

Tipco Asphalt Public Company Limited and its subsidiaries
Report and consolidated financial statements
31 December 2023



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Independent Auditor's Report

To the Shareholders of Tipco Asphalt Public Company Limited

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

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

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

Valuation of commodity forward contracts

As discussed in Notes 4 and 30 to the consolidated financial statements, the Group has entered into derivatives to protect the exposure from the fluctuation in price of commodities, with many counterparties, and presented the fair value of such derivatives in the financial statements. Management therefore relied on a valuation technique and model suggested by expert, in which the assumptions used in the model were based on comparable and observable market inputs. The difference in assumption used in calculation affected the fair value of such derivatives presented in the financial statements.

I gained an understanding of the transaction and recording process of fair value of commodity forward contracts. I sent the confirmations to counterparties to determine the completeness of transaction. I verified supporting documents and recalculated the fair value of such commodity forward contract transactions, on a sampling basis, for actual transactions occurring during the year. In addition, I tested the calculation of the fair value of derivatives at the end of reporting period and reviewed the appropriateness of such fair value used by comparing to the counterparties' information and available market inputs. Moreover, I examined the information disclosed in notes to the consolidated financial statements for appropriateness and completeness.



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Other Information

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

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

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

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

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

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

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

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



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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



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

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

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit 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.

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

Krongkaew Limkittikul

Certified Public Accountant (Thailand) No. 5874

EY Office Limited

Bangkok: 9 February 2024

Tipco Asphalt Public Company Limited and its subsidiaries

Statement of financial position

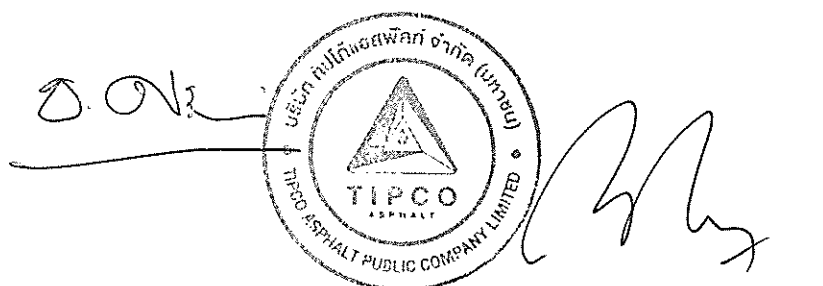
As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Assets					
Current assets					
Cash and cash equivalents		3,001,571,115	2,603,494,942	853,257,473	546,475,445
Trade and other receivables	6, 7	4,624,342,863	6,988,214,278	3,239,658,066	5,644,218,500
Contract assets	8	979,152,846	1,146,128,460	-	-
Short-term loans to related parties	6	158,487,238	40,928,476	40,000,000	110,000,000
Inventories	9	4,907,953,444	4,982,918,932	3,594,088,580	3,774,333,213
Current tax assets		84,994,628	66,715,497	-	-
Derivative - commodity forward contracts	30	100,521,019	128,761,876	100,521,019	128,761,876
Advance payments for inventories and services	6	306,256,637	307,809,850	726,880	1,404,748
Other current assets		216,846,443	241,904,611	56,414,533	50,242,971
Total current assets		14,380,126,233	16,506,876,922	7,884,666,551	10,255,436,753
Non-current assets					
Investments in subsidiaries	10	-	-	8,203,108,878	8,376,058,878
Investments in joint ventures	11	150,345,811	135,315,828	67,552,611	67,552,611
Investments in associates	12	564,219,500	507,246,214	18,403,580	18,403,580
Long-term loans to related parties	6	-	-	384,675,016	514,356,144
Investment properties	13	189,032,559	189,032,559	94,342,234	94,342,234
Property, plant and equipment	14	7,001,271,119	7,586,835,835	694,361,042	745,966,145
Right-of-use assets	19	753,726,582	739,555,981	96,086,211	89,752,128
Goodwill		195,932,109	195,932,109	-	-
Intangible assets	15	127,413,602	191,105,885	18,669,046	19,713,781
Deferred tax assets	23	153,078,532	107,256,152	54,013,352	29,025,367
Other non-current assets		148,944,661	98,025,452	1,088,976	3,242,252
Total non-current assets		9,283,964,475	9,750,306,015	9,632,300,946	9,958,413,120
Total assets		23,664,090,708	26,257,182,937	17,516,967,497	20,213,849,873

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



Tipco Asphalt Public Company Limited and its subsidiaries

Statement of financial position (continued)

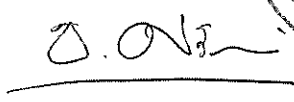
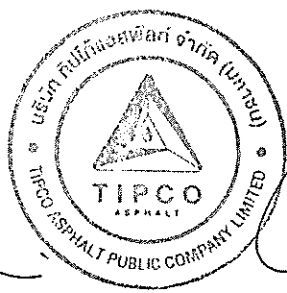
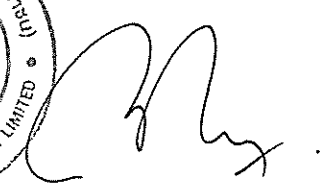
As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	16	2,164,558,027	3,230,549,084	1,731,696,411	2,908,319,823
Trade and other payables	6, 17	2,848,103,764	3,732,364,714	3,296,490,734	4,203,363,259
Contract liabilities	8	438,530,590	683,309,723	2,330,849	33,851,005
Current portion of lease liabilities	19	114,425,062	101,790,845	28,190,378	22,698,052
Short-term loans from related parties	6	123,870,480	110,967,305	60,000,000	100,000,000
Income tax payable		121,652,544	520,014,837	71,099,402	449,766,495
Derivative - commodity forward contracts	30	13,709,512	197,697	13,709,512	197,697
Other current liabilities		116,722,439	147,089,233	6,501,720	8,033,309
Total current liabilities		5,941,572,418	8,526,283,438	5,210,019,006	7,726,229,640
Non-current liabilities					
Lease liabilities - net of current portion	19	328,125,495	322,204,162	69,578,689	68,771,087
Deferred tax liabilities	23	252,852,918	369,714,692	-	-
Provision for long-term employee benefits	20	239,470,741	246,786,202	131,027,982	135,103,822
Total non-current liabilities		820,449,154	938,705,056	200,606,671	203,874,909
Total liabilities		6,762,021,572	9,464,988,494	5,410,625,677	7,930,104,549

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

Tipco Asphalt Public Company Limited and its subsidiaries

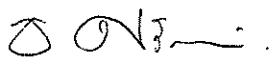
Statement of financial position (continued)

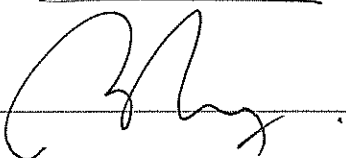
As at 31 December 2023

(Unit: Baht)

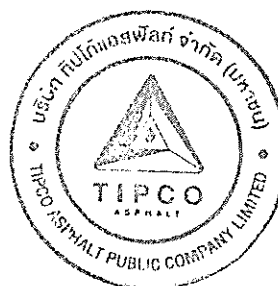
	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Shareholders' equity					
Share capital					
Registered					
1,578,361,570 ordinary shares of Baht 1 each		<u>1,578,361,570</u>	<u>1,578,361,570</u>	<u>1,578,361,570</u>	<u>1,578,361,570</u>
Issued and fully paid					
1,578,361,570 ordinary shares of Baht 1 each		1,578,361,570	1,578,361,570	1,578,361,570	1,578,361,570
Premium on share capital		1,327,141,921	1,327,141,921	1,327,141,921	1,327,141,921
Other deficits		(564,073,047)	(564,073,047)	-	-
Retained earnings					
Appropriated - statutory reserve	21	172,123,329	172,123,329	172,123,329	172,123,329
Unappropriated		14,336,373,950	14,003,178,416	8,981,041,820	9,082,474,145
Other components of shareholders' equity		<u>(512,759,311)</u>	<u>(284,026,930)</u>	<u>47,673,180</u>	<u>123,644,359</u>
Equity attributable to owners of the Company		<u>16,337,168,412</u>	<u>16,232,705,259</u>	<u>12,106,341,820</u>	<u>12,283,745,324</u>
Non-controlling interests of the subsidiaries		<u>564,900,724</u>	<u>559,489,184</u>	-	-
Total shareholders' equity		<u>16,902,069,136</u>	<u>16,792,194,443</u>	<u>12,106,341,820</u>	<u>12,283,745,324</u>
Total liabilities and shareholders' equity		<u>23,664,090,708</u>	<u>26,257,182,937</u>	<u>17,516,967,497</u>	<u>20,213,849,873</u>

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





Directors



Tipco Asphalt Public Company Limited and its subsidiaries

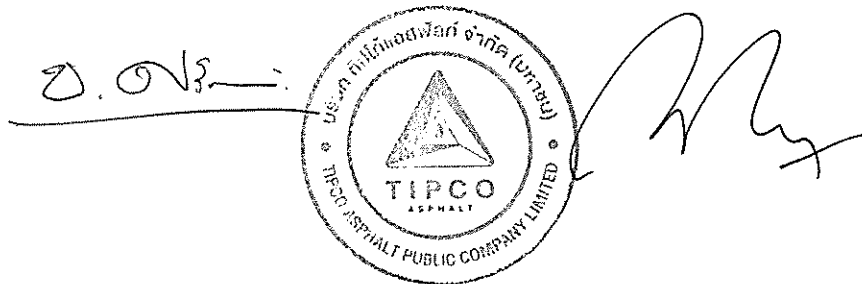
Statement of comprehensive income

For the year ended 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit or loss:					
Revenues					
Sales and service income		27,604,647,348	30,024,760,275	23,383,179,342	25,944,953,712
Revenues from construction contracts		3,501,351,239	3,375,779,293	-	-
Other income					
Dividend income from subsidiaries	10	-	-	195,074,896	465,329,556
Dividend income from an associate	12	-	-	65,872,712	119,591,865
Gain on exchange		86,237,025	107,662,484	67,580,107	110,615,489
Others		159,807,769	214,195,832	127,656,338	173,741,646
Total revenues		31,352,043,381	33,722,397,884	23,839,363,395	26,814,232,268
Expenses					
Cost of sales and services		23,727,964,309	25,129,895,827	20,634,689,217	22,089,570,743
(Gain) loss from commodity forward contracts	30	(146,012,843)	679,755,777	(146,012,843)	679,755,777
Reduction of cost of inventories to net realisable value	9	46,906,180	197,582	27,843,706	1,886,953
		23,628,857,646	25,809,849,186	20,516,520,080	22,771,213,473
Cost of construction		3,339,497,675	3,229,323,111	-	-
Selling expenses		161,681,345	160,339,649	93,813,817	96,079,106
Administrative expenses		1,100,185,051	1,153,911,525	623,463,981	632,135,036
Other expenses					
Impairment loss of investment in subsidiaries (reversal)	10	-	-	172,950,000	(60,775,864)
Impairment loss on property, plant and equipment (reversal)	14	(625,000)	199,941,927	(625,000)	3,822,552
Total expenses		28,229,596,717	30,553,365,398	21,406,122,878	23,442,474,303
Profit from operating activities		3,122,446,664	3,169,032,486	2,433,240,517	3,371,757,965
Share of profit (loss) from investments in joint ventures	11	(10,514,237)	9,094,506	-	-
Share of profit from investments in associates	12	122,381,743	151,933,984	-	-
Finance income		28,501,888	23,658,248	35,653,587	25,111,202
Finance cost		(142,966,422)	(113,215,419)	(75,267,856)	(69,405,491)
Expected credit losses	7	(211,175,516)	(120,240,367)	(81,371,743)	(20,911,166)
Profit before income tax		2,908,674,120	3,120,263,438	2,312,254,505	3,306,552,510
Income tax	23	(583,203,240)	(737,552,345)	(440,759,917)	(573,009,036)
Profit for the year		2,325,470,880	2,382,711,093	1,871,494,588	2,733,543,474

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



Tipco Asphalt Public Company Limited and its subsidiaries

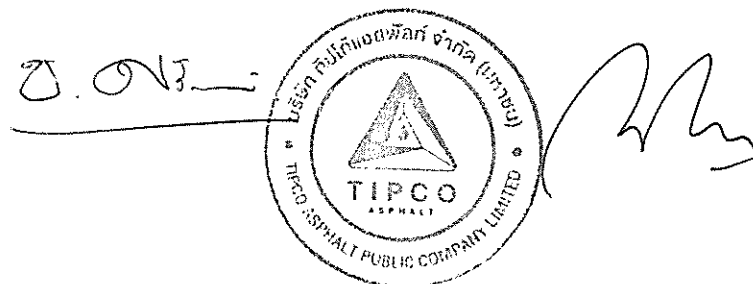
Statement of comprehensive income (continued)

For the year ended 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Other comprehensive income:					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Exchange differences on translation of					
financial statements in foreign currencies		(165,677,191)	(19,833,565)	-	-
Gain (loss) on cash flow hedges - net of income tax	23, 30	(75,971,179)	151,252,557	(75,971,179)	151,252,557
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods - net of income tax		(241,648,370)	131,418,992	(75,971,179)	151,252,557
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Actuarial gain - net of income tax	20, 23	604,200	3,728,424	-	10,383,370
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods - net of income tax		604,200	3,728,424	-	10,383,370
Other comprehensive income for the year		(241,044,170)	135,147,416	(75,971,179)	161,635,927
Total comprehensive income for the year		2,084,426,710	2,517,858,509	1,795,523,409	2,895,179,401
Profit attributable to:					
Equity holders of the Company		2,305,518,247	2,366,511,142	1,871,494,588	2,733,543,474
Non-controlling interests of the subsidiaries		19,952,633	16,199,951		
		2,325,470,880	2,382,711,093		
Total comprehensive income attributable to:					
Equity holders of the Company		2,077,390,066	2,521,808,071	1,795,523,409	2,895,179,401
Non-controlling interests of the subsidiaries		7,036,644	(3,949,562)		
		2,084,426,710	2,517,858,509		
Earnings per share	26				
Basic earnings per share					
Profit attributable to equity holders of the Company		1.46	1.50	1.19	1.73

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

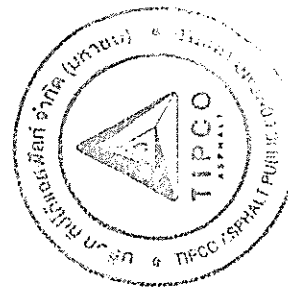


Tipco Asphalt Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the year ended 31 December 2023

(Unit: Baht)

