a total appraisal value Baht 101.40 million) land was revalued using the Market approach.

As at December 31, 2023 and 2022, land improvements were fully depreciated but are still in use amount to Baht 0.68 million.

14. PROPERTY, PLANT AND EQUIPMENT

This account consisted of:

	Baht					
	Consolidated/Separate financial statements					
	Balance as at	Transaction during the year				Balance as at
	December 31, 2022	Additions	Deduction	Transfer In (out)		December 31, 2023
Cost						
Land and land improvement	487,042,437	105,645	-	-	487,148,082	
Building and building improvement	871,927,413	1,383,781	(4,459,338)	8,835,149	877,687,005	
Building and building decorations	109,350,215	1,059,918	(14,369,127)	(9,554,032)	86,486,974	
Demolition cost	11,412,683	50,649	(1,583,361)	(1,242,849)	8,637,122	
Office equipment	494,160,781	14,635,961	(34,420,215)	607,038	474,983,565	
Motor vehicles	21,395,910	-	-	-	21,395,910	
Construction in progress	13,108,347	27,730,919	-	(14,406,235)	26,433,031	
Total	<u>2,008,397,786</u>	<u>44,966,873</u>	<u>(54,832,041)</u>	<u>(15,760,929)</u>	<u>1,982,771,689</u>	
Less Accumulated depreciation						
Land and land improvement	36,407,095	3,573,324	-	-	39,980,419	
Building and building improvement	283,026,479	26,388,728	(2,168,518)	-	307,246,689	
Building and building decorations	105,203,801	1,981,418	(14,336,286)	(11,399,913)	81,449,020	
Demolition cost	11,376,162	27,289	(1,583,361)	(1,242,849)	8,577,241	
Office equipment	436,693,515	19,955,281	(33,649,631)	-	422,999,165	
Motor vehicles	19,680,716	391,993	-	-	20,072,709	
Total	<u>892,387,768</u>	<u>52,318,033</u>	<u>(51,737,796)</u>	<u>(12,642,762)</u>	<u>880,325,243</u>	
Less Allowance for impairment						
Building and building decorations	124,369	138,723	(92,746)	-	170,346	
Total	<u>124,369</u>	<u>138,723</u>	<u>(92,746)</u>	<u>-</u>	<u>170,346</u>	
Appraised value - net						
Land and land improvement	433,885,842	72,000,000	-	-	505,885,842	
Building and building improvement	36,664,551	102,680,976	(2,024,462)	-	137,321,065	
Property, plant and equipment appraised value - net	<u>470,550,393</u>	<u>174,680,976</u>	<u>(2,024,462)</u>	<u>-</u>	<u>643,206,907</u>	
Property, plant and equipment - net	<u>1,586,436,042</u>				<u>1,745,483,007</u>	

	Baht					
	Consolidated/Separate financial statements					
	Balance as at	Transaction during the year				Balance as at
	December 31, 2021	Additions	Deduction	Transfer In (out)		December 31, 2022
<u>Cost</u>						
Land and land improvement	507,491,951	22,005,390	-	(42,454,904)	487,042,437	
Building and building improvement	831,714,679	34,000	-	40,178,734	871,927,413	
Building and building decorations	139,498,166	1,460,645	(36,595,276)	4,986,680	109,350,215	
Demolition cost	17,060,684	32,814	(5,892,115)	211,300	11,412,683	
Office equipment	536,374,059	16,786,953	(60,496,193)	1,495,962	494,160,781	
Motor vehicles	24,970,065	-	(3,574,155)	-	21,395,910	
Construction in progress	27,175,970	36,045,866	-	(50,113,489)	13,108,347	
Total	<u>2,084,285,574</u>	<u>76,365,668</u>	<u>(106,557,739)</u>	<u>(45,695,717)</u>	<u>2,008,397,786</u>	
<u>Less Accumulated depreciation</u>						
Land and land improvement	33,209,114	3,856,393	-	(658,412)	36,407,095	
Building and building improvement	258,277,459	24,749,020	-	-	283,026,479	
Building and building decorations	134,633,744	2,952,120	(36,358,904)	3,976,841	105,203,801	
Demolition cost	17,060,684	117,336	(5,867,431)	65,573	11,376,162	
Office equipment	471,853,242	23,925,744	(56,633,240)	(2,452,231)	436,693,515	
Motor vehicles	22,659,604	434,690	(3,413,578)	-	19,680,716	
Total	<u>937,693,847</u>	<u>56,035,303</u>	<u>(102,273,153)</u>	<u>931,771</u>	<u>892,387,768</u>	
<u>Less Allowance for impairment</u>						
Building and building decorations	362,948	79,484	(318,063)	-	124,369	
Total	<u>362,948</u>	<u>79,484</u>	<u>(318,063)</u>	<u>-</u>	<u>124,369</u>	
<u>Appraised value - net</u>						
Land and land improvement	454,263,154	31,527,078	-	(51,904,390)	433,885,842	
Building and building improvement	37,052,455	1,636,714	(2,024,618)	-	36,664,551	
Property, plant and equipment appraised value - net	<u>491,315,609</u>	<u>33,163,792</u>	<u>(2,024,618)</u>	<u>(51,904,390)</u>	<u>470,550,393</u>	
Property, plant and equipment - net	<u>1,637,544,388</u>				<u>1,586,436,042</u>	

M

	Baht					
	Separate financial statements					
	Balance as at	Transaction during the year				Balance as at
	December 31, 2022	Additions	Deduction	Transfer In (out)		December 31, 2023
Cost						
Land and land improvement	314,006,872	-	-	-	314,006,872	
Building and building improvement	553,793,229	-	-	-	553,793,229	
Building and building decorations	109,351,721	1,059,918	(14,369,127)	(9,554,032)	86,488,480	
Demolition cost	11,412,683	50,649	(1,583,361)	(1,242,849)	8,637,122	
Office equipment	387,524,846	9,104,017	(32,475,298)	489,494	364,643,059	
Motor vehicles	19,698,810	-	-	-	19,698,810	
Construction in progress	82,949	7,159,801	-	(4,538,693)	2,704,057	
Total	<u>1,395,871,110</u>	<u>17,374,385</u>	<u>(48,427,786)</u>	<u>(14,846,080)</u>	<u>1,349,971,629</u>	
Less Accumulated depreciation						
Land and land improvement	7,616,803	868,049	-	-	8,484,852	
Building and building improvement	123,464,307	13,247,802	-	-	136,712,109	
Building and building decorations	105,203,252	1,981,418	(14,336,286)	(11,399,913)	81,448,471	
Demolition cost	11,376,162	27,289	(1,583,361)	(1,242,849)	8,577,241	
Office equipment	361,222,167	9,935,442	(31,793,841)	-	339,363,768	
Motor vehicles	17,983,617	391,993	-	-	18,375,610	
Total	<u>626,866,308</u>	<u>26,451,993</u>	<u>(47,713,488)</u>	<u>(12,642,762)</u>	<u>592,962,051</u>	
Less Allowance for impairment						
Building and building decorations	124,369	138,723	(92,746)	-	170,346	
Total	<u>124,369</u>	<u>138,723</u>	<u>(92,746)</u>	<u>-</u>	<u>170,346</u>	
Appraised value - net						
Land and land improvement	401,440,164	72,000,000	-	-	473,440,164	
Building and building improvement	19,311,019	102,680,976	(540,236)	-	121,451,759	
Property, plant and equipment appraised value - net	<u>420,751,183</u>	<u>174,680,976</u>	<u>(540,236)</u>	<u>-</u>	<u>594,891,923</u>	
Property, plant and equipment - net	<u>1,189,631,616</u>				<u>1,351,731,155</u>	