Consolidated financial statements															
Equity attributable to owners of the Company															
	Issued and paid-up share capital	Premium on share capital	Other deficits	Retained earnings		Unappropriated statutory reserve	Unappropriated	Other components of equity	Other comprehensive income	Exchange differences on translation of financial statements in foreign currencies	Cash flow hedge reserve	Total other components of shareholders' equity	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
				Appropriated	Unappropriated										
Balance as at 1 January 2022	1,578,361,570	1,327,141,921	(564,073,047)	172,123,329	13,285,766,211	(403,758,787)	(27,608,198)	(431,366,985)	15,367,952,999	569,329,257	15,937,282,256	15,937,282,256	15,937,282,256		15,937,282,256
Profit for the year	-	-	-	-	2,366,511,142	-	-	-	-	-	-	2,366,511,142	2,366,511,142	16,199,951	2,382,711,093
Other comprehensive income for the year	-	-	-	-	7,956,874	-	-	(3,912,502)	151,252,557	147,340,055	155,296,929	(20,149,513)	(3,949,562)	-	135,147,416
Total comprehensive income for the year	-	-	-	-	2,374,468,016	-	-	(3,912,502)	151,252,557	147,340,055	155,296,929	(20,149,513)	(3,949,562)	-	2,517,858,509
Dividend paid (Note 28)	-	-	-	-	(1,657,055,811)	-	-	-	-	-	(1,657,055,811)	-	-	-	(1,657,055,811)
Dividend paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(5,890,511)	(5,890,511)
Balance as at 31 December 2022	1,578,361,570	1,327,141,921	(564,073,047)	172,123,329	14,003,178,416	(407,671,289)	123,644,359	(284,026,930)	16,232,705,259	559,489,184	16,792,194,443	16,792,194,443	16,792,194,443	16,792,194,443	
Balance as at 1 January 2023	1,578,361,570	1,327,141,921	(564,073,047)	172,123,329	14,003,178,416	(407,671,289)	123,644,359	(284,026,930)	16,232,705,259	559,489,184	16,792,194,443	16,792,194,443	16,792,194,443	16,792,194,443	
Profit for the year	-	-	-	-	2,305,518,247	-	-	-	-	-	-	2,305,518,247	2,305,518,247	19,952,633	2,325,470,880
Other comprehensive income for the year	-	-	-	-	604,200	-	-	(75,971,179)	(228,732,381)	(228,732,381)	(228,732,381)	(228,732,381)	(228,732,381)	(12,915,989)	(241,044,170)
Total comprehensive income for the year	-	-	-	-	2,306,122,447	-	-	(75,971,179)	(228,732,381)	(228,732,381)	(228,732,381)	(228,732,381)	(228,732,381)	7,036,644	2,084,426,710
Dividend paid (Note 28)	-	-	-	-	(1,972,926,913)	-	-	-	-	-	(1,972,926,913)	-	-	-	(1,972,926,913)
Dividend paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,625,104)	(1,625,104)
Balance as at 31 December 2023	1,578,361,570	1,327,141,921	(564,073,047)	172,123,329	14,336,373,950	(560,432,491)	47,673,180	(512,759,311)	16,337,168,412	564,900,724	16,902,069,136	16,902,069,136	16,902,069,136	16,902,069,136	

The accompanying notes are an integral part of the financial statements



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Tipco Asphalt Public Company Limited and its subsidiaries

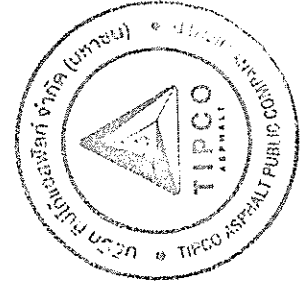
Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2023

(Unit: Baht)

	Separate financial statements									
	Other components of shareholders' equity									
	Other comprehensive									
	Issued and paid-up share capital	Premium on share capital	Appropriated statutory reserve	Unappropriated	Cash flow hedge reserve	income	Total other components of shareholders' equity	Total shareholders' equity		
Balance as at 1 January 2022	1,578,361,570	1,327,141,921	172,123,329	7,995,603,112	(27,608,198)	(27,608,198)	(27,608,198)	11,045,621,734		
Profit for the year	-	-	-	2,733,543,474	-	-	-	2,733,543,474		
Other comprehensive income for the year	-	-	-	10,383,370	151,252,557	151,252,557	151,252,557	161,635,927		
Total comprehensive income for the year	-	-	-	2,743,926,844	151,252,557	151,252,557	151,252,557	2,895,179,401		
Dividend paid (Note 28)	-	-	-	(1,657,055,811)	-	-	-	(1,657,055,811)		
Balance as at 31 December 2022	1,578,361,570	1,327,141,921	172,123,329	9,082,474,145	123,644,359	123,644,359	123,644,359	12,283,745,324		
Balance as at 1 January 2023	1,578,361,570	1,327,141,921	172,123,329	9,082,474,145	123,644,359	123,644,359	123,644,359	12,283,745,324		
Profit for the year	-	-	-	1,871,494,588	-	-	-	1,871,494,588		
Other comprehensive income for the year	-	-	-	-	(75,971,179)	(75,971,179)	(75,971,179)	(75,971,179)		
Total comprehensive income for the year	-	-	-	1,871,494,588	(75,971,179)	(75,971,179)	(75,971,179)	1,795,523,409		
Dividend paid (Note 28)	-	-	-	(1,972,926,913)	-	-	-	(1,972,926,913)		
Balance as at 31 December 2023	1,578,361,570	1,327,141,921	172,123,329	8,981,041,820	47,673,180	47,673,180	47,673,180	12,106,341,820		

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



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Tipco Asphalt Public Company Limited and its subsidiaries

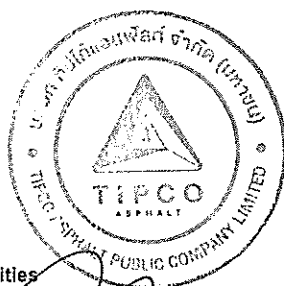
Cash flow statement

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities:				
Profit before income tax	2,908,674,120	3,120,263,438	2,312,254,505	3,306,552,510
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	1,195,350,448	1,218,709,362	173,180,326	203,960,245
Written off withholding tax	7,142,584	13,671,526	-	-
Expected credit losses	211,175,516	120,240,367	81,371,743	20,911,166
Reduction of cost of inventories to net realisable value	46,906,180	197,582	27,843,706	1,886,953
Impairment loss of investment in subsidiaries (reversal)	-	-	172,950,000	(60,775,864)
Impairment loss on property, plant and equipment (reversal)	(625,000)	199,941,927	(625,000)	3,822,552
Dividend income from subsidiaries	-	-	(195,074,896)	(465,329,556)
Dividend income from an associate	-	-	(65,872,712)	(119,591,865)
Unrealised (gain) loss on exchange	28,926,516	(18,557,651)	30,827,761	(51,944,853)
(Gain) loss on sales/written off of equipment	9,554,788	(40,010,554)	(2,520,129)	(46,010,142)
Gain on sales/written off of computer software	(47,465)	-	(66,339)	-
Gain on disposal of investment in a subsidiary	-	(35,343,050)	-	-
Share of (profit) loss from investments in joint ventures	10,514,237	(9,094,506)	-	-
Share of profit from investments in associates	(122,381,743)	(151,933,984)	-	-
Provision for long-term employee benefits	31,683,905	32,384,457	16,044,604	16,239,107
Change in fair value of forward exchange contracts	2,995,664	(20,761,123)	2,987,467	(20,943,968)
Change in fair value of commodity forward contracts	(53,211,303)	18,471,125	(53,211,303)	18,471,125
Finance income	(28,501,888)	(23,658,248)	(35,653,587)	(25,111,202)
Finance cost	128,469,235	99,987,900	69,573,961	63,553,370
Profit from operating activities before changes in operating assets and liabilities	4,376,625,794	4,524,508,568	2,534,010,107	2,845,689,578
(Increase) decrease in operating assets				
Trade and other receivables	2,150,018,355	(2,926,309,405)	2,315,458,809	(2,876,262,783)
Contract assets	159,478,903	(273,267,793)	-	-
Inventories	27,951,810	1,386,885,446	152,400,927	1,397,292,445
Advance payments for inventories and services	(2,406,237)	91,053,949	677,868	4,812,830
Other current assets	(107,782,344)	(147,606,991)	(50,709,715)	(34,211,774)
Other non-current assets	(4,916,485)	(1,702,447)	2,153,276	442,249
Increase (decrease) in operating liabilities				
Trade and other payables	(872,850,306)	758,542,674	(769,233,372)	388,361,865
Contract liabilities	(244,779,133)	(139,864,352)	(31,520,157)	33,263,187
Other current liabilities	(34,821,472)	49,581,820	(5,234,549)	(8,915,177)
Other non-current liabilities	(38,205,898)	(25,945,798)	(20,120,444)	(14,012,417)
Cash flows from operating activities	5,408,312,987	3,295,875,671	4,127,882,750	1,736,460,003
Cash paid for corporate income tax	(1,240,270,362)	(395,811,582)	(825,422,200)	(153,917,266)
Net cash flows from operating activities	4,168,042,625	2,900,064,089	3,302,460,550	1,582,542,737

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



Tipco Asphalt Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2023

(Unit: Baht)

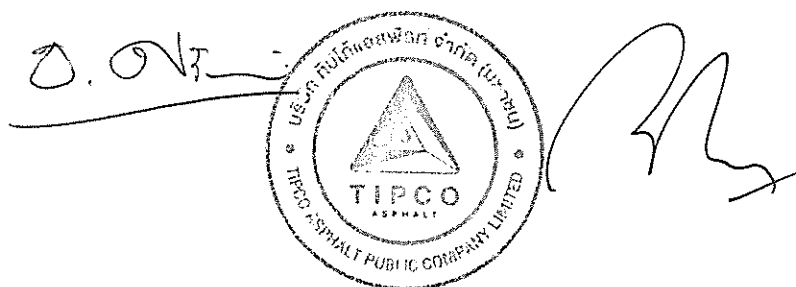
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash flows from investing activities:				
Cash paid for investment in a joint venture	(10,000,000)	-	-	-
Dividend received from subsidiaries	-	-	195,074,896	465,329,556
Dividend received from an associate	65,872,712	119,591,865	65,872,712	119,591,865
(Increase) decrease in short-term loans to related parties	(117,558,762)	(15,702,355)	70,000,000	-
Cash receipt from interest	26,818,646	23,648,120	5,139,501	589,070
Acquisition and cash paid to settle payables from purchases of equipment	(410,160,612)	(411,140,119)	(43,599,200)	(23,989,087)
Cash paid for acquisitions of computer software	(6,741,321)	(7,902,121)	(5,538,819)	(6,326,665)
Proceeds from sales of equipment and vessel	21,437,255	539,896,875	2,935,166	52,814,603
Proceeds from sales of computer software	92,357	-	66,377	-
Net cash flows from (used in) investing activities	(430,239,725)	248,392,265	289,950,633	608,009,342
Cash flows from financing activities:				
Decrease in short-term loans from financial institutions	(1,063,000,430)	(173,376,275)	(1,176,623,412)	(187,926,973)
Increase (decrease) in short-term loans from related parties	12,903,175	110,967,305	(40,000,000)	20,000,000
Payment of principal of lease liabilities	(121,958,163)	(121,270,455)	(25,963,051)	(27,518,932)
Dividend paid to shareholders	(1,972,947,058)	(1,656,636,145)	(1,972,947,058)	(1,656,636,145)
Dividend paid to non-controlling interests of subsidiaries	(1,625,104)	(5,890,511)	-	-
Interest paid	(124,597,146)	(103,617,871)	(70,095,634)	(63,312,640)
Net cash flows used in financing activities	(3,271,224,726)	(1,949,823,952)	(3,285,629,155)	(1,915,394,690)
Exchange differences on translation of				
financial statements in foreign currencies	(68,502,001)	(135,754,690)	-	-
Net increase in cash and cash equivalents	398,076,173	1,062,877,712	306,782,028	275,157,389
Cash and cash equivalents at beginning of year	2,603,494,942	1,540,617,230	546,475,445	271,318,056
Cash and cash equivalents at end of year	3,001,571,115	2,603,494,942	853,257,473	546,475,445

Supplemental cash flows information

Non-cash transactions

Acquisitions of equipment for which cash has not been paid	2,185,861	12,096,875	-	-
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The accompanying notes are an integral part of the financial statements.



Tipco Asphalt Public Company Limited and its subsidiaries
Notes to consolidated financial statements
For the year ended 31 December 2023

1. General information

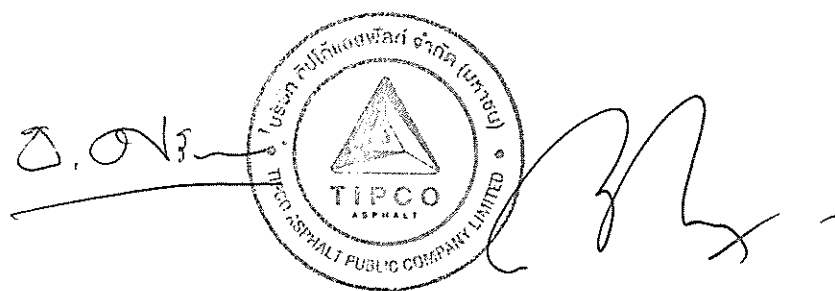
Tipco Asphalt Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The major shareholders of the Company are Supsakorn family and Colas Group, a company incorporated in French Republic. The Company is principally engaged in the manufacture and distribution of asphalt and petroleum products and its registered address is 118/1 Rama 6 Road, Phayathai Sub district, Phayathai District, Bangkok.

2. Basis of preparation

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

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

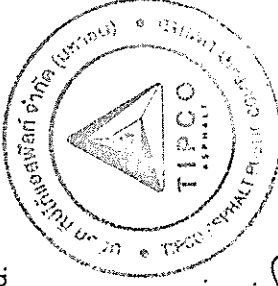
The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.



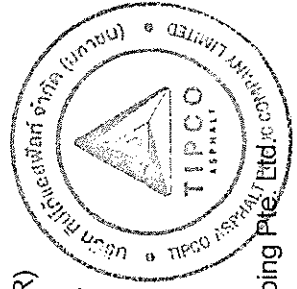
2.2 Basis of consolidation

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

Company's name	Nature of business	Paid-up capital		Shareholding percentage	
		2023 (Million Baht)	2022 (Million Baht)	2023 (%)	2022 (%)
<u>Subsidiaries incorporated in Thailand</u>					
Raycol Asphalt Co., Ltd.	Manufacture and distribution of asphalt products	111	111	100.00	100.00
Thai Bitumen Co., Ltd.	Manufacture and distribution of asphalt products	375	375	99.99	99.99
Ravana 1020 Co., Ltd. (“Ravana”)	Distribution of machine, materials and tools relating to road construction	80	80	99.99	99.99
Indrachit Holding Co., Ltd. (Owned by Ravana)	Holding company	1	-	99.98	-
Tipco Maritime Co., Ltd.	Shipping management and agency	2	2	99.99	99.99
Alpha Maritime Co., Ltd.	Marine transportation	143	143	99.99	99.99
Bitumen Marine Co., Ltd.	Marine transportation	150	150	99.99	99.99
Tasco Shipping Co., Ltd.	Marine transportation	290	290	99.99	99.99
Thai Slurry Seal Co., Ltd. (Thai Slurry Seal)	Road rehabilitation services and sales of construction materials	497	497	62.50	62.50
Thanomwongse Service Co., Ltd. (Owned by Thai Slurry Seal)	Construction service and sales of construction materials	2,500	2,500	62.50	62.50



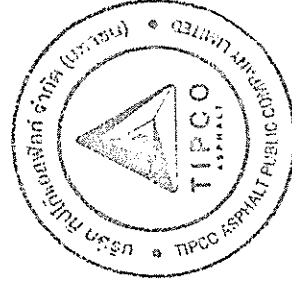
Company's name	Nature of business	Paid-up capital		Shareholding percentage	
		2023	2022	2023	2022
<u>Subsidiaries incorporated in Malaysia</u>					
Kemaman Oil Corporation Sdn Bhd ("KOC")	Holding company, manufacture, storer, tank rental and distribution of asphalt and petroleum products	151.96 Million MYR	151.96 Million MYR	100.00 (%)	100.00 (%)
Kemaman Bitumen Company Sdn Bhd ("KBC")	Manufacture, refinery, storer and distribution of asphalt and petroleum products	305.55 Million MYR	305.55 Million MYR	100.00	100.00
KBC Trading Sdn Bhd (10% owned by the Company and 20% owned by KOC)	petroleum products Distribution of asphalt products	0.30 Million MYR	0.30 Million MYR	30.00	30.00
<u>Subsidiaries incorporated in Singapore</u>					
Highway Resources Pte. Ltd. ("HR")	Holding company	4.78 Million SGD	4.78 Million SGD	100.00	100.00
Highway Resources Trading Pte. Ltd. (100% owned by HR)	Dormant	0.01 Million USD	0.01 Million USD	100.00	100.00
AD Shipping Pte. Ltd.	Marine transportation	7.13 Million SGD	7.13 Million SGD	100.00	100.00
Reta Link Pte. Ltd.	Marine transportation	0.05 Million SGD	0.05 Million SGD	100.00	100.00
Pacific Bitumen Shipping Pte. Ltd.	Marine transportation	0.04 Million USD	0.04 Million USD	100.00	100.00



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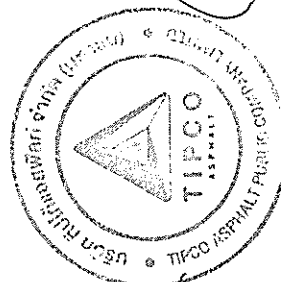
Company's name	Nature of business	Paid-up capital		Shareholding percentage	
		2023	2022	2023	2022
<u>Subsidiary incorporated in Vietnam</u> Asphalt Distribution Co., Ltd. (100% owned by HR)	Manufacture and distribution of asphalt products	115,650 Million VND	115,650 Million VND	100.00 (%)	100.00 (%)
<u>Subsidiaries incorporated in Indonesia</u> PT Asphalt Bangun Sarana ("ABS") PT Saranaraya Reka Cipta (99.90% owned by ABS)	Manufacture and distribution of asphalt products Manufacture and distribution of asphalt products	58,450 Million IDR 10,477 Million IDR	58,450 Million IDR 10,477 Million IDR	99.99 99.89	99.99 99.89
<u>Subsidiary incorporated in Cambodia</u> Tipco Asphalt (Cambodia) Co., Ltd.	Manufacture and distribution of asphalt products	20.00 Million Riel	20.00 Million Riel	100.00	100.00
<u>Subsidiary incorporated in Lao People's Democratic Republic</u> Tipco Asphalt Lao Co., Ltd.	Manufacture and distribution of asphalt products	26,675 Million LAK	26,675 Million LAK	75.00	75.00



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Company's name	Nature of business	Paid-up capital		Shareholding percentage	
		2023	2022	2023	2022
<u>Subsidiary incorporated in Hong Kong</u>					
Tasco International (Hong Kong) Ltd. ("TIHK")	Holding company	97.97 Million HKD	97.97 Million HKD	100.00 (%)	100.00 (%)
<u>Subsidiaries incorporated in China (owned by TIHK)</u>					
Langfang Tongtai Road Material Co., Ltd.	Manufacture and distribution of asphalt products	2.10 Million USD	2.10 Million USD	51.00	51.00
Tipco Asphalt (Xinhui) Co., Ltd.	Manufacture and distribution of asphalt products	30.00 Million RMB	30.00 Million RMB	100.00	100.00
Guangzhou Tipco Asphalt Trading Co., Ltd.	Distribution of asphalt products	6.00 Million RMB	6.00 Million RMB	100.00	100.00

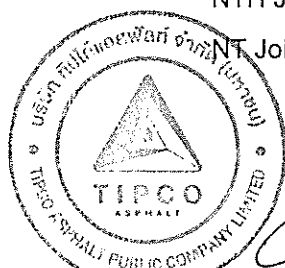


- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated as from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

2.4 The Group has interests in joint operations which are joint arrangements whereby subsidiaries has rights to assets and obligations relating to the joint arrangements. The Group recognises assets, liabilities, revenues and expenses in relation to its interest in the following joint operations in the consolidated and separate financial statements of subsidiaries from the date that joint control commences until the date that joint control ceases.

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2023	2022
TN Joint Venture	Construction service	Thailand	51.61	51.61
TN-CEI Joint Venture	Construction service	Thailand	51.00	51.00
TH Joint Venture	Construction service	Thailand	51.00	51.00
NTH Joint Venture	Construction service	Thailand	23.50	23.50
NT Joint Venture	Construction service	Thailand	49.00	49.00



3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

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

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

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


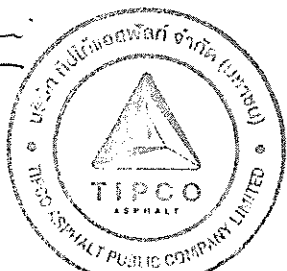

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards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

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

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

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

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

The Group has applied the mandatory exception by not recognising and not disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes. The management of the Group is currently in the process of assessing the potential exposure to Pillar Two income taxes on the financial statements.

4. Significant accounting policies

4.1 Revenue and expense recognition

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally 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 to customers.

Revenues from construction contracts

The Group has determined that its construction contracts generally have one performance obligation. The Group recognises construction revenue over time where the stage of completion is measured using an input method, based on comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs at completion.

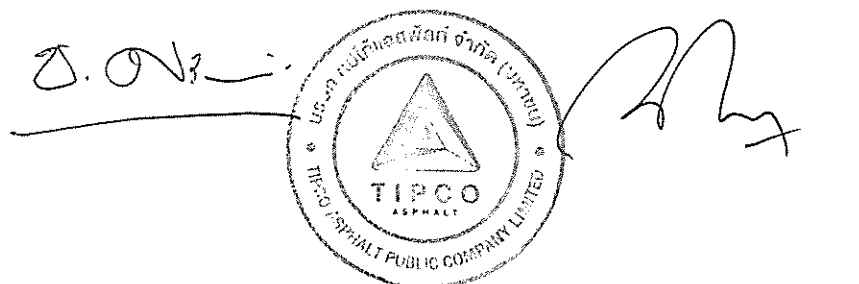
The likelihood of contract variations claims and liquidated damages, delays in delivery or contractual penalties are taken into account in determining the revenue to be recognised, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the value and stage of completion of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

Rendering of services

Service revenue is recognised over time when services have been rendered taking into account the stage of completion.

Vessel operating income consists of time charters and voyage charters. Income from time charters is recognised when the right to use a vessel is transferred to a lessee for an agreed period of time, while income from voyage charters is recognised by reference to the stage of completion.

The image shows a handwritten signature in black ink on the left side of a circular stamp. The stamp is for TIPCO ASPHALT PUBLIC COMPANY LIMITED. It features a central logo consisting of a triangle with a smaller triangle inside it, and the text 'TIPCO ASPHALT' below it. The outer ring of the stamp contains the company name in Thai and English: 'บริษัท ทีพีซี ออสฟัลท์ จำกัด (มหาชน)' and 'TIPCO ASPHALT PUBLIC COMPANY LIMITED'.

Costs of construction

Costs of construction services consist of costs of materials, labour, sub-contractors, services and other expenses.

Costs of construction are recognised in accordance with satisfied performance obligations in the contract when incurred. Provision for anticipated losses on projects is made in the accounts in full when the possibility of loss is ascertained.

Finance cost

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

Dividends

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

4.2 Balances of contracts with customers

Contract assets

A contract asset is the excess of cumulative revenue earned over the billings to date. Allowance for impairment loss is provided for the estimated losses that may be incurred in customer collection. Contract assets are transferred to receivables when the rights become unconditional.

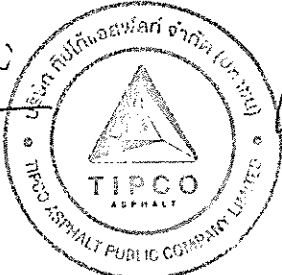
Contract liabilities

A contract liability is recognised when the billings to date exceed the cumulative revenue earned and the Group has an obligation to transfer services to its customer. Contract liabilities are recognised as revenue when the Group fulfils its performance obligations under the contracts.

4.3 Cash and cash equivalents

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

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4.4 Inventories

Finished goods and work in process are valued at the lower of cost determined under the weighted average cost method and net realisable value. Cost of finished goods includes all production costs and attributable factory overheads.

Raw materials, packaging materials, spare parts and factory supplies are valued at the lower of cost determined under the weighted average cost method and net realisable value. Raw materials, packaging materials, spare parts and factory supplies are charged to production costs whenever consumed.

4.5 Investments in subsidiaries, joint ventures and associates

Investments in joint ventures and associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries, joint ventures and associates are accounted for in the separate financial statements using the cost method less allowance for loss on impairment (if any).

4.6 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over the estimated useful lives of 5 and 20 years. Depreciation of the investment properties is included in profit or loss. No depreciation is provided on land.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.7 Property, plant and equipment/Depreciation

Land is stated at cost. Building and equipment are stated at cost less accumulated depreciation and less allowance for loss on impairment of assets (if any).

Building and equipment acquired through business combination are initially recognised at their fair value on the date of business acquisition. Following the initial recognition, the building and equipment are carried at cost less accumulated depreciation and less allowance for loss on impairment of assets (if any).

The image shows a handwritten signature in black ink on the left side. To its right is a circular official stamp. The stamp contains a central logo of a triangle with a smaller triangle inside it, with the text 'TIPCO ASPHALT' below the logo. The outer ring of the stamp contains the text 'TIPCO ASPHALT PUBLIC COMPANY LIMITED' at the bottom and 'TIPCO ASPHALT PUBLIC COMPANY LIMITED (มหาชน)' at the top in Thai script.

Depreciation of plant and equipment is calculated by reference to their costs less residual value on the straight-line basis over the following estimated useful lives:

Land improvement	20 years
Buildings and complements	5 to 47 years
Building improvements	20 to 30 years
Machinery, tools and equipment	1.5 to 20 years
Furniture and office equipment	3 to 5 years
Vehicles	5 to 10 years
Vessels	2.5 to 30 years

Depreciation is included in profit or loss.

No depreciation is provided on land, construction in progress and equipment 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.

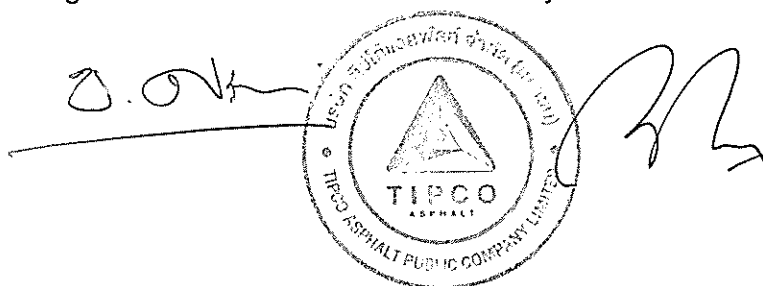
4.8 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less accumulated amortisation and less allowance for loss on impairment of assets (if any).

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

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

	<u>Useful lives</u>
Computer software	3 to 5 years
Customer relationship	8 to 29 years
Non-competition clause	5 years
Backlog	3 to 4 years



4.9 Goodwill

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

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

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

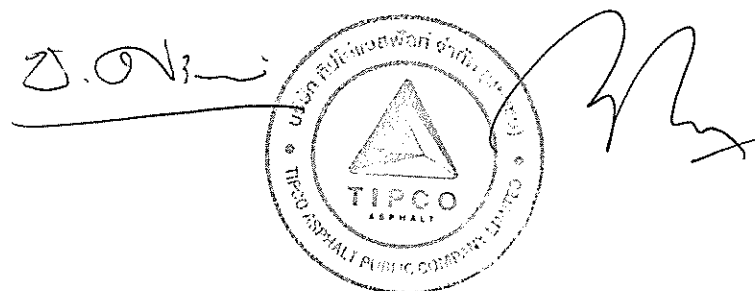
4.10 Leases

At inception of contract, the Group assesses whether a 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 recognises right-of-use assets and lease liabilities based on lease payments for all leases as at the date underlying assets are available for use (the commencement date of the lease), except a lease that has a lease term of no more than 12 months or a lease of low-value assets, for which the Group recognises lease payments as expenses on a straight-line basis over the lease term.

Right-of-use assets

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



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

Land and buildings	10 to 50 years
Machinery and equipment	5 to 17 years
Office equipment	4 to 5 years
Motor vehicles	4 to 6 years

Lease liabilities

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

4.11 Related party transactions

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

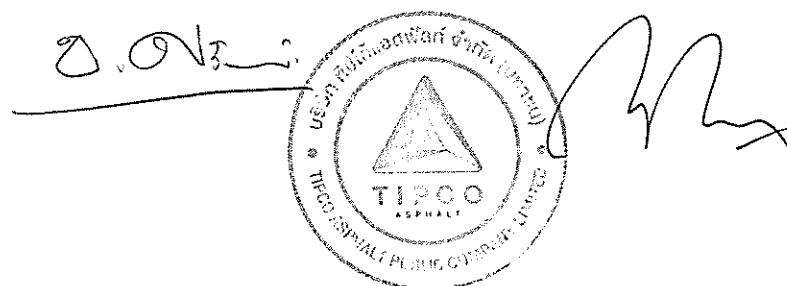
They also include joint ventures, associates and individuals which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors and officers with authority in the planning and direction of operations of the Group.

4.12 Foreign currencies

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

Gains and losses on exchange are included in profit or loss.



4.13 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. 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. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

4.14 Employee benefits

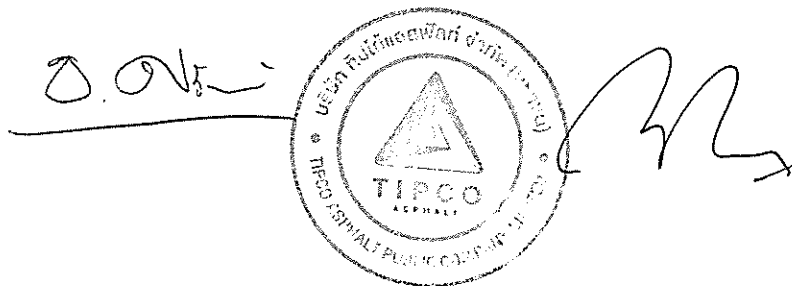
Short-term employee benefits

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

Post-employment benefits and other long-term employee benefits

Defined contribution plans

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



Defined benefit plans and other long-term employee benefits

The Group has obligations in respect of the severance payments they must make to employees upon retirement under labor law and other employee benefit plans. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Company and its local subsidiaries provide 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 post-employment benefits are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit or loss.

4.15 Provisions

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

4.16 Income Tax

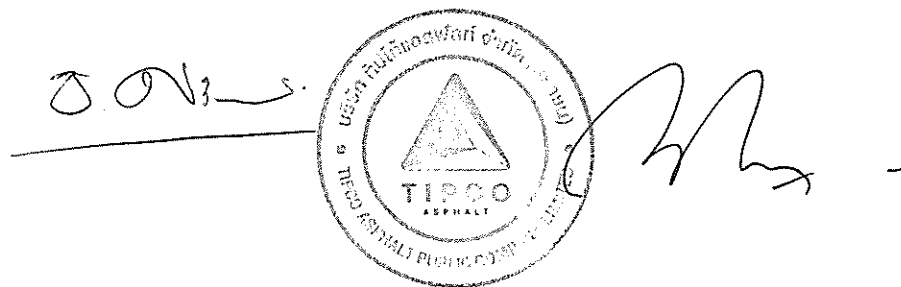
Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

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.

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

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

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

4.17 Financial instruments

The Group initially measures financial assets at their fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

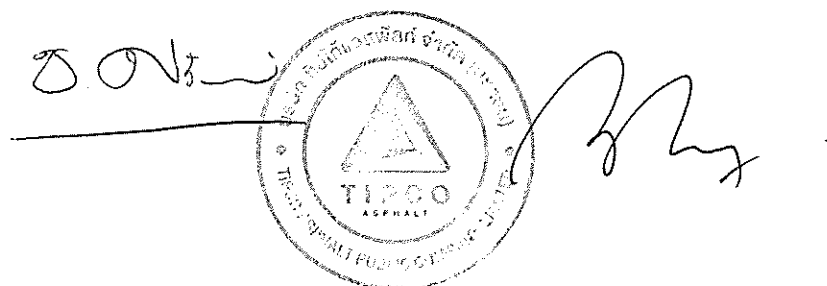
Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

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Financial assets at FVTPL

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

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

Dividends on listed equity investments are recognised as other income in profit or loss.