M

	Baht				Balance as at December 31, 2022
	Separate financial statements				
	Balance as at December 31, 2021	Transaction during the year			
		Additions	Deduction	Transfer In (out)	
<u>Cost</u>					
Land and land improvement	364,160,894	-	-	(50,154,022)	314,006,872
Building and building improvement	553,793,229	-	-	-	553,793,229
Building and building decorations	139,499,672	1,460,645	(36,595,276)	4,986,680	109,351,721
Demolition cost	17,060,684	32,814	(5,892,115)	211,300	11,412,683
Office equipment	443,485,159	2,058,844	(58,019,157)	-	387,524,846
Motor vehicles	23,272,965	-	(3,574,155)	-	19,698,810
Construction in progress	82,949	739,675	-	(739,675)	82,949
Total	<u>1,541,355,552</u>	<u>4,291,978</u>	<u>(104,080,703)</u>	<u>(45,695,717)</u>	<u>1,395,871,110</u>
<u>Less Accumulated depreciation</u>					
Land and land improvement	7,407,166	868,049	-	(658,412)	7,616,803
Building and building improvement	110,216,505	13,247,802	-	-	123,464,307
Building and building decorations	134,633,195	2,952,120	(36,358,904)	3,976,841	105,203,252
Demolition cost	17,060,684	117,336	(5,867,431)	65,573	11,376,162
Office equipment	402,262,356	15,593,051	(56,633,240)	-	361,222,167
Motor vehicles	20,962,505	434,690	(3,413,578)	-	17,983,617
Total	<u>692,542,411</u>	<u>33,213,048</u>	<u>(102,273,153)</u>	<u>3,384,002</u>	<u>626,866,308</u>
<u>Less Allowance for impairment</u>					
Building and building decorations	362,948	79,484	(318,063)	-	124,369
Total	<u>362,948</u>	<u>79,484</u>	<u>(318,063)</u>	<u>-</u>	<u>124,369</u>
<u>Appraised value - net</u>					
Land and land improvement	453,344,554	-	-	(51,904,390)	401,440,164
Building and building improvement	19,907,813	-	(596,794)	-	19,311,019
Property, plant and equipment appraised value - net	<u>473,252,367</u>	<u>-</u>	<u>(596,794)</u>	<u>(51,904,390)</u>	<u>420,751,183</u>
Property, plant and equipment - net	<u>1,321,702,560</u>				<u>1,189,631,616</u>

In 2023, the Company have arranged for an asset appraisal with a total appraisal value of Baht 1,238.40 million. (In 2017 with a total appraisal value Baht 1,231.54 million) for an independent professional value to appraise the value of certain assets an asset-by-asset basis (Level 3). as follows:

Land was revalued using the Market approach.

Buildings were revalued using the Cost approach, which represents the estimated cost to construct a new building at the current replacement cost less depreciation based on useful life.

In 2022, the subsidiaries have arranged for an asset appraisal with a total appraisal value of Baht 446.85 million. (In 2017 with a total appraisal value Baht 236.53 million) for an independent professional value to appraise the value of certain assets an asset-by-asset basis (Level 3). as follows:

Land was revalued using the Market approach.

Buildings were revalued using the Cost approach, which represents the estimated cost to construct a new building at the current replacement cost less depreciation based on useful life.

As at December 31, 2023 and 2022, certain building and equipment were fully depreciated but are still in use of the Group. The gross carrying amount before deducting accumulated depreciation and allowance for impairment of those assets amounted Baht 470.54 million and Baht 610.09 million respectively, (Separate financial statements Baht 411.04 million and Baht 552.68 million, respectively).

The Company mortgaged the land and constructions thereon where the distribution centre is situated to secure against credit facilities granted by a commercial bank (Notes 17, 21 and 36 to the financial statements).

15. RIGHT-OF-USE ASSETS

This account consisted of:

	Baht			
	Consolidated financial statements			
	Balance as at December 31, 2022 (Restated)	Transaction during the year		
	Additions	Change in conditions/ written-off		
Cost				
Leasehold rights on land	18,112,821	-	-	18,112,821
Leasehold rights on buildings	67,853,371	-	(29,579,843)	38,273,528
Rental area	345,986,955	35,159,615	(48,953,407)	332,193,163
Rental area improvement	202,316,005	18,177,221	(22,457,645)	198,035,581
Demolition cost	19,037,312	1,291,384	(1,041,752)	19,286,944
Rental vehicles	12,725,237	5,645,228	(2,863,684)	15,506,781
Total	666,031,701	60,273,448	(104,896,331)	621,408,818
Less Accumulated depreciation				
Leasehold rights on land	4,217,158	666,073	-	4,883,231
Leasehold rights on buildings	56,708,452	2,343,653	(29,579,843)	29,472,262
Rental area	219,554,232	54,104,470	(43,681,232)	229,977,470
Rental area improvement	189,968,724	6,338,512	(24,214,741)	172,092,495
Demolition cost	18,807,688	249,807	(1,041,752)	18,015,743
Rental vehicles	5,386,487	3,298,133	(2,863,684)	5,820,936
Total	494,642,741	67,000,648	(101,381,252)	460,262,137
Right-of-use assets - net	171,388,960			161,146,681

	Baht				
	Consolidated financial statements				
	Balance as at	Transaction during the year			Balance as at
	December 31, 2021 (Restated)	Additions	Change in conditions/ written-off		December 31, 2022 (Restated)
Cost					
Leasehold rights on land	10,030,858	9,678,366	(1,596,403)	18,112,821	
Leasehold rights on buildings	173,460,075	-	(105,606,704)	67,853,371	
Rental area	355,513,466	46,353,725	(55,880,236)	345,986,955	
Rental area improvement	215,793,945	816,988	(14,294,928)	202,316,005	
Demolition cost	20,046,065	-	(1,008,753)	19,037,312	
Rental vehicles	12,077,345	647,892	-	12,725,237	
Total	<u>786,921,754</u>	<u>57,496,971</u>	<u>(178,387,024)</u>	<u>666,031,701</u>	
Less Accumulated depreciation					
Leasehold rights on land	5,077,891	285,258	(1,145,991)	4,217,158	
Leasehold rights on buildings	157,804,403	3,900,955	(104,996,906)	56,708,452	
Rental area	164,793,642	71,507,490	(16,746,900)	219,554,232	
Rental area improvement	195,481,785	8,259,644	(13,772,705)	189,968,724	
Demolition cost	19,549,075	121,639	(863,026)	18,807,688	
Rental vehicles	2,593,036	2,793,451	-	5,386,487	
Total	<u>545,299,832</u>	<u>86,868,437</u>	<u>(137,525,528)</u>	<u>494,642,741</u>	
Right-of-use assets - net	<u>241,621,922</u>			<u>171,388,960</u>	