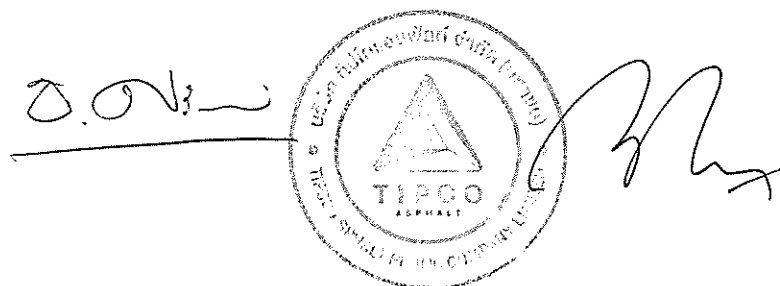
Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

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



Impairment of financial assets

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

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

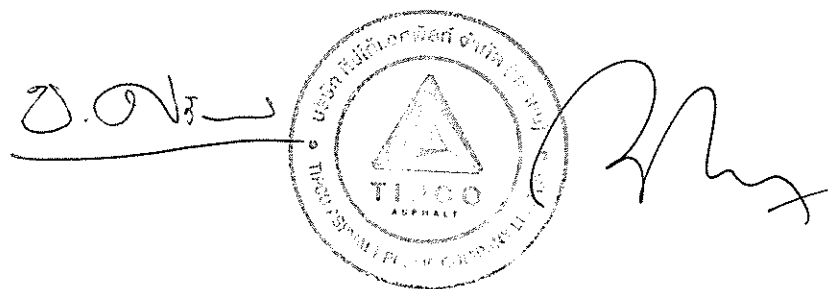
Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.18 Derivatives and hedge accounting

The Group entered into commodity forward contracts and forward exchange contracts to hedge against fluctuations in commodity prices and foreign exchange rates, respectively.

Derivatives are initially recognised at fair value on the date of the derivative contract and are subsequently remeasured at fair value. They are carried as financial assets or financial liabilities depending on the fair value of the derivatives. Subsequent changes in fair value are recognised in profit or loss, unless the derivative is designated as an effective hedging instrument under a cash flow hedge, when it is recognised using hedge accounting.



Hedge accounting for cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve and later reclassified to profit or loss when the hedged cash flows affect profit or loss or no longer exist.


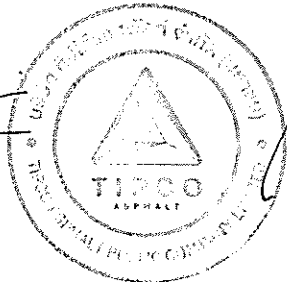

The Group prepares formal documentation on the date that hedge accounting is applied, and provides regular updates regarding the risk management objectives and strategies and the relationships between the hedging instruments and hedged items, including the nature of the risks being hedged, how the Group assesses the hedge effectiveness, analysis of the causes of hedge ineffectiveness and how the hedge ratio is determined.

The Group considers hedging effective when all of the following requirements are met.

- There is an economic relationship between hedged items and hedging instruments.
- Counterparty credit risk is not a significant factor in the change in the fair value of hedging instruments and hedged items.
- The ratio of the quantity of hedging instruments to the quantity of hedged items is equal to the hedge ratio.

4.19 Fair value measurement

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

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

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

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

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

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

5. Significant accounting judgments and estimates

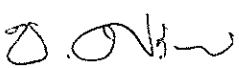

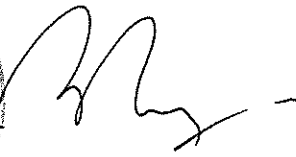
The preparation of financial statements in conformity with financial reporting standards requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures, and actual results could differ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

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercises 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.

Allowance for expected credit losses of trade receivables and contract assets

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash-generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Allowance for impairment of non-financial assets

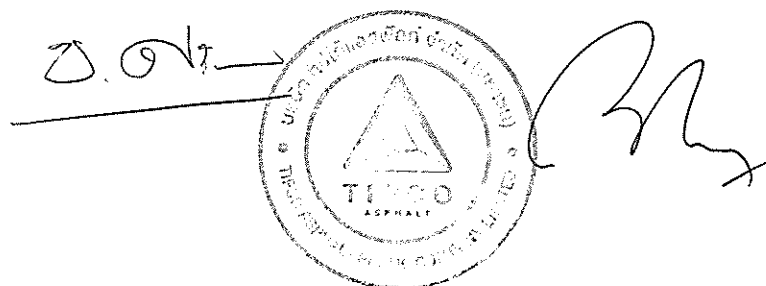
In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the future and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to property, plant and equipment, vessel and goodwill recognised by the Group.

Net realisable value of inventories

The management uses judgment to estimate the net realisable value of inventories taking into consideration the fluctuation of price or cost directly relating to events occurring after the reporting period.

Consolidation of subsidiary that the Group hold less than half of shares

The management of the Group determined that the Group has control over KBC Trading Sdn Bhd, even though the Group holds 30 percent of shares that is less than half of shares. This is because the Group has control over that company through its board of directors. As a result, KBC Trading Sdn Bhd is deemed to be a subsidiary of the Group and has to be included in the consolidated financial statements from the date on which the Group assumed control.

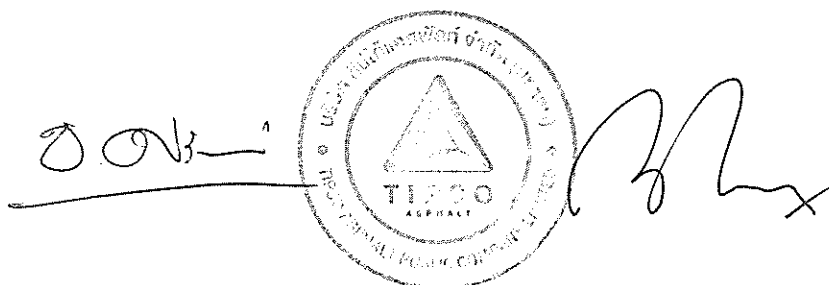


6. Related party transactions

During the year, the Group had significant business transactions with related parties. 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 Group and those related parties.

(Unit: Million Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	2023	2022	2023	2022	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Sales and service income	-	-	7,856	7,599	Cost plus certain margin
Rental and service income	-	-	9	7	Contract price
Technical and administrative assistance income	-	-	60	55	Contract price
Interest income	-	-	34	25	At rates of 2.00 - 3.00 percent and SOFR plus 1.50 percent per annum
Dividend income	-	-	195	465	
Purchases of goods	-	-	13	11	Cost plus certain margin
Rental and service expenses	-	-	1,932	1,996	Contract price
<u>Transactions with joint arrangements</u>					
Sales and service income	836	1,112	374	614	Market price / contract price
Revenues from construction contracts	140	161	-	-	Contract price
Rental and service income	7	5	-	-	Contract price
Interest income	4	1	-	-	At rate of 3.20 - 4.28 percent per annum
Purchases of goods	535	272	535	272	Market price
<u>Transactions with group of other joint operators</u>					
Purchases of goods	116	106	-	-	Market price / contract price
Cost of construction	269	223	-	-	Contract price
Interest expenses	9	3	-	-	At rates of 6.35 - 7.05 percent per annum
<u>Transactions with associates</u>					
Dividend income	-	-	66	120	
Rental and service expense	3	3	-	-	Contract price

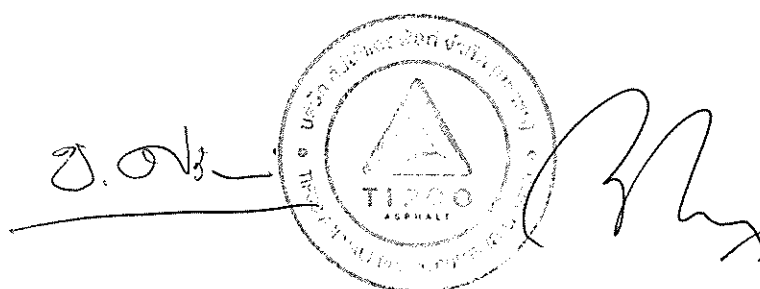


(Unit: Million Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
<u>Transactions with related companies</u>					
Sales and service income	2,282	2,462	2,194	2,405	Market price / contract price
Rental and service income	38	21	3	3	Contract price
Rental and service expenses	92	94	61	65	Contract price
Technical and administrative assistance expenses	47	44	31	27	Contract price

The balances of the accounts between the Group and those related companies as at 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade and other receivables- related parties</u> (Note 7)				
Subsidiaries	-	-	1,325,132	1,536,022
Joint arrangements	177,322	287,837	7,404	172,807
Associates	3,424	4,266	-	-
Group of other joint operators	3,809	-	-	-
Related companies (common shareholders and directors)	230,200	421,053	210,378	401,875
Total trade and other receivables - related parties	414,755	713,156	1,542,914	2,110,704
<u>Unbilled receivables - related parties</u>				
Joint arrangements	17,215	28,164	-	-
Total unbilled receivables - related parties	17,215	28,164	-	-
<u>Advance payments for inventories and services - related parties</u>				
Group of other joint operators	77,461	138,997	-	-
Total advance payments for inventories and services - related parties	77,461	138,997	-	-



(Unit: Thousand Baht)

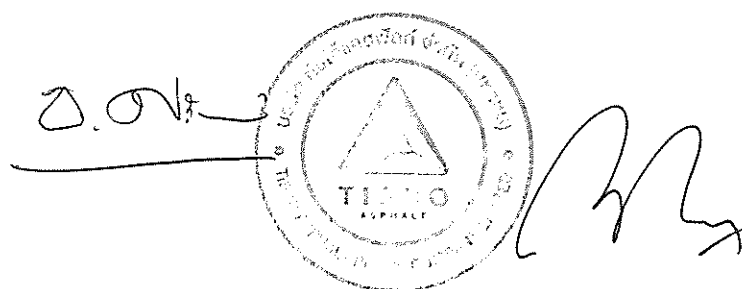
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade and other payables - related parties</u> (Note 17)				
Subsidiaries	-	-	2,098,268	2,227,046
Joint arrangements	674	90,818	21	80,145
Associates	553	-	-	-
Group of other joint operators	332,734	227,584	-	-
Related companies (common shareholders and directors)	83,326	83,474	63,142	60,754
Total trade and other payables - related parties	417,287	401,876	2,161,431	2,367,945
<u>Advance received from customer - related parties</u>				
Joint arrangements	12,532	19,890	-	-
Related companies (common shareholders and directors)	37,230	-	-	-
Total advance received from customer - related parties	49,762	19,890	-	-

Loans to related parties and loan from related parties

The balances and the movements of loans between the Company and those related companies are as follows:

(Unit: Thousand Baht)

Company's name	Related by	Consolidated financial statements			
		Balance as at	Increase	Decrease	Balance as at
		31 December 2022	during the year	during the year	31 December 2023
<u>Short-term loans to related party</u>					
TN Joint Venture	Joint arrangements	40,928	235,886	(118,327)	158,487
<u>Short-term loans from related party</u>					
Nawarat Patanakarn PCL	Other joint operator	110,967	77,387	(64,484)	123,870



(Unit: Thousand Baht)

Company's name	Related by	Separate financial statements				
		Balance as at 31 December 2022	Increase during the year	Decrease during the year	Balance as at 31 December 2023	
Short-term loan to related party						
Alpha Maritime Co., Ltd.	Subsidiary	110,000	-	(70,000)	-	40,000
Long-term loans to related parties						
AD Shipping Pte. Ltd.	Subsidiary	39,950	-	(39,356) *	(594)	-
Pacific Bitumen Shipping Pte. Ltd.	Subsidiary	474,406	-	(88,456) *	(1,275)	384,675
Total		514,356	-	(127,812)	(1,869)	384,675

* AD Shipping Pte. Ltd. and Pacific Bitumen Shipping Pte. Ltd. offsets its long-term loan to be repaid to the Company with outstanding balance receivable from the Company.

Short-term loans from related party

Raycol Asphalt Co., Ltd.	Subsidiary	100,000	-	(40,000)	-	60,000
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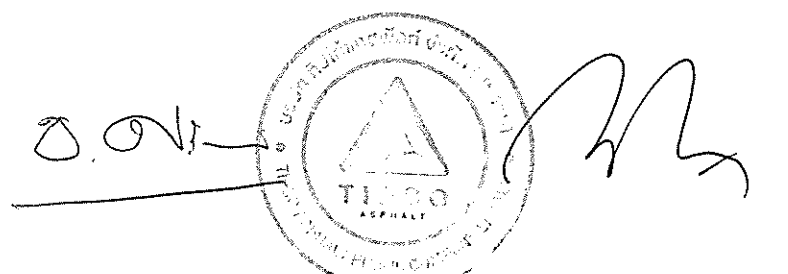
Directors and management's benefits

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

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Short-term employee benefits	196	211	174	195
Post-employment benefits and other long-term benefits	6	6	6	6
Total	202	217	180	201

Guarantee obligations with related parties

The Group has outstanding guarantee obligations with its related parties, as described in Note 18 to the consolidated financial statements.

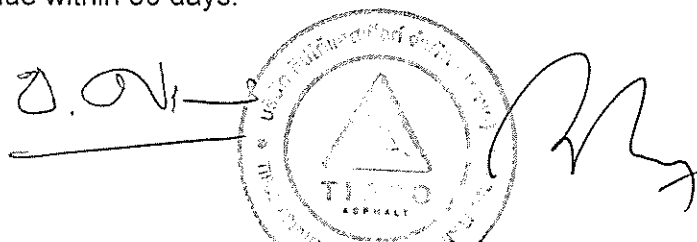


7. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade receivables - related parties</u> (Note 6)				
Aged on the basis of due dates				
Not yet due	287,669	623,849	1,019,666	1,670,949
Past due				
Up to 3 months	31,349	49,581	201,778	197,884
3 - 6 months	31,323	2,743	102,395	93,504
6 - 9 months	-	-	27,267	1,577
9 - 12 months	3,538	2,902	-	1,609
Over 12 months	21,483	-	-	163
Total trade receivables - related parties	<u>375,362</u>	<u>679,075</u>	<u>1,351,106</u>	<u>1,965,686</u>
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	2,412,218	4,515,929	842,710	2,826,620
Past due				
Up to 3 months	691,694	787,090	357,072	279,271
3 - 6 months	510,663	516,520	274,396	171,518
6 - 9 months	353,589	235,559	186,158	153,784
9 - 12 months	219,898	125,278	103,305	55,670
Over 12 months	560,387	409,037	144,374	111,751
Total	<u>4,748,449</u>	<u>6,589,413</u>	<u>1,908,015</u>	<u>3,598,614</u>
Less: Allowance for expected credit losses	<u>(607,821)</u>	<u>(436,080)</u>	<u>(244,813)</u>	<u>(166,439)</u>
Total trade receivables - unrelated parties, net	<u>4,140,628</u>	<u>6,153,333</u>	<u>1,663,202</u>	<u>3,432,175</u>
Total trade receivables - net	<u>4,515,990</u>	<u>6,832,408</u>	<u>3,014,308</u>	<u>5,397,861</u>
<u>Other receivables</u>				
Accounts receivable from commodity forward				
contracts	32,756	100,271	32,756	100,271
Other receivables - related parties (Note 6)	39,393	34,081	191,808	145,018
Other receivables - unrelated parties	36,204	21,454	786	1,069
Total other receivables	<u>108,353</u>	<u>155,806</u>	<u>225,350</u>	<u>246,358</u>
Total trade and other receivables - net	<u>4,624,343</u>	<u>6,988,214</u>	<u>3,239,658</u>	<u>5,644,219</u>

The normal credit terms are due within 90 days.



Set out below is the movements in the allowance for expected credit losses of trade receivables.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Beginning balance	436,080	453,589	166,439	346,612
Allowance for expected credit losses	301,388	200,724	120,522	71,095
Amount recovered	(101,695)	(80,484)	(39,151)	(50,184)
Amount written off	(15,752)	(370)	(2,997)	(197,477)
Disposal of investment in a subsidiary	-	(122,543)	-	-
Effect from foreign exchange	(12,200)	(14,836)	-	(3,607)
Ending balance	<u>607,821</u>	<u>436,080</u>	<u>244,813</u>	<u>166,439</u>

8. Contract assets/Contract liabilities

8.1 Contract balances

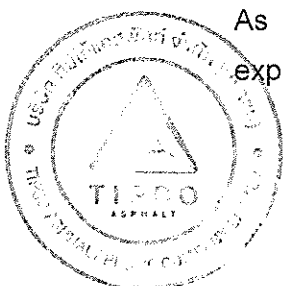
(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Contract assets				
Unbilled receivables	677,474	958,140	-	-
Retention receivables	309,176	187,988	-	-
Less: Allowance for expected credit losses	(7,497)	-	-	-
Total retention receivables - net	301,679	187,988	-	-
Total contract assets	<u>979,153</u>	<u>1,146,128</u>	<u>-</u>	<u>-</u>
Contract liabilities				
Advances received from inventories and services	438,531	683,310	2,331	33,851
Total contract liabilities	<u>438,531</u>	<u>683,310</u>	<u>2,331</u>	<u>33,851</u>

During the current year, Baht 7 million (2022: Nil) was recognised as allowance for expected credit losses on contract assets in the consolidated financial statements.

8.2 Unbilled receivables

As at 31 December 2023, the balance of unbilled receivables of Baht 677 million was expected to be billed within one year (2022: Baht 958 million).



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8.3 Revenue recognised in relation to contract balances

During the current year, the Group recognised contract liabilities at the beginning of the year of Baht 280 million (2022: Baht 280 million) as revenue, and recognised decrease in revenue from changes in variable considerations of performance obligations satisfied in previous years of Baht 11 million (2022: Baht 65 million).

8.4 Revenue to be recognised for the remaining performance obligations

As at 31 December 2023, the Group expected to recognise revenue totaling Baht 2,182 million (2022: Baht 5,736 million) in the future in respect of performance obligations under contracts with customers that have not been satisfied or partially unsatisfied. The Group expects to satisfy these performance obligations within 2 years.

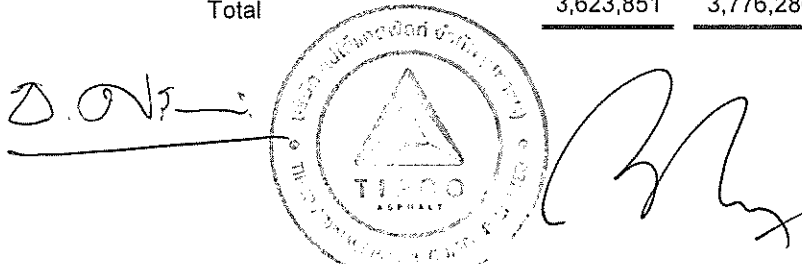
9. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduction of cost to net realisable value		Inventories - net	
	2023	2022	2023	2022	2023	2022
Finished goods	1,896,532	1,908,430	(30,588)	(1,814)	1,865,944	1,906,616
Raw materials	2,891,039	2,740,616	(19,022)	(2,508)	2,872,017	2,738,108
Packaging materials, spare parts and factory supplies	172,015	176,954	(7,362)	(5,880)	164,653	171,074
Goods in transit	5,339	167,121	-	-	5,339	167,121
Total	4,964,925	4,993,121	(56,972)	(10,202)	4,907,953	4,982,919

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduction of cost to net realisable value		Inventories - net	
	2023	2022	2023	2022	2023	2022
Finished goods	1,187,318	1,465,738	(21,349)	(1,814)	1,165,969	1,463,924
Raw materials	2,427,009	2,279,982	(8,306)	-	2,418,703	2,279,982
Packaging materials, spare parts and factory supplies	8,149	8,725	(107)	(133)	8,042	8,592
Goods in transit	1,375	21,835	-	-	1,375	21,835
Total	3,623,851	3,776,280	(29,762)	(1,947)	3,594,089	3,774,333



During the current year, the Group reduced cost of inventories by Baht 47 million which was included in cost of sales to reflect the net realisable value (2022: reduced by Baht 0.2 million) (the Company only: reduced by Baht 28 million, 2022: reduced by Baht 2 million).

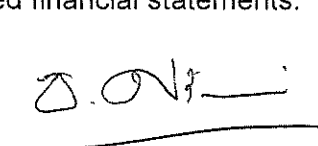
10. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements.

(Unit: Thousand Baht)

Company's name	Investment cost		Dividend received during the year	
	2023	2022	2023	2022
<u>Domestic subsidiaries</u>				
Raycol Asphalt Co., Ltd.	583,030	583,030	77,700	-
Thai Bitumen Co., Ltd.	386,697	386,697	112,500	-
Tipco Maritime Co., Ltd.	2,945	2,945	-	-
Alpha Maritime Co., Ltd.	142,999	142,999	-	-
Bitumen Marine Co., Ltd.	149,999	149,999	-	-
Ravana 1020 Co., Ltd.	79,999	79,999	-	-
Tasco Shipping Co., Ltd.	289,999	289,999	-	-
Thai Slurry Seal Co., Ltd.	598,043	598,043	-	-
<u>Overseas subsidiaries</u>				
Tasco International (Hong Kong) Ltd.	537,072	537,072	-	-
Less: Allowance for impairment loss of investment	(65,420)	(65,420)	-	-
Kemaman Oil Corporation Sdn Bhd	1,303,035	1,303,035	-	-
Kemaman Bitumen Company Sdn Bhd	2,769,493	2,769,493	-	-
KBC Trading Sdn Bhd	1,377	1,377	-	801
Tipco Asphalt (Cambodia) Co., Ltd.	3,352	3,352	-	-
PT Asphalt Bangun Sarana	337,254	337,254	-	-
Pacific Bitumen Shipping Pte. Ltd.	1,340	1,340	-	-
Highway Resources Pte. Ltd.	717,054	717,054	-	35,978
AD Shipping Pte. Ltd.	430,232	430,232	-	-
Less: Allowance for impairment loss of investment	(172,950)	-	-	-
Reta Link Pte. Ltd.	28,682	28,682	-	428,551
Tipco Asphalt Lao Company Limited	78,877	78,877	4,875	-
Total investments in subsidiaries	8,203,109	8,376,059	195,075	465,330

The paid-up capital and percentage of shareholding were presented in Note 2.2 to the consolidated financial statements.







Investment in Indrachit Holding Company Limited (“Indrachit”)

On 16 June 2023, the Board of Directors’ Meeting of Ravana 1020 Company Limited (“Ravana”) passed a resolution approving to invest in a newly incorporated subsidiary, Indrachit Holding Company Limited, in which Ravana holds 99.98% of total registered share capital of Baht 1 million (10,000 ordinary shares of Baht 100 each). Indrachit is principally engaged in investing in innovation projects. Ravana already paid for such share capital and completed the incorporation process in the current year.

Impairment loss of investment in AD Shipping Pte. Ltd.

During the current year, the Company recorded allowance for impairment loss on investment in AD Shipping Pte. Ltd. of Baht 173 million presented as a separate item in profit or loss of the separate financial statements.

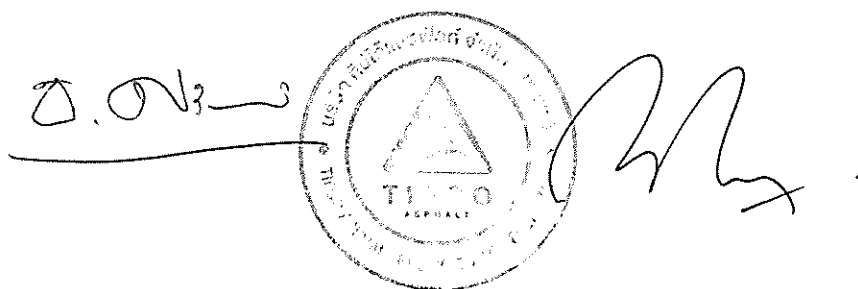
Disposal of investment in Zhenjiang Tipco Asphalt Co., Ltd. (“Zhenjiang”)

In May 2022, the Group sold all of its investment in Zhenjiang to another shareholder. This resulted in gain on disposal of investment in a subsidiary amounting to Baht 35 million, which was included in other income in the consolidated statements of comprehensive income.

Holding in Zhenjiang was an investment in a subsidiary by an overseas subsidiary, representing 51 percent interest in the subsidiary. The Group did not include the financial statements of Zhenjiang in the consolidated financial statements as from the date of investment disposal.

Reversal of impairment loss of investment in Thai Bitumen Co., Ltd. (“Thai Bitumen”)

During 2022, having noted the continuously good operating results, the Company’s management revisited the recoverable amount of the investment in Thai Bitumen and reached the conclusion to reverse the allowance for impairment loss of the investment amounting to Baht 61 million. The amount was presented as a separate item in profit or loss of the separate financial statements.

The image shows a handwritten signature on the left and a circular stamp in the center. The stamp features a triangle with the word 'TIPOCO' inside it, and the word 'ASPHALT' below the triangle. The outer ring of the stamp contains Thai text: 'บริษัท ทีโปโก้แอสฟัลท์ จำกัด' at the top and 'เลขที่ ๑๐๒๐ ถนนวิภาวดีรังสิต กรุงเทพมหานคร ๑๐๑๖๐' at the bottom.

11. Investments in joint ventures

11.1 Details of investments in joint ventures:


Investments in joint ventures represent investments in entities which are jointly controlled by the Company and other companies. Details of these investments are as follows:

(Unit: Thousand Baht)

		Consolidated financial statements					
Joint ventures	Nature of business	Shareholding percentage		Cost		Carrying amounts based on equity method	
		2023 (%)	2022 (%)	2023	2022	2023	2022
Asia Bitumen Trading Pte. Ltd. (Owned by TIHK)	Distribution of asphalt and petroleum products	50	50	242	242	44,606	44,888
Borneo Asphalt Sdn Bhd (Owned by KBC)	Distribution of asphalt products	50	50	38,888	23,815	8,613	8,444
Phoenix Asphalt Philippines Inc.	Manufacture and distribution of asphalt and petroleum products	40	40	67,553	67,553	87,851	81,984
Nila Solutions Co., Ltd. (Owned by Indrachit)	Software services	50	-	10,000	-	9,276	-
Total				116,683	91,610	150,346	135,316

(Unit: Thousand Baht)

		Separate financial statements					
Joint venture	Nature of business	Shareholding percentage		Cost		Carrying amounts based on cost method	
		2023 (%)	2022 (%)	2023	2022	2023	2022
Phoenix Asphalt Philippines Inc.	Manufacture and distribution of asphalt and petroleum products	40	40	67,553	67,553	67,553	67,553
Total				67,553	67,553	67,553	67,553



Investment in Nila Solutions Company Limited ("Nila")

On 3 July 2023, the Board of Directors' Meeting of Indrachit passed a resolution approving to invest in Nila Solutions Company Limited, a newly incorporated company as joint venture, in which Indrachit holds 50% of the total registered share capital of Baht 20 million (200,000 ordinary shares of Baht 100 each). Nila operates as a joint venture with Skyller Solutions Company Limited to provide software services of stockpile monitoring and construction progress monitoring. Nila completed the incorporation process and received such share capital payment in the current year.

Investment in Borneo Asphalt Sdn Bhd ("Borneo")

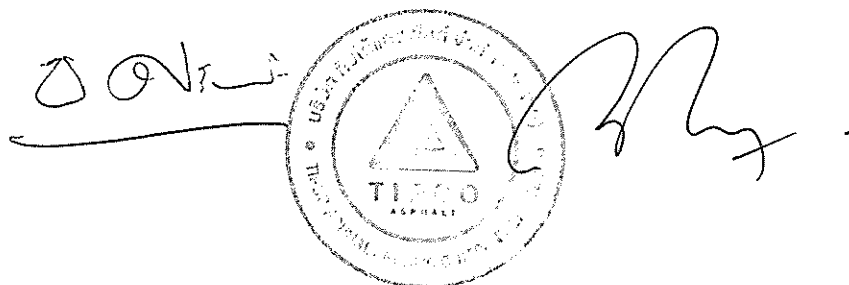
On 31 December 2023, the Board of Directors' Meeting of KBC passed a resolution approving to increase in such investment in Borneo to the original proportion of 50 percent of the total registered capital increase of MYR 4.1 million (4,108,356 preference shares of MYR 1 each). KBC has paid for the shares through conversion of advance payments and accrued interest in the amount of MYR 2.05 million or equivalent to approximately Baht 15 million.

11.2 Share of comprehensive income

The Group recognised its share of profit/loss from investments in the joint ventures in the consolidated financial statements as follows:

(Unit: Thousand Baht)

Joint ventures	Consolidated financial statements	
	Share of profit (loss) from investments in joint ventures during the year	
	2023	2022
Asia Bitumen Trading Pte. Ltd.	170	4,206
Borneo Asphalt Sdn Bhd	(16,560)	(2,240)
Phoenix Asphalt Philippines Inc.	6,600	7,129
Nila Solutions Company Limited	(724)	-
Total	(10,514)	9,095



11.3 Summarised financial information about material joint ventures

Summarised information about financial position

(Unit: Million Baht)

	Asia Bitumen		Borneo Asphalt		Phoenix Asphalt	
	Trading Pte. Ltd.		Sdn Bhd		Philippines Inc.	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash and cash equivalent	95.1	42.9	16.1	30.5	7.8	77.0
Trade and other receivables	75.0	86.8	52.2	26.3	44.4	32.9
Other assets	1.4	1.1	308.9	402.0	270.0	224.7
Trade and other payables	(74.7)	(32.5)	(3.3)	(118.7)	(7.6)	(13.5)
Other liabilities	(7.6)	(8.6)	(356.7)	(323.3)	(95.0)	(116.2)
Net assets	89.2	89.7	17.2	16.8	219.6	204.9
Shareholding percentage (%)	50	50	50	50	40	40
Carrying amounts of joint ventures based on equity method	44.6	44.9	8.6	8.4	87.9	82.0

Summarised information about profit and loss

(Unit: Million Baht)

	For the year ended 31 December					
	Asia Bitumen		Borneo Asphalt Sdn Bhd		Phoenix Asphalt	
	Trading Pte. Ltd.		Philippines Inc.		Philippines Inc.	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Total revenues	1,478.0	1,917.4	339.0	388.2	722.6	694.4
Cost of goods sold	(1,451.8)	(1,883.9)	(337.5)	(371.1)	(660.6)	(636.9)
Total expenses	(25.8)	(25.1)	(33.7)	(21.5)	(46.0)	(39.7)
Profit (loss) for the year	0.4	8.4	(32.2)	(4.4)	16.0	17.8

12. Investments in associates

12.1 Details of associates

(Unit: Thousand Baht)

Company's name	Nature of business	Consolidated financial statements					
		Shareholding percentage		Cost		Carrying amounts based on equity method	
		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
		(%)	(%)				
Colasie Co., Ltd.	Holding company	40	40	18,404	18,404	563,958	507,202
PT Sarana Distribusi Aspal Nusantara (Owned by ABS)	Barge rental service	49	49	1,313	1,313	262	44
Total investments in associates				19,717	19,717	564,220	507,246

(Unit: Thousand Baht)

Company's name	Nature of business	Separate financial statements					
		Shareholding percentage		Cost		Carrying amounts based on cost method	
		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
		(%)	(%)				
Colasie Co., Ltd.	Holding company	40	40	18,404	18,404	18,404	18,404
Total investments in associates				18,404	18,404	18,404	18,404

12.2 Share of comprehensive income and dividend received

The Group recognised its share of profit/loss from investments in associates in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements		Separate financial statements	
	Share of profit (loss) from investments in associates during the year		Dividend received during the year by the Company	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Colasie Co., Ltd.	122,971	151,837	65,873	119,592
PT Sarana Distribusi Aspal Nusantara	(589)	97	-	-
Total	122,382	151,934	65,873	119,592

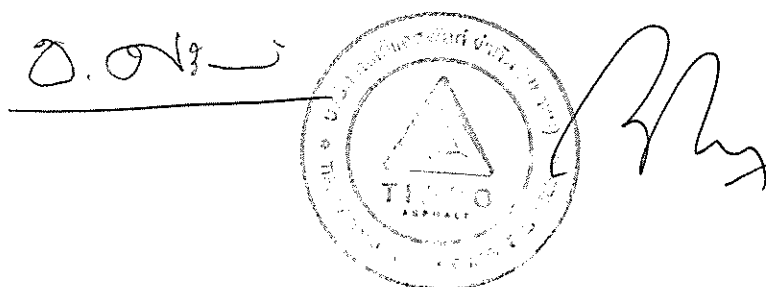
12.3 Summarised financial information about material associates

Financial information of Colasie Co., Ltd.