	Baht				
	Separate financial statements				
	Balance as at	Transaction during the year			Balance as at
	December 31, 2022 (Restated)	Additions	Change in conditions/ written-off		December 31, 2023
Cost					
Leasehold rights on buildings	67,853,371	-	(29,579,843)	38,273,528	
Rental area	311,041,999	35,159,615	(48,953,407)	297,248,207	
Rental area improvement	202,316,005	18,177,221	(22,457,645)	198,035,581	
Demolition cost	19,037,312	1,291,384	(1,041,752)	19,286,944	
Rental vehicles	12,725,237	5,645,228	(2,863,684)	15,506,781	
Total	<u>612,973,924</u>	<u>60,273,448</u>	<u>(104,896,331)</u>	<u>568,351,041</u>	
Less Accumulated depreciation					
Leasehold rights on buildings	56,708,452	2,343,653	(29,579,843)	29,472,262	
Rental area	215,821,379	52,751,817	(43,681,232)	224,891,964	
Rental area improvement	189,968,724	6,338,512	(24,214,741)	172,092,495	
Demolition cost	18,807,688	249,807	(1,041,752)	18,015,743	
Rental vehicles	5,386,487	3,298,133	(2,863,684)	5,820,936	
Total	<u>486,692,730</u>	<u>64,981,922</u>	<u>(101,381,252)</u>	<u>450,293,400</u>	
Right-of-use assets - net	<u>126,281,194</u>			<u>118,057,641</u>	

	Baht			
	Separate financial statements			
	Balance as at	Transaction during the year		Balance as at
	December 31, 2021 (Restated)	Additions	Change in conditions/ written-off	December 31, 2022 (Restated)
Cost				
Leasehold rights on buildings	173,460,075	-	(105,606,704)	67,853,371
Rental area	329,522,299	35,049,643	(53,529,943)	311,041,999
Rental area improvement	215,793,945	816,988	(14,294,928)	202,316,005
Demolition cost	20,046,065	-	(1,008,753)	19,037,312
Rental vehicles	12,077,345	647,892	-	12,725,237
Total	750,899,729	36,514,523	(174,440,328)	612,973,924
Less Accumulated depreciation				
Leasehold rights on buildings	157,804,403	3,900,955	(104,996,906)	56,708,452
Rental area	162,015,718	70,008,563	(16,202,902)	215,821,379
Rental area improvement	195,481,785	8,259,644	(13,772,705)	189,968,724
Demolition cost	19,549,075	121,639	(863,026)	18,807,688
Rental vehicles	2,593,036	2,793,451	-	5,386,487
Total	537,444,017	85,084,252	(135,835,539)	486,692,730
Right-of-use assets - net	213,455,712			126,281,194

The whole amount of the leasehold on buildings represented leased areas in leading shopping centers in order to open SE-ED Book Center. The terms of these leaseholds range between 10 to 30 years.

As at December 31, 2023 and 2022, the whole amount of the leasehold rights consisted of Four land lease agreements which the subsidiary entered into with its shareholders totalling Baht 31.33 million. It is related to the lease of land area of approximately 11 rais 279 square wah for the period of 29 - 49 years and one Director land lease agreements totalling Baht 15.62 million. It is related to the lease of land area of approximately 4 rais 70 square wah for the period of 30 years for the purpose of operating an education institute.

16. INTANGIBLE ASSETS

This account consisted of:

	Baht				
	Consolidated financial statements				
	Balance as at	Transaction during the year			Balance as at
	December 31, 2022	Additions	Deduction	Transfer In (out)	December 31, 2023
Cost					
Computer program	52,599,366	211,999	-	914,850	53,726,215
Program under development	-	5,098,585	-	-	5,098,585
Total	52,599,366	5,310,584	-	914,850	58,824,800
Less Accumulated amortization					
Computer program	49,305,635	1,480,451	-	-	50,786,086
Total	49,305,635	1,480,451	-	-	50,786,086
Intangible assets - net	3,293,731				8,038,714

	Baht				
	Consolidated financial statements				
	Balance as at	Transaction during the year			Balance as at
	December 31, 2021	Additions	Deduction		December 31, 2022
<u>Cost</u>					
Computer program	52,570,927	99,795	(71,356)	52,599,366	
<u>Less Accumulated amortization</u>	47,866,549	1,471,675	(32,589)	49,305,635	
<u>Intangible assets - net</u>	<u>4,704,378</u>			<u>3,293,731</u>	

	Baht				
	Separate financial statements				
	Balance as at	Transaction during the year			Balance as at
	December 31, 2022	Additions	Deduction		December 31, 2023
<u>Cost</u>					
Computer program	51,961,689	211,999	-	52,173,688	
Program under development	-	5,098,585	-	5,098,585	
<u>Total</u>	<u>51,961,689</u>	<u>5,310,584</u>	<u>-</u>	<u>57,272,273</u>	
<u>Less Accumulated amortization</u>					
Computer program	49,026,573	1,398,008	-	50,424,581	
<u>Total</u>	<u>49,026,573</u>	<u>1,398,008</u>	<u>-</u>	<u>50,424,581</u>	
<u>Intangible assets - net</u>	<u>2,935,116</u>			<u>6,847,692</u>	

	Baht				
	Separate financial statements				
	Balance as at	Transaction during the year			Balance as at
	December 31, 2021	Additions	Deduction		December 31, 2022
<u>Cost</u>					
Computer program	52,033,045	-	(71,356)	51,961,689	
<u>Less Accumulated amortization</u>	47,594,943	1,464,219	(32,589)	49,026,573	
<u>Intangible assets - net</u>	<u>4,438,102</u>			<u>2,935,116</u>	

W

17. OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

This account consisted of:

	Baht	
	Consolidated/Separate financial statements	
	2023	2022
Overdraft	17,805,930	12,849,680
Short-term loan	210,000,000	150,000,000
Total	227,805,930	162,849,680

As at December 31, 2023 and 2022, the Company have the overdrafts amounted Baht 17.81 million and 12.85 million, respectively, with carried MOR% per annum and guaranteed by mortgaging the land with buildings (Note 36 to the interim financial statements).

And the Company have the short-term loans amount of Baht 210.00 million and 150.00 million, respectively, in the form of promissory in the amount of Baht 220.00 million notes in the not over 3 months with interest rate of 5.15% - 5.60% per annum and 2.95% - 4.15% per annum, respectively.

18. TRADE AND OTHER CURRENT PAYABLES

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade payable - other companies	303,860,589	323,967,220	302,471,864	322,488,720
Accrued expenses	68,056,985	59,461,567	54,357,909	44,701,038
Other payables for purchase of assets	350,811	251,307	305,211	-
Notes payable	-	302,245	-	302,245
Other payables	16,379,020	21,013,732	13,808,719	20,986,897
Total	388,647,405	404,996,071	370,943,703	388,478,900

19. INCOME RECEIVED IN ADVANCE

This account consisted of:

	Baht	
	Consolidated financial statements	
	2023	2022
Income received in advance - not yet recognized	124,488,668	118,426,218
<u>Less</u> Income received in advance recognizable within one year	<u>(78,131,280)</u>	<u>(73,536,630)</u>
Net	46,357,388	44,889,588

Movements of income received in advance are summarised as follows:

	Baht		
	Consolidated financial statements		
	Initial entrance fee	Education supporting fee	Total
Beginning as at January 1, 2022	51,131,914	52,867,189	103,999,103
Add Increase during the year	18,525,000	253,667,493	272,192,493
Less Income recognition during the year	(12,621,536)	(244,627,532)	(257,249,068)
Less Returned due to resignation of students	(98,500)	(417,810)	(516,310)
Balance as at December 31, 2022	56,936,878	61,489,340	118,426,218
Add Increase during the year	15,905,917	268,399,124	284,305,041
Less Income recognition during the year	(14,695,837)	(262,964,561)	(277,660,398)
Less Returned due to resignation of students	(265,540)	(316,653)	(582,193)
Balance as at December 31, 2023	57,881,418	66,607,250	124,488,668