Financial information of Colasie Co., Ltd. as at 31 December 2023 and 2022 and for the years then ended are summarised below.

(Unit: Million Euro)

	<u>2023</u>	<u>2022</u>
Paid-up capital	1.04	1.04
Total assets	1.70	1.47
Total liabilities	0.01	0.01
Total revenues	4.77	5.08
Profit for the year	4.71	5.02



13. Investment properties

(Unit: Thousand Baht)

Consolidated financial statements			
	The Company's land, buildings and equipment located at Petchburi plant	Land of Thai Bitumen	Total
As at 31 December 2023:			
Cost	267,472	383,608	651,080
Less: Accumulated depreciation	(137,804)	-	(137,804)
Less: Allowance for diminution in value	(86,868)	(237,375)	(324,243)
Net book value	42,800	146,233	189,033
As at 31 December 2022:			
Cost	267,472	383,608	651,080
Less: Accumulated depreciation	(137,804)	-	(137,804)
Less: Allowance for diminution in value	(86,868)	(237,375)	(324,243)
Net book value	42,800	146,233	189,033

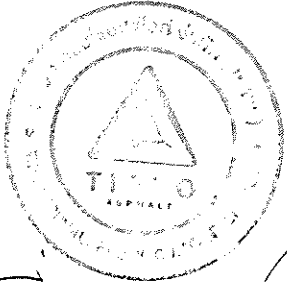
(Unit: Thousand Baht)



Separate financial statements			
	The Company's land, buildings and equipment located at Petchburi plant	The Company's land for rent located at Suratthani province	Total
As at 31 December 2023:			
Cost	267,472	61,438	328,910
Less: Accumulated depreciation	(137,804)	(9,896)	(147,700)
Less: Allowance for diminution in value	(86,868)	-	(86,868)
Net book value	42,800	51,542	94,342
As at 31 December 2022:			
Cost	267,472	61,438	328,910
Less: Accumulated depreciation	(137,804)	(9,896)	(147,700)
Less: Allowance for diminution in value	(86,868)	-	(86,868)
Net book value	42,800	51,542	94,342

The fair values of the investment properties were appraised by an independent professional valuer using the Sales Comparison Approach, which measured at fair value in level 2.

The fair values of the investment properties as at 31 December 2023 and 2022 are stated below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
The Company's land for rent located at				
Suratthani province	-	-	218,000	218,000
The Company's land, buildings and equipment				
located at Petchburi plant	42,800	42,800	42,800	42,800
Land of Thai Bitumen	146,233	146,233	-	-

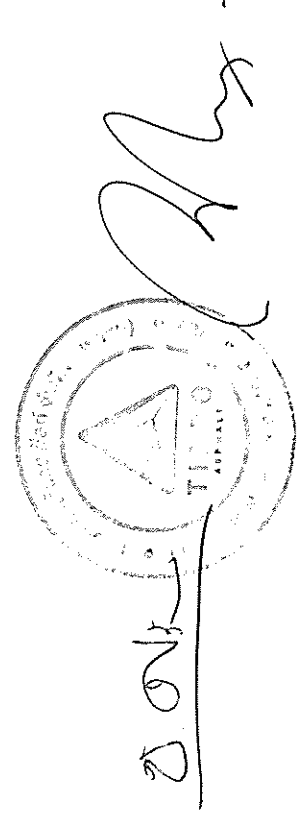


14. Property, plant and equipment

(Unit: Thousand Baht)

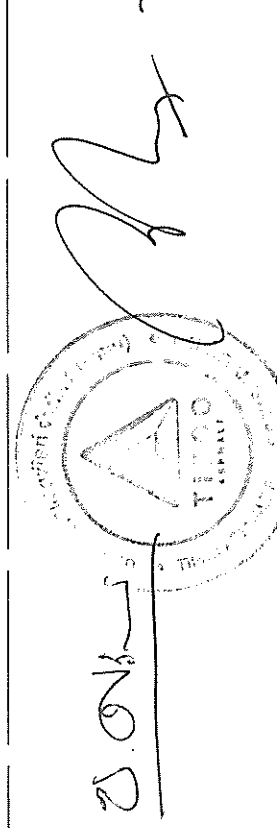
Cost	Consolidated financial statements							Total
	Land and land improvement	Buildings, building improvements and complements	Machinery, tools and equipment	Furniture, office equipment and vehicles	Vessels	Construction in progress and equipment under installation		
As at 1 January 2022	696,999	1,066,652	8,435,482	1,290,352	4,030,196	461,579	15,981,260	
Additions	7,049	9,376	95,587	16,555	91,831	163,592	383,990	
Disposals/written off	(198)	(37,628)	(85,933)	(145,643)	(124,942)	(34)	(394,378)	
Transfer in (transfer out)	410	10,861	329,260	8,556	-	(349,087)		
Disposal of investment in a subsidiary	-	(63,526)	(16,880)	(3,019)			(83,425)	
As at 31 December 2022	704,260	985,735	8,757,516	1,166,801	3,997,085	276,050	15,887,447	
Additions	3,197	20,584	65,651	15,113	100,639	195,066	400,250	
Disposals/written off	(3,974)	(657)	(74,647)	(84,482)	(82,962)	-	(246,722)	
Transfer in (transfer out)	3,431	5,679	148,970	11,618	-	(169,698)	-	
As at 31 December 2023	706,914	1,011,341	8,897,490	1,109,050	4,014,762	301,418	16,040,975	



(Unit: Thousand Baht)

Consolidated financial statements

	Land and land improvement	Buildings, building improvements and complements	Machinery, tools and equipment	Furniture, office equipment and vehicles	Vessels	Construction in progress and equipment under installation	Total
Accumulated depreciation							
As at 1 January 2022	329,509	575,480	4,436,988	785,772	1,421,562	-	7,549,311
Depreciation for the year	10,877	34,621	509,763	126,887	212,688	-	894,836
Accumulated depreciation on disposals/written off	(127)	(37,195)	(40,507)	(135,318)	(119,591)	-	(332,738)
Disposal of investment in a subsidiary	-	(16,330)	(5,202)	(510)	-	-	(22,042)
As at 31 December 2022	340,259	556,576	4,901,042	776,831	1,514,659	-	8,089,367
Depreciation for the year	11,352	33,203	509,115	106,524	212,580	-	872,774
Accumulated depreciation on disposals/written off	(3,974)	(561)	(55,993)	(76,886)	(78,962)	-	(216,376)
As at 31 December 2023	347,637	589,218	5,354,164	806,469	1,648,277	-	8,745,765
Allowance for impairment loss							
As at 1 January 2022	1,183	50,769	34,064	2,066	-	5,049	93,131
Increase during the year	-	-	-	-	196,119	3,823	199,942
Decrease during the year	-	(50,769)	(34,064)	(2,066)	-	(5,049)	(91,948)
As at 31 December 2022	1,183	-	-	-	196,119	3,823	201,125
Decrease during the year	-	-	-	-	-	(625)	(625)
As at 31 December 2023	1,183	-	-	-	196,119	3,198	200,500

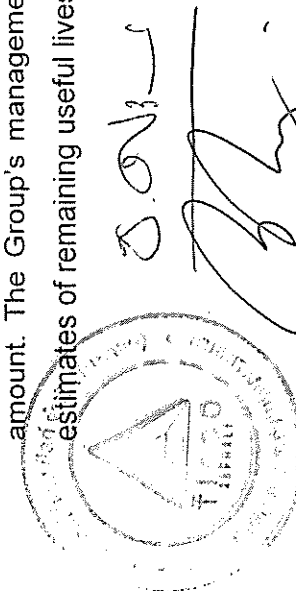


(Unit: Thousand Baht)

Consolidated financial statements

	Land and land improvement	Buildings, building improvements and complements	Machinery, tools and equipment	Furniture, office equipment and vehicles	Vessels	Construction in progress and equipment under installation	Total
Translation adjustments							
As at 1 January 2022	-	21,723	(24,816)	(16,825)	(40,077)	(28,626)	(88,621)
Translation adjustments during the year	-	(15,155)	39,977	(1,998)	41,082	14,596	78,502
As at 31 December 2022	-	6,568	15,161	(18,823)	1,005	(14,030)	(10,119)
Translation adjustments during the year	-	(8,683)	(61,750)	(1,722)	(10,648)	(517)	(83,320)
As at 31 December 2023	-	(2,115)	(46,589)	(20,545)	(9,643)	(14,547)	(93,439)
Net book value							
As at 31 December 2022	362,818	435,727	3,871,635	371,147	2,287,312	258,197	7,586,836
As at 31 December 2023	358,094	420,008	3,496,737	282,036	2,160,723	283,673	7,001,271
Depreciation for the year							
2022 (Baht 820 million included in manufacturing cost, and the balance in selling expenses and administrative expenses)							894,836
2023 (Baht 774 million included in manufacturing cost, and the balance in selling expenses and administrative expenses)							872,774

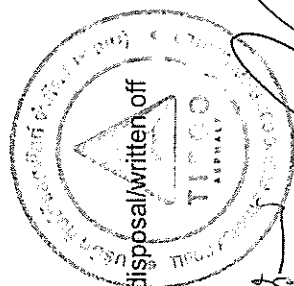
In 2022, the Group recognised an impairment loss for a vessel amounting to Baht 196 million and presented it under the caption of impairment loss on property, plant and equipment in the consolidated statement of comprehensive income, to reduce the carrying amount of the asset to its recoverable amount. The Group's management determined the recoverable amount based on value in use, using cash flow projections based on financial estimates of remaining useful lives of the vessel and discounted to present value. The fair value hierarchy level was classified as level 3.



(Unit: Thousand Baht)

Separate financial statements

	Land and land improvement	Buildings, building improvements and complements	Machinery, tools and equipment	Furniture, office equipment and vehicles	Construction in progress and equipment under installation	Total
Cost						
As at 1 January 2022	511,139	384,801	742,779	643,200	10,509	2,292,428
Additions	4,054	2,786	7,483	2,227	7,440	23,990
Disposals/written off	(198)	(609)	(21,303)	(109,097)	-	(131,207)
Transfer in (transfer out)	51	177	5,359	-	(5,587)	-
As at 31 December 2022	515,046	387,155	734,318	536,330	12,362	2,185,211
Additions	3,171	11,850	11,399	2,039	15,140	43,599
Disposals/written off	(3,974)	(386)	(13,908)	(33,948)	-	(52,216)
Transfer in (transfer out)	3,431	5,207	870	-	(9,508)	-
As at 31 December 2023	517,674	403,826	732,679	504,421	17,994	2,176,594
Accumulated depreciation						
As at 1 January 2022	258,736	215,224	525,406	439,367	-	1,438,733
Depreciation for the year	4,395	11,296	44,901	53,043	-	113,635
Accumulated depreciation on disposal/written off	(127)	(224)	(15,013)	(102,765)	-	(118,129)
As at 31 December 2022	263,004	226,296	555,294	389,645	-	1,434,239
Depreciation for the year	4,731	11,686	39,811	39,186	-	95,414
Accumulated depreciation on disposal/written off	(3,974)	(289)	(13,627)	(33,911)	-	(51,801)
As at 31 December 2023	263,761	237,693	581,478	394,920	-	1,477,852

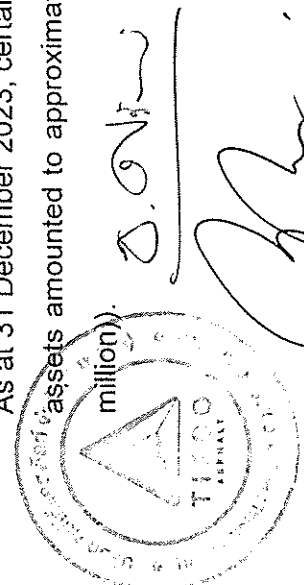


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(Unit: Thousand Baht)

	Separate financial statements					
	Land and land improvement	Buildings, building improvements and complements	Machinery, tools and equipment	Furniture, office equipment and vehicles	Construction in progress and equipment under installation	Total
Allowance for impairment loss						
As at 1 January 2022	1,183	-	6,273	-	-	7,456
Increase during the year	-	-	-	-	3,823	3,823
Decrease during the year	-	-	(6,273)	-	-	(6,273)
As at 31 December 2022	1,183	-	-	-	3,823	5,006
Decrease during the year	-	-	-	-	(625)	(625)
As at 31 December 2023	1,183	-	-	-	3,198	4,381
Net book value						
As at 31 December 2022	250,859	160,859	179,024	146,685	8,539	745,966
As at 31 December 2023	252,730	166,133	151,201	109,501	14,796	694,361
Depreciation for the year						
2022 (Baht 93 million included in manufacturing cost, and the balance in selling expenses and administrative expenses)						113,635
2023 (Baht 78 million included in manufacturing cost, and the balance in selling expenses and administrative expenses)						95,414

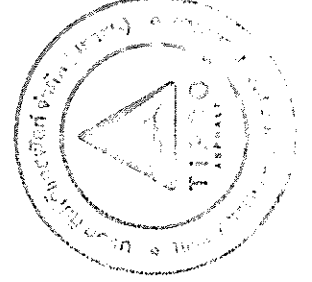
As at 31 December 2023, certain items of plant and equipment items had been fully depreciated but were still in use. The original cost of those assets amounted to approximately Baht 3,812 million (2022: Baht 3,387 million) (The Company only: Baht 1,252 million (2022: Baht 1,011 million)).



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15. Intangible assets

	Consolidated financial statements							(Unit: Thousand Baht)			
	Consolidated financial statements				Separate financial statements						
	Computer software	Customer relationship	Non-competition clause	Backlog	Computer software under installation	Total	Computer software	Computer under installation	Computer software	Computer under installation	Total
As at 31 December 2023:											
Cost	215,343	224,112	11,724	129,386	2,734	583,299	169,579	2,734	169,579	2,734	172,313
Less: Accumulated amortisation	(192,940)	(125,651)	(10,725)	(127,666)	-	(456,982)	(153,644)	-	(153,644)	-	(153,644)
Translation adjustments	2,096	-	(999)	-	-	1,097	-	-	-	-	-
Net book value	24,499	98,461	-	1,720	2,734	127,414	15,935	2,734	15,935	2,734	18,669
As at 31 December 2022:											
Cost	212,057	224,112	11,724	129,386	5,659	582,938	165,698	5,659	165,698	5,659	171,357
Less: Accumulated amortisation	(190,023)	(108,290)	(10,725)	(83,894)	-	(392,932)	(151,643)	-	(151,643)	-	(151,643)
Translation adjustments	2,099	-	(999)	-	-	1,100	-	-	-	-	-
Net book value	24,133	115,822	-	45,492	5,659	191,106	14,055	5,659	14,055	5,659	19,714



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A reconciliation of the net book value of intangible assets for the years 2023 and 2022 is presented below.

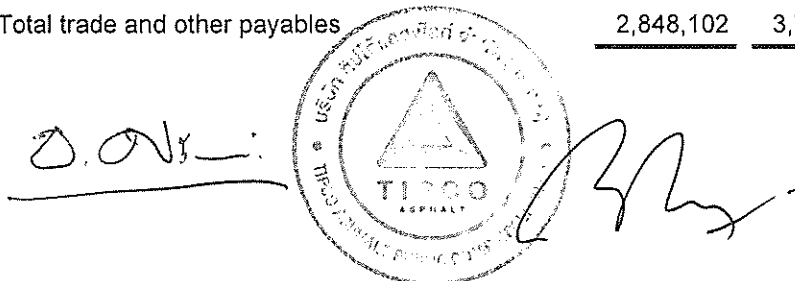
	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Net book value at beginning of year	191,106	266,384	19,714	32,205
Acquisition of computer software	6,741	7,902	5,539	6,327
Amortisation	(70,387)	(83,171)	(6,584)	(18,818)
Disposal	(45)	-	-	-
Disposal of investment in a subsidiary	-	(62)	-	-
Translation adjustments	(1)	53	-	-
Net book value at end of year	<u>127,414</u>	<u>191,106</u>	<u>18,669</u>	<u>19,714</u>

16. Short-term loans from financial institutions

	(Unit: Thousand Baht)					
	Interest rates		Consolidated		Separate	
	(% per annum)		financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Loans in Thai Baht	2.47 - 7.05	1.45 - 2.75	2,068,810	3,037,905	1,731,696	2,908,320
Loans in Indonesia Rupiah	8.50 - 10.10	6.40 - 7.90	95,748	192,644	-	-
Total			<u>2,164,558</u>	<u>3,230,549</u>	<u>1,731,696</u>	<u>2,908,320</u>

17. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade payables - related parties (Note 6)	158,178	175,296	2,095,955	2,306,060
Trade payables - unrelated parties	1,567,456	2,408,645	925,049	1,536,774
Unbilled payables - related parties (Note 6)	150,508	131,549	-	-
Retention payables - unrelated parties	140,033	60,440	4,838	1,774
Accounts payable from commodity forward contracts	24,046	53,000	24,046	53,000
Other payables - related parties (Note 6)	108,601	95,031	65,476	61,885
Other payables and accrued expenses - unrelated parties	699,280	808,404	181,127	243,870
Total trade and other payables	<u>2,848,102</u>	<u>3,732,365</u>	<u>3,296,491</u>	<u>4,203,363</u>



18. Credit facilities

The credit facilities of the Group granted by financial institutions are secured by the following collaterals:

- The guarantees of the Company, its subsidiaries and a shareholder of a subsidiary
- The prohibition from creating lien over assets of the Group
- Financial support letters provided by the Group to banks
- The Company allows its subsidiaries to use its facilities obtained from banks, with the Company responsible to the banks for the amounts drawn down by the subsidiaries

19. Leases

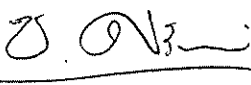
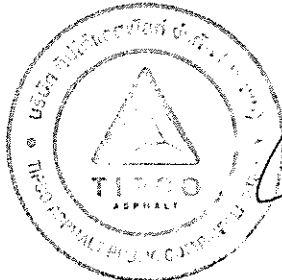

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 1 - 50 years.

a) Right-of-use assets

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

(Unit: Thousand Baht)

	Consolidated financial statements				
	Land and buildings	Machinery and equipment	Office equipment	Motor vehicles	Total
1 January 2022	529,498	123,546	998	74,608	728,650
Additions	31,431	57,846	6,719	19,324	115,320
Lease modification	6,523	-	-	-	6,523
Depreciation	(59,164)	(27,105)	(1,096)	(32,234)	(119,599)
Written off	(1,154)	-	-	(341)	(1,495)
Translation adjustments	5,440	4,717	-	-	10,157
31 December 2022	512,574	159,004	6,621	61,357	739,556
Additions	54,466	63,764	-	29,672	147,902
Depreciation	(61,865)	(30,814)	(1,805)	(26,545)	(121,029)
Written off	-	(6,338)	-	(547)	(6,885)
Translation adjustments	(5,894)	77	-	-	(5,817)
31 December 2023	499,281	185,693	4,816	63,937	753,727

(Unit: Thousand Baht)

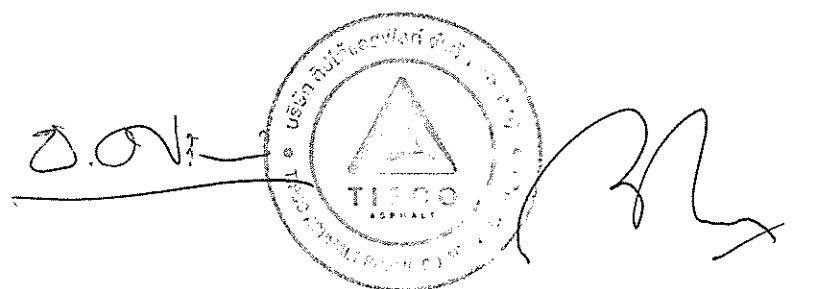
	Separate financial statements			
	Land and buildings	Office equipment	Motor vehicles	Total
1 January 2022	62,878	-	39,871	102,749
Additions	-	6,719	9,865	16,584
Lease modification	(2,250)	-	-	(2,250)
Depreciation	(9,967)	(560)	(16,804)	(27,331)
31 December 2022	50,661	6,159	32,932	89,752
Additions	11,171	-	21,092	32,263
Depreciation	(10,429)	(1,344)	(14,156)	(25,929)
31 December 2023	51,403	4,815	39,868	96,086

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Lease payments	523,145	512,247	103,102	97,883
Less: Deferred interest expenses	(80,594)	(88,252)	(5,333)	(6,414)
Total	442,551	423,995	97,769	91,469
Less: Portion due within one year	(114,425)	(101,791)	(28,190)	(22,698)
Lease liabilities - net of current portion	328,126	322,204	69,579	68,771

A maturity analysis of lease payments is disclosed in Note 30.2 to the consolidated financial statements under the liquidity risk.



c) Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Depreciation expense of right-of-use assets	121,030	119,599	25,929	27,331
Interest expense on lease liabilities	20,666	19,244	2,548	2,788
Expense relating to short-term leases	4,473	6,183	311	157
Expense relating to leases of low-value assets	9,262	9,632	4,388	4,487

d) Others

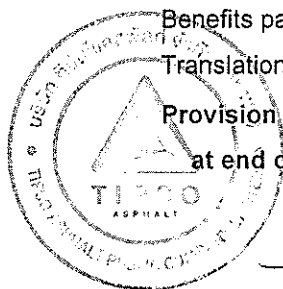
The Group has total cash outflows for leases for the year ended 31 December 2023 of Baht 158 million (2022: Baht 143 million) (the Company only: Baht 33 million, 2022: Baht 30 million), including the cash outflow related to short-term lease and leases of low-value assets.

20. Provision for long-term employee benefits

Provision for long-term employee benefits, which is compensations on employees' retirement and long service award, are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Provision for long-term employee benefits				
at beginning of year	246,786	246,882	135,104	145,856
Included in profit or loss:				
Defined benefit plans				
Current service cost	22,420	22,349	11,667	12,851
Past service cost	-	(263)	-	(99)
Interest cost	7,621	5,429	3,748	2,784
Long service award	1,643	4,869	629	703
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Financial assumptions changes	(20)	(11,266)	-	(5,729)
Experience adjustments	(754)	6,508	-	(7,250)
Benefits paid during the year	(38,206)	(25,945)	(20,120)	(14,012)
Translation adjustments	(19)	(1,777)	-	-
Provision for long-term employee benefits				
at end of year	<u>239,471</u>	<u>246,786</u>	<u>131,028</u>	<u>135,104</u>



The Group expects to pay Baht 72 million of long-term employee benefits during the next year (2022: Baht 45 million) (the Company only: Baht 43 million, 2022: Baht 26 million).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit was between 6 - 13 years (2022: 6 - 15 years) (the Company only: 6 years, 2022: 6 years).

Key actuarial assumptions used for the valuation are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	2.9 - 7.0	2.9 - 7.0	2.9	2.9
Future salary increase rate	4.0 - 7.0	4.0 - 7.0	4.0	4.0
Staff turnover rate (depending on age of employee)	0.0 - 25.0	0.0 - 25.0	0.0 - 15.0	0.0 - 15.0

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

(Unit: Million Baht)

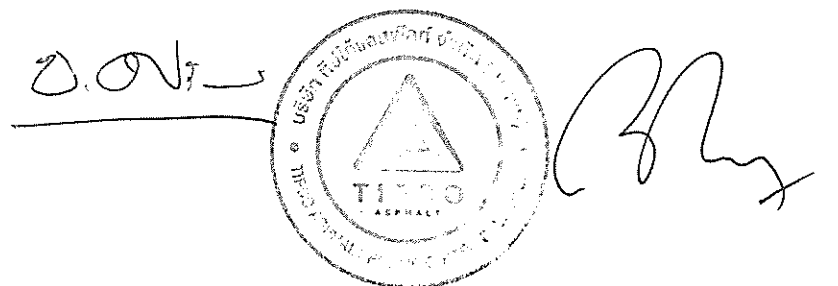
As at 31 December 2023

	Consolidated		Separate	
	financial statements		financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(12)	14	(6)	7
Salary increase rate	12	(11)	6	(5)

(Unit: Million Baht)

As at 31 December 2022

	Consolidated		Separate	
	financial statements		financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(13)	14	(6)	7
Salary increase rate	12	(11)	6	(6)



21. Statutory reserve

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

22. Expenses by nature

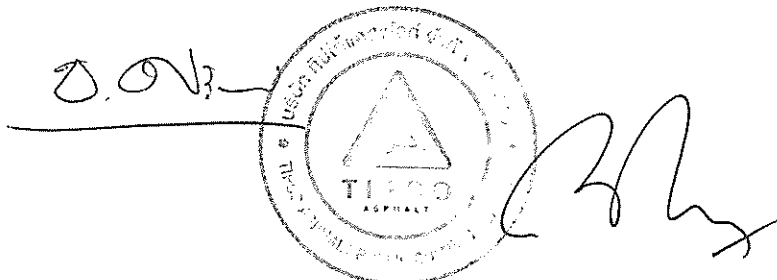
Significant expenses by nature are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Salary, wages and other employee benefits	1,404	1,429	504	512
Depreciation and maintenance expenses	1,046	1,111	158	192
Costs related to production of goods and services (excluding of staff cost, depreciation and maintenance expenses)	25,506	26,812	20,475	21,914

23. Income tax

Income tax expenses for the years ended 31 December 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current income tax:				
Current income tax charge	(728,355)	(727,684)	(449,221)	(531,753)
Adjustment in respect of income tax of previous year	1,290	(2,287)	2,466	(2,219)
Deferred tax:				
Relating to origination and reversal of temporary differences	143,862	(7,581)	5,995	(39,037)
Income tax reported in the profit or loss	(583,203)	(737,552)	(440,760)	(573,009)

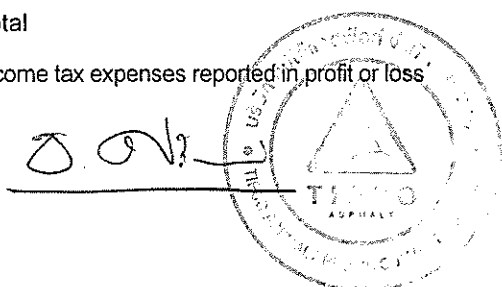


The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax on actuarial gains and losses	(170)	(1,054)	-	(2,596)
Deferred tax on change in fair value of hedging instruments of cash flow hedges	18,993	(37,813)	18,993	(37,813)
Income tax reported in other comprehensive income	18,823	(38,867)	18,993	(40,409)

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Accounting profit before tax	2,908,674	3,120,263	2,312,255	3,306,553
Income tax at Thai corporate income tax rate of 20%	(581,735)	(624,053)	(462,451)	(661,311)
Adjustment in respect of income tax of previous year	1,290	(2,287)	2,466	(2,219)
Utilisation of previously unrecognised tax losses and capital allowance	1,174	1,061	-	-
Unused tax loss and unutilised investment tax allowances of current year which has not recognised as deferred tax assets	(58,375)	(44,723)	-	-
Difference of tax rates in group companies	13,997	(4,455)	-	-
Adjustment of previous deferred tax assets/ liabilities	41	(40,921)	-	(40,189)
Effects of:				
Non-taxable income/expenses	(48,708)	(68,813)	(38,026)	10,729
Additional expenses deductions allowed	1,018	777	461	175
Exemption of income	11,358	6,277	52,190	116,984
Promotional privileges (Note 24)	1,442	6,579	-	-
Tax privilege (Note 25)	50,674	23,102	4,600	2,822
Share of profit from investment in joint ventures and associates	15,522	13,985	-	-
Others	9,099	(4,081)	-	-
Total	40,405	(22,174)	19,225	130,710
Income tax expenses reported in profit or loss	(583,203)	(737,552)	(440,760)	(573,009)



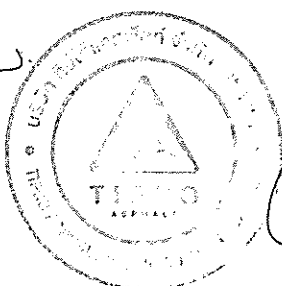
The tax rates enacted at the end of the reporting period of the Group are 0% to 25% (2022: 0% to 25%).

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statement	financial statement
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax assets				
Allowance for doubtful accounts	118,956	83,843	48,963	33,288
Reduction of cost of inventories to net realisable value	11,728	2,078	5,952	389
Fair value of commodity forward contracts	2,742	39	2,742	39
Allowance for asset impairment	65,735	65,863	18,250	18,378
Provision for long-term employee benefits	51,929	50,588	26,206	27,021
Effect on elimination of intercompany transaction	6,258	8,579	-	-
Unutilised tax loss and capital allowance	9,838	14,240	4,433	7,972
Lease liabilities	2,254	-	626	-
Others	9,788	12,789	1,294	550
Total	<u>279,228</u>	<u>238,019</u>	<u>108,466</u>	<u>87,637</u>
Deferred tax liabilities				
Difference depreciation for tax purpose	(222,454)	(321,728)	(29,803)	(28,457)
Fair value of commodity forward contracts	(20,104)	(25,752)	(20,104)	(25,752)
Fair value of forward exchange contracts	(4,546)	(4,403)	(4,546)	(4,403)
Share of profit from investment in an associate	(65,466)	(58,640)	-	-
Fair value adjustment of assets from business combination	(66,432)	(89,955)	-	-
Total	<u>(379,002)</u>	<u>(500,478)</u>	<u>(54,453)</u>	<u>(58,612)</u>

Presented as follows:

Deferred tax assets	153,079	107,256	54,013	29,025
Deferred tax liabilities	252,853	369,715	-	-



As at 31 December 2023 and 2022, the subsidiaries had deductible temporary differences on capital allowance and unused tax losses on which deferred tax assets have not been recognised as these subsidiaries believed that future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses, as follows:

	<u>2023</u>	<u>2022</u>
	(Million)	(Million)
Baht	-	3
Malaysian Ringgit	219	200

24. Promotional privileges

Bitumen Marine Company Limited was granted investment promotional privileges by the Board of Investment for mass transit systems and transportation of bulk goods. Important tax privileges is exemption of corporate income tax not exceeding of the stipulated amount for 8 years commencing from 29 October 2015 onwards. During the year, this promotion certificate was expired.