20. OTHER CURRENT LIABILITIES

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Coupon and prepaid card payable	12,578,034	13,624,103	12,578,034	13,624,103
Accrued withholding tax	1,701,756	2,282,055	1,330,654	1,548,379
Unearned income	5,625,833	3,524,029	5,369,983	3,299,819
Advance received for purchasing books	734,924	804,444	734,924	804,444
Others	3,097,916	3,111,102	2,328,146	2,068,235
Total	23,738,463	23,345,733	22,341,741	21,344,980

21. LONG-TERM LOANS

This account consisted of:

Loan	Interest rate (%)	Repayment schedule	Baht			
			Consolidated financial statements		Separate financial statements	
			2023	2022	2023	2022
1	MLR-1.5	Monthly instalment as from November 30, 2014 with the last instalment in December 31, 2024	20,928,000	45,576,000	20,928,000	45,576,000
2	Fix 4.50	repayment on the 13 th from the month of loan withdrawal starting September 30, 2021 with the last instalment in July 31, 2025	56,600,000	81,560,000	56,600,000	81,560,000
3	3.00 - 5.00**	Settlement at maturity date of the contracts	73,000,000	98,900,000	-	-
4	MLR	3 rd year repayment starts April 14, 2022	8,324,000	14,996,000	8,324,000	14,996,000
Total			158,852,000	241,032,000	85,852,000	142,132,000
Less: Current portion			(104,172,000)	(80,180,000)	(31,172,000)	(56,280,000)
Long-term loans - net			54,680,000	160,852,000	54,680,000	85,852,000

* Interest expense rate in swap transaction agreement

** Unsecured long-term loan of subsidiary

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The long-term loans were guaranteed with the land and buildings that was the location of the distribution center to guarantee any liabilities or obligations either already exist at the moment or will be held under such agreement (Note 36.3 to the financial statements).

Under such long agreement, the Company had to comply with some certain financial conditions specified in the agreement such as to maintain the debt ratio with interest to equity and leverage ratio, etc.

The Company had entered into the interest rate swap agreement of the credit limit loan No. 3 with the lender bank to exchange interest rate as specified in the loan agreement as floating interest rate plus the specified rate (Note 36.3 to the financial statements).

In April 2020, the Company has entered into a loan agreement (revised edition) to request a suspension of loans amounted No. 1 and 2 for 1 year from April 2020 to March 2021 by repayment of loan amounted No. 1 within June 2022 and loan amounted No. 2 within November 2024.

22. Educational guarantee

Educational guarantee in money collected from special student and during the year 2023, the school had a policy to collect contributions for school development. The objective was to support the school with sufficient budgets to build and improve school and various building activities. It had been started for the new students from the academic year 2024 onwards according to the basis for refunds and interest rates depend on specified conditions.

23. LONG-TERM EMPLOYEE BENEFIT OBLIGATIONS

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Provision for compensation on employees ¹	70,722,971	65,192,738	51,859,960	50,865,678
Provision for long service awards	17,888,158	19,535,908	17,888,158	19,535,908
Total	88,611,129	84,728,646	69,748,118	70,401,586

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Movements of the long-term employee benefit obligations account are as follows:-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Long-term employee benefit obligations at beginning of the year	84,728,646	80,821,980	70,401,586	67,252,409
Included in profit or loss :				
Past service cost	1,027,942	-	1,027,942	-
Current service cost	6,688,548	6,928,161	5,281,310	5,536,757
Cost of interest	1,320,196	1,265,627	1,023,274	995,420
Included in other comprehensive income :				
Experience adjustment	1,589,305	-	-	-
Demographic assumption change	10,325,480	-	5,327,132	-
Financial assumption changes	(9,511,044)	-	(6,437,918)	-
Return benefit during the year	-	45,000	-	45,000
Benefit paid during year	(7,557,944)	(4,332,122)	(6,875,208)	(3,428,000)
Net long-term employee benefit obligations at the end of the year	88,611,129	84,728,646	69,748,118	70,401,586

Long-term employee benefit expenses are recognised in profit or loss are as follows.

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Selling and administrative expenses	9,036,686	8,193,788	7,332,526	6,532,177
Total expenses recognised in profit or loss	9,036,686	8,193,788	7,332,526	6,532,177

As at December 31, 2023 and 2022, the Group expects to pay Baht 6.42 million and Baht 2.34 million, respectively of long-term employee benefits during the next year, (Separate financial statements Baht 6.42 million and Baht 2.34 million, respectively).

As at December 31, 2023 and 2022, the weighted average duration of the liabilities for long-term employee benefit is 7 - 17 years and 7 - 14 years (Separate financial statements 7 - 12 years and 7 - 14 years, respectively).

Significant actuarial assumptions are summarised below.

	Percent			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Discount rate	2.64 - 3.15	0.92 - 2.38	2.64 - 2.76	0.92 - 2.38
Salary increase rate	4.00	4.00	4.00	4.00
Staff turnover rate*	3.82 - 45.84	3.82 - 45.84	3.82 - 45.84	3.82 - 45.84

* Percentage change in the number of employees with high turnover rates are only part of the branches employees which rate is as well as the retail sector with an average turnover rate of approximately 30% to 60% per year.

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

	Baht			
	2023			
	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
Discount rate (1%)	(7,470,412)	8,631,816	(5,315,870)	6,066,322
Salary increase rate (1%)	7,217,549	(6,344,836)	4,873,370	(4,336,552)
Staff turnover rate (20%)	(8,795,258)	10,651,621	(6,578,250)	7,985,472

	Baht			
	2022			
	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5%)	(4,311,058)	4,638,771	(3,348,459)	3,590,525
Salary increase rate (1%)	9,600,701	(8,326,725)	7,114,304	(6,210,049)
Staff turnover rate (20%)	(13,229,424)	16,965,125	(10,723,677)	13,775,515

24. PROVISION FOR DECOMMISSIONING COST

This account consisted of:

	Baht	
	Consolidated/Separate financial statements	
	2023	2022
Provision decommissioning costs	28,041,305	37,809,181
Less Deffered interest	(82,216)	(20,799)
Net	27,959,089	37,788,382

The Company had recognized the provisions of decommissioning costs under the Company area lease agreement as the Company had obligation to demolish after the expiration of the area lease agreements for office buildings, branches.

25. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets and liabilities are as follows:-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Deferred tax assets	67,094,942	78,742,375	66,978,942	78,626,375
Deferred tax liabilities	(159,930,699)	(125,002,877)	(150,267,703)	(115,043,036)
Deferred tax asset (liabilities) - net	(92,835,757)	(46,260,502)	(83,288,761)	(36,416,661)

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

	Baht				
	Consolidated financial statements				
	Balance as at	Income (expenses) during the year			Balance as at
	December 31, 2022	In profit or loss	In other comprehensive income		December 31, 2023
Deferred tax assets :					
Unrealized loss from derivatives	13,996	11,904	-	25,900	
Allowance for expected credit losses for accounts receivable and goods returns	885,566	159,486	-	1,045,052	
Allowance for dilapidated and slow moving	34,491,172	(5,144,008)	-	29,347,164	
Allowance for assets impairment	24,874	9,195	-	34,069	
Lease liabilities	21,626,003	(4,374,472)	-	17,251,531	
Provision for decommissioning costs	7,504,447	(2,178,845)	-	5,325,602	
Allowance for impairment of investment in associate	116,000	-	-	116,000	
Employee benefits obligations	14,080,317	91,465	(222,158)	13,949,624	
Total	78,742,375	(11,425,275)	(222,158)	67,094,942	
Deferred tax liabilities:					
Unrealized gains from changes in values of investment	48	(25)	-	23	
Surplus on revaluation of assets	104,490,956	4,327,870	34,703,433	143,522,259	
Right-of-use assets	20,511,873	(4,103,456)	-	16,408,417	
Total	125,002,877	224,389	34,703,433	159,930,699	

	Baht				
	Consolidated financial statements				
	Balance as at	Income (expenses) during the year			Balance as at
	December 31, 2021	In profit or loss	In other comprehensive income		December 31, 2022
Deferred tax assets :					
Unrealized loss from derivatives	485,444	(471,448)	-	13,996	
Allowance for expected credit losses for accounts receivable and goods returns	594,933	290,633	-	885,566	
Allowance for dilapidated and slow moving	37,645,990	(3,154,818)	-	34,491,172	
Allowance for assets impairment	72,589	(47,715)	-	24,874	
Lease liabilities	35,510,945	(13,884,942)	-	21,626,003	
Provision for decommissioning costs	8,229,173	(724,726)	-	7,504,447	
Allowance for impairment of investment in associate	116,000	-	-	116,000	
Employee benefits obligations	13,450,482	629,835	-	14,080,317	
Total	96,105,556	(17,363,181)	-	78,742,375	
Deferred tax liabilities:					
Unrealized gains from changes in values of investment	10,025	(9,977)	-	48	
Surplus on revaluation of assets	98,263,121	(183,441)	6,411,276	104,490,956	
Right-of-use assets	35,398,178	(14,886,305)	-	20,511,873	
Total	133,671,324	(15,079,723)	6,411,276	125,002,877	

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	Baht				
	Separate financial statements				
	Balance as at	Income (expenses) during the year			Balance as at
	December 31, 2022	In profit or loss	In other comprehensive income		December 31, 2023
Deferred tax assets :					
Unrealized loss from derivatives	13,996	11,904	-	25,900	
Allowance for expected credit losses for accounts receivable and goods returns	885,566	159,486	-	1,045,052	
Allowance for dilapidated and slow moving	34,491,172	(5,144,008)	-	29,347,164	
Allowance for assets impairment	24,874	9,195	-	34,069	
Lease liabilities	21,626,003	(4,374,472)	-	17,251,531	
Provision for decommissioning costs	7,504,447	(2,178,845)	-	5,325,602	
Employee benefits obligations	14,080,317	91,465	(222,158)	13,949,624	
Total	78,626,375	(11,425,275)	(222,158)	66,978,942	
Deferred tax liabilities:					
Unrealized gains from changes in values of investment	48	(25)	-	23	
Surplus on revaluation of assets	94,531,115	4,391,953	34,936,195	133,859,263	
Right-of-use assets	20,511,873	(4,103,456)	-	16,408,417	
Total	115,043,036	288,472	34,936,195	150,267,703	

	Baht				
	Separate financial statements				
	Balance as at	Income (expenses) during the year			Balance as at
	December 31, 2021	In profit or loss	In other comprehensive income		December 31, 2022
Deferred tax assets :					
Unrealized loss from derivatives	485,444	(471,448)	-	13,996	
Allowance for expected credit losses for accounts receivable and goods returns	594,933	290,633	-	885,566	
Allowance for dilapidated and slow moving	37,645,990	(3,154,818)	-	34,491,172	
Allowance for assets impairment	72,589	(47,715)	-	24,874	
Lease liabilities	35,510,945	(13,884,942)	-	21,626,003	
Provision for decommissioning costs	8,229,173	(724,726)	-	7,504,447	
Employee benefits obligations	13,450,482	629,835	-	14,080,317	
Total	95,989,556	(17,363,181)	-	78,626,375	
Deferred tax liabilities:					
Unrealized gains from changes in values of investment	10,025	(9,977)	-	48	
Surplus on revaluation of assets	94,650,473	(119,358)	-	94,531,115	
Right-of-use assets	35,398,178	(14,886,305)	-	20,511,873	
Total	130,058,676	(15,015,640)	-	115,043,036	

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26. LEASE LIABILITIES

26.1 The carrying amounts of lease liabilities and the movement for the years ended December 31, 2023 and 2022 are presented below.

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Balance as at December 31	140,639,274	201,375,545	108,130,013	177,554,725
Accretion of rental	40,806,595	47,001,589	40,806,595	35,697,507
Accretion of interest	5,336,683	7,543,562	4,238,348	6,968,129
Payments	(60,274,273)	(69,388,518)	(58,912,385)	(68,030,460)
Decrease from rental reduction	(2,322,105)	(7,566,318)	(2,322,105)	(7,566,318)
Decrease from contract cancellation	(5,682,813)	(38,326,586)	(5,682,813)	(36,493,570)
Balance as at December 31	118,503,361	140,639,274	86,257,653	108,130,013
Less current portion	(35,987,981)	(56,401,537)	(34,515,653)	(55,268,038)
Lease liabilities - net	82,515,380	84,237,737	51,742,000	52,861,975

As at December 31, 2023 and 2022, the payment of these contracts are as follow:-

	Baht					
	Consolidated financial statements					
	As at December 31, 2023			As at December 31, 2022		
	Principal	Interest expenses	Total	Principal	Interest expenses	Total
Payment due within 1 year	35,987,981	4,287,208	40,275,189	56,401,538	4,995,396	61,396,934
Payment due over 1 year to 5 years	53,842,204	8,725,057	62,567,261	55,090,191	10,038,352	65,128,543
Payment due over 5 years	28,673,176	19,860,613	48,533,789	29,147,545	21,005,753	50,153,298
Total	118,503,361	32,872,878	151,376,239	140,639,274	36,039,501	176,678,775

	Baht					
	Separate financial statements					
	As at December 31, 2023			As at December 31, 2022		
	Principal	Interest expenses	Total	Principal	Interest expenses	Total
Payment due within 1 year	34,515,653	3,144,332	37,659,985	55,268,038	3,897,062	59,165,100
Payment due over 1 year to 5 years	51,323,073	2,870,557	54,193,630	52,443,048	4,186,113	56,629,161
Payment due over 5 years	418,927	78,065	496,992	418,927	78,065	496,992
Total	86,257,653	6,092,954	92,350,607	108,130,013	8,161,240	116,291,253

26.2 The following are the amount recognized in profit or loss for the years ended December 31, 2023 and 2022 are shown as follow;

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Depreciation of right-of-use assets	57,402,603	74,300,941	56,049,950	72,802,014
Interest expense	5,336,683	7,543,562	4,238,348	6,968,129
Expenses related to short-term lease contracts and sales-related rentals	10,692,344	11,211,283	10,692,344	11,211,283
Total	73,431,630	93,055,786	70,980,642	90,981,426

For the years ended December 31, 2023 and 2022, the total cash outflow for leases on consolidated amount to Baht 65.63 million and Baht 73.06 million, respectively and separated financial statements amount to Baht 65.37 million and Baht 72.27 million, respectively.

27. OTHER CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

As at December 31, 2023 and 2022, details other current and non-current financial liabilities are as below.

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Foreign exchange contracts outstanding (Note 37.1 to the financial statement)	211,435	254,390	211,435	254,390
Total	211,435	254,390	211,435	254,390

28. SURPLUS ON REVALUATION OF ASSETS

This represents surplus arising from revaluation of land and buildings. The surplus is amortized to retained earnings on a straight-line basis over the remaining life of the related assets.

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Beginning balance of the year	404,129,250	378,635,016	368,980,873	369,458,308
Revaluations for the year	139,744,780	26,531,034	139,744,780	-
Less Amortization for the year	(1,013,649)	(1,036,800)	(432,189)	(477,435)
Ending balance of the year	542,860,381	404,129,250	508,293,464	368,980,873

Surplus on revaluation of assets can neither be offset against deficit nor used for dividend payment.

29. STATUTORY RESERVE

The Company

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

Subsidiary

According to the Thai Civil and Commercial Code, the subsidiary is required to set aside to a statutory reserve an amount equal to at least 5% of its net profit each time the Company pay out a dividend, until such reserve reaches 10% of its registered share capital. The statutory reserve cannot be used for dividend payment.

30. EXPENSES BY NATURE

Significant expenses by nature are as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Salary and wages and other employee benefits	446,357,610	415,571,264	283,537,182	259,648,737
Depreciation and amortization	122,950,640	146,400,033	93,372,160	120,358,313
Rental, service and utilities expenses	209,823,914	211,102,962	207,530,108	205,878,470
Provision for diminution in value of receivables and inventories	(23,161,942)	(8,929,376)	(23,161,942)	(8,929,376)
Purchase of goods and raw materials used	1,100,703,176	958,073,889	1,150,927,932	912,903,790
Changes in inventories of finished goods and work in process	(25,778,624)	(15,171,138)	(25,778,624)	(15,171,138)
Expense variable by sales	43,556,297	42,556,537	43,556,297	42,556,537

31. INCOME TAX EXPENSES

The major components of income tax expenses for the years ended December 31, 2023 and 2022, consisted of :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
(Income) tax expenses shown in profit or loss :				
Tax income current income tax :				
Current tax expense for the year	27,165	-	-	-
Tax expense deferred tax:				
Changes in temporary differences relating to the original recognition and reversal	11,649,664	2,057,924	11,713,747	2,122,007
Total	11,676,829	2,057,924	11,713,747	2,122,007

The reconciliation between accounting profit (loss) and income tax expense is shown below.

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Accounting profit (loss) before tax	65,088,306	11,720,831	36,491,853	4,484,882
The applicable tax rate (%)	0%, 20%	0%, 20%	0%, 20%	0%, 20%
Accounting profit (loss) before tax multiplied by income tax rate	6,131,452	938,632	7,298,370	896,976
Temporary differences and taxable loss not recorded as deferred tax assets	-	(1,102,854)	-	(227,690)
Effects of:				
Tax losses that were not recorded in previous periods but were used to reduce income tax expense in the current period	2,822,184	-	2,822,184	-
Income not subject to tax	-	(14,574)	(1,130,000)	(784,000)
Non-deductible expenses	3,187,114	3,417,821	3,187,114	3,417,822
Additional expense deductions allowed	(463,921)	(1,181,101)	(463,921)	(1,181,101)
Total	5,545,377	1,119,292	4,415,377	1,225,031
(Income) tax expenses reported in the statement of income	11,676,829	2,057,924	11,713,747	2,122,007

32. BASIC EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share is calculated by dividing profit (loss) 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.

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit (loss) for the year				
Equity holders of the parent (Baht)	36,054,684	(2,945,900)	24,778,106	2,362,875
Weighted average number of ordinary shares (shares)	391,944,418	391,944,418	391,944,418	391,944,418
Basic earnings (loss) per share (Baht/share)	0.092	(0.008)	0.063	0.006

33. OPERATION SEGMENT

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

The businesses of the Group is ship builder and ship repairer, manufacturing and trading marine equipment with the main operation in the single geographic area in Thailand. Segment performance is considered by revenue and gross profit and is also measured based on the Group's operating profit or loss, on a basis consistent with that used to measure the operating profit or loss in the financial statement.

The Group's revenue and gross profit information for the years ended December 31, 2023 and 2022 by segments are as follows:

	Million Baht							
	Retail business segment		Other distribution channels		School business segment		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
External revenue	1,069.08	1,067.01	749.72	662.50	277.60	257.44	2,096.40	1,986.95
Total revenues	1,069.08	1,067.01	749.72	662.50	277.60	257.44	2,096.40	1,986.95
Gross profit from operating according to the segment	395.01	399.43	261.01	229.16	79.27	69.87	735.29	698.46
Unallocated income and expenses:								
Gain from fair value measurement of investment property							22.50	-
Other income							52.05	69.74
Selling expenses							(439.82)	(468.46)
Administrative expenses							(283.31)	(265.84)
Finance costs							(21.70)	(22.24)
Share of gain from associated companies							0.08	0.06
Income tax (expenses)							(11.68)	(2.06)
Profit (loss) for the year							53.41	9.66
As at December 31,								
Investment property							123.90	101.40
Property, plant and equipment							1,745.48	1,586.44
Right-of-use assets							161.14	171.39
Leasehold rights on land and buildings							8.04	3.29
Rental guarantee and deposit							70.64	23.18
Other assets							507.34	545.55
Total assets							2,616.54	2,431.25

The basis of pricing between the Group is consistent with that for third party transactions.

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34. PROVIDENT FUND

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. By setting a policy both employees and the Company contribute to the fund monthly at the rate of 5% of basic salary. The fund, which is managed by CIMB - Principal Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules.

The Group has contributed to the fund for the years, ended December 31, 2023 and 2022 in the amount of Baht 13.11 million and Baht 11.59 million, respectively (The Separate amount of Baht 9.63 million and Baht 9.56 million, respectively.)

The Group subsidiaries has contributed to the fund for the years, ended December 31, 2023 and 2022 Welfare fund under the Private Schools Act B.E. 2550. The school and staff contribute to the fund monthly at the rate of 3% of their salary. The school has paid contributions and recorded them as expenses in the income statement for the year ended. December 31, 2023 and 2022 in the amount of Baht 2.43 million and Baht 3.23 million, respectively

35. COMMITMENTS AND CONTINGENT LIABILITIES

35.1 Operating lease commitments

35.1.1 As December 31, 2023 the Company has entered into space rental agreements for use as branch offices that complies with TFRS 16 financial lease, totalling 145 branches. The lease periods ranged from 1 to 20 years. Total rental and utility fees were approximately Baht 82.06 million per annum. Some of rental fees were calculated from the percentage of sales amounts of that branch.

35.1.2 As December 31, 2023 the Group has entered into several costs service related with the operations. The terms of the agreements are generally between 1 and 30 years.

As at December 31, 2023 and 2022 the Group, future minimum lease payments required under operating leases contracts are follow:

	Baht			
	Consolidated financial Statement		Separate financial Statement	
	2023	2022	2023	2022
Payable:				
In up to 1 year	74,487,192	68,709,373	74,487,192	68,709,373
In over 1 and up to 5 years	47,546,215	46,807,732	47,546,215	46,807,732
In over 5 years	3,520,746	4,042,338	3,520,746	4,042,338
Total	<u>125,554,153</u>	<u>119,559,443</u>	<u>125,554,153</u>	<u>119,559,443</u>

35.2 Guarantees

As at December 31, 2023, the Company has pledged the bank deposit of Baht 3.40 million to guarantee contractual performance and guarantee rental. In addition, other investments of Baht 0.50 million, totally Baht 3.90 million were pledged to guarantee the electricity usage and rental of head office.



35.3 Long-term service commitments

- 35.3.1 The Company entered into agent appointment agreement with a foreign company for the contractual period of three years commencing from May 31, 2019 to October 31, 2022 and renew the contract from November 1, 2022 to October, 31 2025. Upon expiration of the term, the agreement shall be automatically renewed for successive one year unless either party notifies the other of its intention in writing to terminate the Agreement.
- 35.3.2 The Company entered into three-year contracts allowing the use of copyrights with various authors which can be automatically renewed for successive three years, and agreed to pay remuneration at the percentage of the number of books published or sold.

36. CREDIT LIMITS

As at December 31, 2023, the Company had the credit limits with the local financial institutions as follows:

- 36.1 The Company had 3 overdrafts limit amounted Baht 50 million by entering into the agreement with 3 financial institutions, carried MOR% per annum that consisted of:
- 36.1.1) Two credit limits without guarantee amounted Baht 20 million and Baht 10 million, respectively.
- 36.1.2) One credit limit with guarantee amounted Baht 20 million and guaranteed by mortgaging the land with buildings.
- 36.2 The Company had 2 short-term loan limits amounted Baht 220 million by entering into the agreement with two financial institutions in the form of promissory notes with maturity date not over three months and carried the interest rate of 2.95% - 3.10% per annum that consisted of:
- 36.2.1) One credit limit without guarantee amounted Baht 20 million.
- 36.2.2) One credit limit with guarantee amounted Baht 200 million and guaranteed by mortgaging the land with buildings.
- 36.3 Long-term loan from financial institutions
- 36.3.1 The Company had the long-term loan with a financial institution at the limit amount of Baht 20 million, with interest MLR%, without collateral.
- 36.3.2 The Company has the long-term loan with a financial institution guaranteed by a mortgage on land and buildings for 2 credit lines divided as:
- 36.3.2.1) The loans amounted Baht 500 million consisted of:
- Loan agreement amounted Baht 250 million at MLR-1.5% per annum
 - As at December 31,2023 not been disbursed in the amount of Baht 250 million
- 36.3.2.2) Loan amounted Baht 100 million at THBFIX 6M + 2.56% per annum

37. FINANCIAL INSTRUMENTS

37.1 Financial risk management

The Group's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable and other receivable. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Group does not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables, loans, other receivables and notes receivable as stated in the statement of financial position.

Interest rate risk

The Group exposures to interest rate risk relate primarily to its cash at banks, bank overdrafts, and long-term borrowings. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

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

	2023 (Baht)				
	Consolidated financial statements				
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total
	Within 1 year	More than 1 - 5 years			
Financial assets					
Cash and cash equivalents	108,559,245	-	-	10,171,145	118,730,390
Restricted bank deposits and other investments	-	8,000,000	-	-	8,000,000
Total	<u>108,559,245</u>	<u>8,000,000</u>	<u>-</u>	<u>10,171,145</u>	<u>126,730,390</u>
Financial liabilities					
Overdraft and short-term loan from financial institution	227,805,930	-	-	-	227,805,930
Long-term loans	-	-	158,852,000	-	158,852,000
Educational guarantee	-	15,003,000	-	-	15,003,000
Lease liabilities	35,987,981	82,515,380	-	-	118,503,361
Total	<u>263,793,911</u>	<u>97,518,380</u>	<u>158,852,000</u>	<u>-</u>	<u>520,164,291</u>

	2022 (Baht)				Total
	Consolidated financial statements				
	Fixed interest rates		Floating	Non-interest	
	Within	More than	interest rate	bearing	
1 year	1 - 5 years				
Financial assets					
Cash and cash equivalents	9,304,763	-	-	92,792,972	102,097,735
Restricted bank deposits and other investments	-	8,499,110	-	-	8,499,110
Total	9,304,763	8,499,110	-	92,792,972	110,596,845
Financial liabilities					
Overdraft and short-term loan from financial institution	162,849,680	-	-	-	162,849,680
Long-term loans	-	-	241,032,000	-	241,032,000
Educational guarantee	-	4,202,000	-	-	4,202,000
Lease liabilities	56,401,537	84,237,737	-	-	140,639,274
Total	219,251,217	88,439,737	241,032,000	-	548,722,954

	2023 (Baht)				Total
	Separate financial statements				
	Fixed interest rates		Floating	Non-interest	
	Within	More than	interest rate	bearing	
1 year	1 - 5 years				
Financial assets					
Cash and cash equivalents	7,003,277	-	-	9,530,925	16,534,202
Restricted bank deposits and other investments	-	8,000,000	-	-	8,000,000
Total	7,003,277	8,000,000	-	9,530,925	24,534,202
Financial liabilities					
Overdraft and short-term loan from financial institution	227,805,930	-	-	-	227,805,930
Long-term loans	-	-	85,852,000	-	85,852,000
Lease liabilities	34,515,653	51,742,000	-	-	86,257,653
Total	262,321,583	51,742,000	85,852,000	-	399,915,583

	2022 (Baht)				Total
	Separate financial statements				
	Fixed interest rates		Floating	Non-interest	
	Within	More than	interest rate	bearing	
1 year	1 - 5 years				
Financial assets					
Cash and cash equivalents	8,698,802	-	-	9,676,589	18,375,391
Restricted bank deposits and other investments	-	8,499,110	-	-	8,499,110
Total	8,698,802	8,499,110	-	9,676,589	26,874,501
Financial liabilities					
Overdraft and short-term loan from financial institution	162,849,680	-	-	-	162,849,680
Long-term loans	-	-	142,132,000	-	142,132,000
Lease liabilities	55,268,038	52,861,975	-	-	108,130,013
Total	218,117,718	52,861,975	142,132,000	-	413,111,693

Interest Rate Swap Transaction Agreement

The Company has the detail of the interest rate swap agreement outstanding as at December 31, 2023 as follow:

Principal amount	Interest revenue rate swap agreement (%)	Interest expenses rate swap agreement (%)	Termination date
Baht 56.60 million	THBFIX 6M + 2.56	4.50	July 2025

Foreign currency risk

The Company's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The Company seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at December 31, 2023 and 2022, the Company balances of financial assets and liabilities denominated in foreign currencies are summarized follow:

Foreign currency	Consolidated/Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate (Baht per foreign currency)	
	2023	2022	2023	2022	2023	2022
	(Thousand)	(Thousand)	(Thousand)	(Thousand)		
USD	-	-	8	13	34.3876	34.7335
SGD	-	-	9	3	26.2659	26.0167
GBP	-	-	586	433	44.2699	42.1004

As at December 31, 2023, the Company has foreign exchange contracts outstanding are summarized follow:

Foreign currency	Consolidated/Separate financial statements					
	Bought amount	Sold amount	Contractual exchange rate (Baht per foreign currency)		Maturity date	
			Bought	Sold		
	(Thousand)	(Thousand)				
GBP	542	-	-	43.33-44.11	February 23, 2024 - June 25, 2024	

37.2 Fair values of financial instruments

Since the majority of the Company and its subsidiary 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 statements of financial position as at December 31, 2023 and 2022 as follow:

	2023 (Baht)					
	Consolidated financial statements			Separate financial statements		
	FVPL	Amortized cost	Total	FVPL	Amortized cost	Total
Financial assets						
Cash and cash equivalents	-	118,730,390	118,730,390	-	16,534,202	16,534,202
Trade and other current receivables	-	58,469,578	58,469,578	-	54,966,650	54,966,650
Other current financial assets	-	1,302,686	1,302,686	-	1,302,686	1,302,686
Other current assets	-	22,625,569	22,625,569	-	20,350,350	20,350,350
Restricted bank deposits and other investments	-	8,000,000	8,000,000	-	8,000,000	8,000,000
Other non-current financial assets	81,934	-	81,934	81,934	-	81,934
Other non-current assets	-	9,325,893	9,325,893	-	6,303,340	6,303,340
Total	81,934	218,454,116	218,536,050	81,934	107,457,228	107,539,162
Financial liabilities						
Bank overdrafts and short-term loans						
from financial institutions	-	227,805,930	227,805,930	-	227,805,930	227,805,930
Trade and other current payables	-	388,647,405	388,647,405	-	373,937,599	373,937,599
Other current liabilities	-	23,738,463	23,738,463	-	22,341,741	22,341,741
Long-term	-	158,852,000	158,852,000	-	85,852,000	85,852,000
Educational guarantee	-	15,003,000	15,003,000	-	-	-
Lease liabilities	-	118,503,361	118,503,361	-	86,257,653	86,257,653
Other non-current financial liabilities	211,435	-	211,435	211,435	-	211,435
Other non-current liabilities	-	3,707,022	3,707,022	-	3,029,476	3,029,476
Total	211,435	936,257,181	936,468,616	211,435	799,224,399	799,435,834

	2022 (Baht)					
	Consolidated financial statements			Separate financial statements		
	FVPL	Amortized cost	Total	FVPL	Amortized cost	Total
Financial assets						
Cash and cash equivalents	-	102,097,735	102,097,735	-	18,375,391	18,375,391
Trade and other current receivables	-	47,255,903	47,255,903	-	43,308,870	43,308,870
Other current financial assets	-	12,693,465	12,693,465	-	12,693,465	12,693,465
Other current assets	-	21,376,489	21,376,489	-	19,710,521	19,710,521
Restricted bank deposits and other investments	-	8,499,110	8,499,110	-	8,499,110	8,499,110
Other non-current financial assets	184,411	-	184,411	184,411	-	184,411
Other non-current assets	-	8,871,577	8,871,577	-	7,096,890	7,096,890
Total	184,411	200,794,279	200,978,690	184,411	109,684,247	109,868,658
Financial liabilities						
Bank overdrafts and short-term loans						
from financial institutions	-	162,849,680	162,849,680	-	162,849,680	162,849,680
Trade and other current payables	-	404,996,071	404,996,071	-	388,478,900	388,478,900
Other current financial liabilities	254,390	-	254,390	254,390	-	254,390
Other current liabilities	-	23,345,733	23,345,733	-	21,344,980	21,344,980
Long-term	-	241,032,000	241,032,000	-	142,132,000	142,132,000
Educational guarantee	-	4,202,000	4,202,000	-	-	-
Lease liabilities	-	140,639,274	140,639,274	-	108,130,013	108,130,013
Other non-current liabilities	-	6,125,981	6,125,981	-	3,399,477	3,399,477
Total	254,390	983,190,739	983,445,129	254,390	826,335,050	826,589,440

Fair value hierarchy

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

	Baht			
	Consolidated financial statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Other current and non-current financial assets	-	1,384,620	-	1,384,620
Investment property	-	-	123,900,000	123,900,000
Property, plant and equipment	-	-	1,661,549,944	1,661,549,944
Liabilities measured at fair value				
Other non-current financial liabilities	-	211,435	-	211,435
Baht				
	Separate financial statements			
	Level 1	Level 2	Level 3	Total
	Assets measured at fair value			
Other current and non-current financial assets	-	1,384,620	-	1,384,620
Investment property	-	-	123,900,000	123,900,000
Property, plant and equipment	-	-	1,317,495,062	1,317,495,062
Liabilities measured at fair value				
Other non-current financial liabilities	-	211,435	-	211,435

38. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it has an appropriate capital structure in order to support its business and maximise shareholders value. As at December 31, 2023 and 2022, the Group's debt-to-equity ratio was 0.94 and 1.09, respectively and the Company's debt-to-equity ratio was 0.85 and 0.99, respectively.

39. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Changes in the liabilities arising from financing activities for the years ended December 31, 2023 and 2022 are as follows:

	Baht			
	Consolidated financial statements			
	Balance as at December 31, 2022	Cash flows Increase (decrease)*	Non-cash transaction Increase (decrease)	Balance as at December 31, 2023
Bank overdraft	12,849,680	4,956,250	-	17,805,930
Short-term loan from financial institution	150,000,000	60,000,000	-	210,000,000
Long-term loans from financial institution	241,032,000	(82,180,000)	-	158,852,000
Lease liabilities	140,639,274	(54,937,590)	32,801,677	118,503,361
Total	544,520,954	(72,161,340)	32,801,677	505,161,291

	Baht			
	Consolidated financial statements			
	Balance as at December 31, 2021	Cash flows Increase (decrease)*	Non-cash transaction Increase (decrease)	Balance as at December 31, 2022
Bank overdraft	-	12,849,680	-	12,849,680
Short-term loan from financial institution	140,000,000	10,000,000	-	150,000,000
Long-term loans from financial institution	303,334,000	(62,302,000)	-	241,032,000
Lease liabilities	201,375,546	(61,843,957)	1,107,685	140,639,274
Total	644,709,546	(101,296,277)	1,107,685	544,520,954

	Baht			
	Separate financial statements			
	Balance as at December 31, 2022	Cash flows Increase (decrease)*	Non-cash transaction Increase (decrease)	Balance as at December 31, 2023
Bank overdraft	12,849,680	4,956,250	-	17,805,930
Short-term loan from financial institution	150,000,000	60,000,000	-	210,000,000
Long-term loans from financial institution	142,132,000	(56,280,000)	-	85,852,000
Lease liabilities	108,130,013	(54,674,037)	32,801,677	86,257,653
Total	413,111,693	(45,997,787)	32,801,677	399,915,583

	Baht			
	Separate financial statements			
	Balance as at December 31, 2021	Cash flows Increase (decrease)*	Non-cash transaction Increase (decrease)	Balance as at December 31, 2022
Bank overdraft	-	12,849,680	-	12,849,680
Short-term loan from financial institution	140,000,000	10,000,000	-	150,000,000
Long-term loans from financial institution	204,434,000	(62,302,000)	-	142,132,000
Lease liabilities	177,554,725	(61,061,331)	(8,363,381)	108,130,013
Total	521,988,725	(100,513,651)	(8,363,381)	413,111,693

* Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows. *m*

40. RECLASSIFICATION

Certain accounts in the as at December 31, 2022 financial statements have been reclassified rental guarantee and educational guarantee to conform to the current years classification, without any effect to the previously reported Statement of financial position. The reclassifications are as follow:

	Baht					
	Consolidated financial statements			Separate financial statements		
	Before	Reclassification	After	Before	Reclassification	After
	<u>Reclassification</u>	<u>Reclassification</u>	<u>Reclassification</u>	<u>Reclassification</u>	<u>Reclassification</u>	<u>Reclassification</u>
Statement of financial position						
Non-current assets						
Right-of-use assets	229,879,611	(58,490,651)	171,388,960	184,771,845	(58,490,651)	126,281,194
Rental guarantee and deposit	17,208,641	58,490,651	75,699,292	17,208,641	58,490,651	75,699,292
Non-current liabilities						
Other non-current liabilities	10,327,981	(4,202,000)	6,125,981	-	-	-
Educational guarantee	-	4,202,000	-	-	-	-

41. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors of the Company on February 22, 2024.

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