25. Tax privileges

Tax privileges for maritime commerce

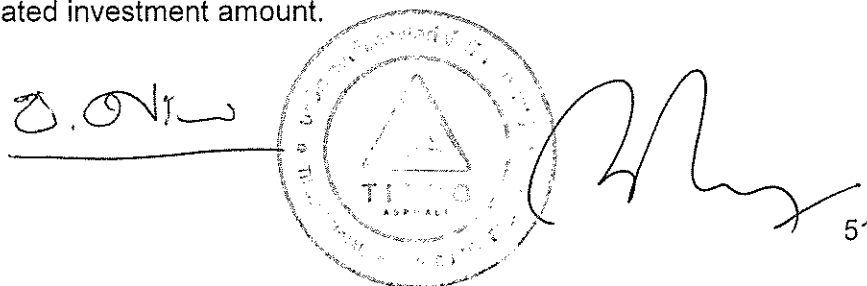
The subsidiaries in Thailand which are engaged in marine transportation business, are entitled to withholding income tax privileges under the Revenue Department Instruction No. Por 110/2545 since they are international marine transportation business operators, whereby income from vessel rental is subject to withholding tax at a rate of 1%. Moreover, the subsidiaries are exempted from corporate income tax on their income from international marine transportation under Announcement of the Director-General of the Revenue Department No. 72.

Tax privilege for an International Business Center ("IBC")

The Company was granted approval from the Revenue Department to be an International Business Center, providing managerial or technical services, supporting services or to be an international trading center. Under this tax privilege, the corporate income tax rate of IBC activity is reduced for 15 accounting periods, from 1 June 2019 to 31 December 2033.

Tax privilege from the stipulated investment

Kemaman Bitumen Company Sdn Bhd were granted tax privilege for a corporate income tax reduction from the stipulated investment amount.



26. Earnings per share

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

The following table sets forth the computation of basic earnings per share:

Consolidated financial statements						
Profit for the year		Weighted average		Earnings per share		
		number of				
		ordinary shares				
<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company						
2,305,518	2,366,511	1,578,362	1,578,362	1.46	1.50	

Separate financial statements						
Profit for the year		Weighted average		Earnings per share		
		number of				
		ordinary shares				
<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company						
1,871,495	2,733,543	1,578,362	1,578,362	1.19	1.73	

27. Segment information

The Group considers to organise into business groups based on types of products and services. The major segments of the Group are as follows:

Manufacturing and trading

The Group conducts manufacturing and trading of asphalt, petroleum oil products and asphalt concrete in both domestic and overseas markets. Whereas, the marine logistic business complements the manufacturing and trading of asphalt and petroleum oil products.

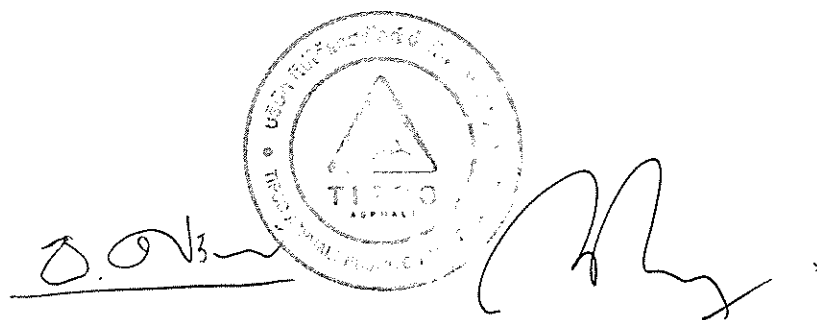
Construction business

The Group conducts construction service related to highway construction and road rehabilitation in Thailand.

Operating segment information is reported in a manner consistent with the internal reports 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 chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.



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Revenue and profit information regarding the Group's operating segments for the years ended 31 December 2023 and 2022 are as follows:

(Unit: Million Baht)

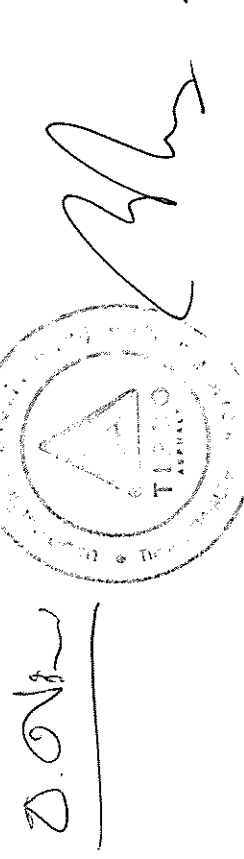
	For the year ended 31 December							
	Manufacturing and trading segment		Construction segment		Eliminated transactions		Consolidated financial statements	
	2023	2022	2023	2022	2023	2022	2023	2022
Revenues from external customers	27,605	30,025	3,501	3,376	-	-	31,106	33,401
Inter-segment revenues	599	566	-	-	(599)	(566)	-	-
Total revenues	28,204	30,591	3,501	3,376	(599)	(566)	31,106	33,401
Segment profit	3,976	4,215	162	146	-	-	4,138	4,361
Unallocated income and expenses							(1,229)	(1,241)
Profit before income tax							2,909	3,120

Non-current assets (other than deferred tax assets)

(Unit: Million Baht)

	Geographic segment located in Thailand		Geographic segment located in overseas		Total
	2023	2022	2023	2022	
Non-current assets	3,518	3,759	5,613	5,884	9,131
					9,643

Transfer prices between the segments are as set out in Note 6 to the consolidated financial statements.



Revenue from external customers based on locations of the customers is as follows:

	(Unit: Million Baht)	
	<u>2023</u>	<u>2022</u>
Thailand	15,063	15,753
Overseas	16,043	17,648
Total	<u>31,106</u>	<u>33,401</u>

28. Dividend

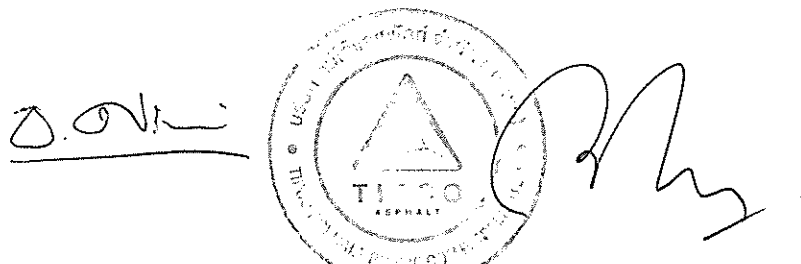
Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht per share)
Final dividends for 2021	Annual General Meeting of the shareholders on 8 April 2022	1,262.5	0.80
Interim dividends for 2022	Board of Directors' Meeting on 9 November 2022	<u>394.6</u>	<u>0.25</u>
Total for 2022		<u>1,657.1</u>	<u>1.05</u>
Final dividends for 2022	Annual General Meeting of the shareholders on 5 April 2023	1,578.3	1.00
Interim dividends for 2023	Board of Directors' Meeting on 10 August 2023	<u>394.6</u>	<u>0.25</u>
Total for 2023		<u>1,972.9</u>	<u>1.25</u>

29. Commitments and contingent liabilities

29.1 Capital commitment

As at 31 December 2023 and 2022, the Group had outstanding capital commitments relating to the purchase of machinery, equipment, vehicles, computer software and construction of building, as follows:

Foreign currency	Consolidated financial statements		Separate financial statements	
	<u>2023</u> (Million)	<u>2022</u> (Million)	<u>2023</u> (Million)	<u>2022</u> (Million)
Baht	18	12	15	12
Malaysian Ringgit	3	8	-	-
Vietnam Dong	30,501	11,337	-	-



29.2 Long-term service commitments

The Group has entered into service agreements. The terms of the agreements are generally between 1 and 5 years.

Future minimum service fees payable under these agreements as at 31 December 2023 and 2022 are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Within 1 year	48	54	36	41
Over 1 and up to 5 years	19	27	15	20
Total	67	81	51	61

29.3 Long-term service agreement

The Group entered into service agreements with a related company related to management and marketing services, technical assistance in the manufacture of premium grade asphalt and construction project management. Those agreements have terms 2 - 5 years for which the Group is to pay fees at the rates stipulated in the agreements. The Group has fees for 2023 and 2022 amounting to approximately Baht 47 million and Baht 44 million, respectively (the Company only: Baht 31 million and Baht 27 million, respectively).

29.4 Project construction cost commitments

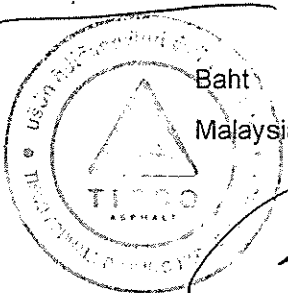
As at 31 December 2023, the Group had commitments related to agreements of project construction costs of Baht 1,569 million (2022: 2,839 million). The Group will make payment of these commitments upon delivery of the relevant goods or services.

29.5 Bank guarantees

As at 31 December 2023 and 2022, there were outstanding bank guarantees issued by the banks on behalf of the Group in respect of advance received, contractual performance and certain performance bonds as required in the normal course of business which are summarised below.

Foreign currency	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Million)	(Million)	(Million)	(Million)
Baht	1,911	2,056	2	2
Malaysian Ringgit	8	10	-	-

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30. Financial instruments

30.1 Derivatives and hedge accounting

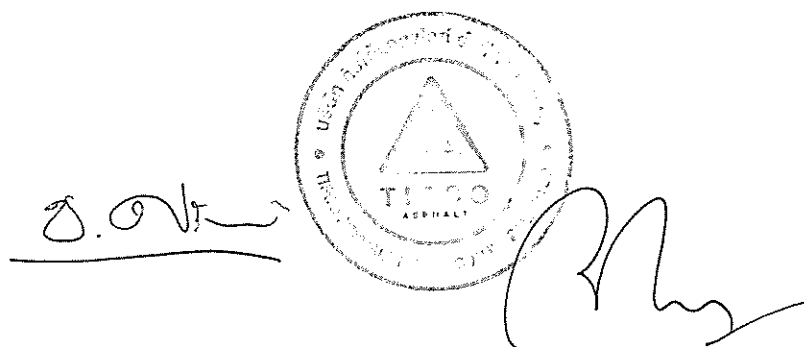
(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Derivative assets				
<i>Not designated as hedging instruments</i>				
Commodity forward contracts	38,738	-	38,738	-
Forward exchange contracts	22,822	22,035	22,729	22,013
<i>Designated as hedging instruments</i>				
Commodity forward contracts	61,783	128,762	61,783	128,762
Total derivative assets	<u>123,343</u>	<u>150,797</u>	<u>123,250</u>	<u>150,775</u>
Derivative liabilities				
<i>Not designated as hedging instruments</i>				
Commodity forward contracts	13,594	198	13,594	198
Forward exchange contracts	6,604	2,822	6,454	2,751
<i>Designated as hedging instruments</i>				
Commodity forward contracts	115	-	115	-
Total derivative liabilities	<u>20,313</u>	<u>3,020</u>	<u>20,163</u>	<u>2,949</u>

All derivatives are measured at fair value in level 2.

Derivatives not designated as hedging instruments

The Group enters into commodity forward contracts and forward exchange contracts to manage risk against fluctuations in commodity prices and foreign exchange rates, respectively. The contracts are entered into for the periods consistent with the underlying transactions, generally from one to twelve months.



Derivatives designated as hedging instruments

Cash flow hedges on commodity prices

The Group sells petroleum products produced from refining of crude oil and bitumen derived from crude oil distillation. The Group enters into commodity forward contracts to hedge against risks of petroleum price volatility in products expected to be sold in the future under risk management strategies established by the Group's Commodity Hedging Committee.

There is an economic relationship between the hedging instruments and the hedged items as the significant terms of the commodity forward contracts, i.e. notional amount and expected payment date, match those of the forecast sales (the expected highly probable forecast transactions). The Group has established a hedge ratio of 0.91:1 for the hedging relationships.

Hedge ineffectiveness can arise from:

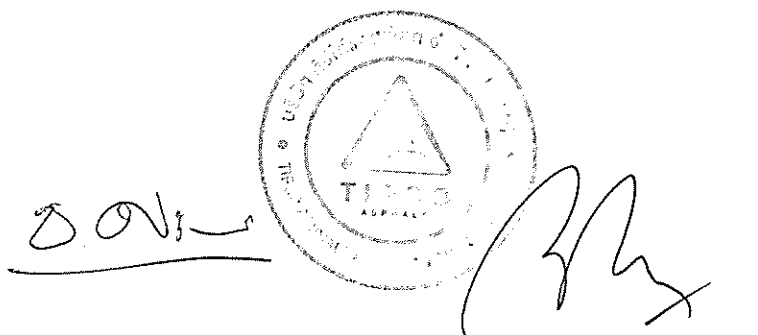
- Differences in the timing of the cash flows of hedged items and hedging instruments
- Differences in commodity indexes of hedged items and hedging instruments
- Changes to the forecasted amount of cash flows of hedged items or hedging instruments

Derivatives held by the Group as hedging instruments as at 31 December 2023 are to mature within one year and at an average hedge rate of USD 101.4 per barrels (2022: USD 120.9 per barrels).

The impact of hedged items on the statement of financial position as at 31 December 2023 and 2022 is as follows:

(Unit: Thousand Baht)

	Change in fair value used for measuring		Cash flow hedge reserve			
	ineffectiveness		Continuing hedges		Discontinued hedges	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Highly probable forecast sales	(71,391)	(159,592)	(59,591)	(154,555)	(11,800)	(5,037)



The impact of the hedging instruments on the statement of financial position as at 31 December 2023 and 2022 and the effect of the cash flow hedge in the statement of comprehensive income for the years ended 31 December 2023 and 2022 are, as follows:

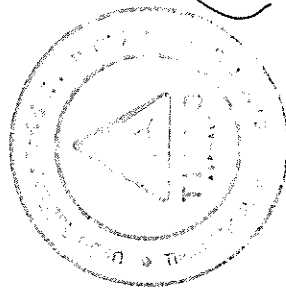
(Unit: Million Baht)

		Consolidated and separate financial statements						Amount of cash flow					
		Notional amounts		Carrying amount*		Changes in fair value used for measuring ineffectiveness		Effectiveness recognised in other comprehensive income		Ineffectiveness recognised in profit or loss**		Amount of cash flow hedge reserve reclassified to profit or loss***	
		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Commodity forward contracts													
-	hedge the risk arising from petroleum products sales	1,117	1,717	62	129	66	155	60	155	-	-	44	(749)

* Presented in statement of financial position as derivative - commodity forward contracts.

** Presented in profit or loss as (gain) loss from commodity forward contracts.

*** Presented in profit or loss as deducted from sales and service income.



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30.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, trade and other payables, loans to and loans from related parties and financial institutions. 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, loans, deposits with banks and financial institutions and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored. An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks.

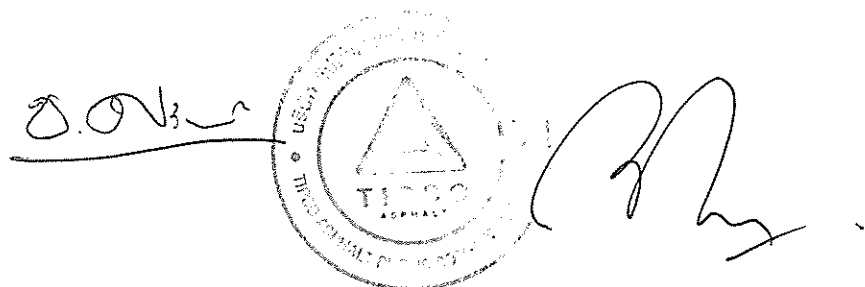
Financial instruments and cash deposits

The credit risk on debt instruments and derivatives is limited because the Group have a policy to consider and approve credit limits assigned to each counterparty by the Group's Board of Directors. The counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

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

- Forward exchange contracts to hedge the foreign currency risk arising on the export or import of goods
- Commodity forward contracts to hedge the commodity price risk arising on sales of products

The image shows a handwritten signature on the left and a circular stamp in the center. The stamp features a triangle with the number '1222' inside, surrounded by the text 'T1222 ASPHALT ASSOCIATION'. To the right of the stamp is another handwritten signature.

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its trading transactions and borrowings that are denominated in foreign currencies. The Group 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 31 December 2023 and 2022, the balances of financial assets and liabilities of the Group denominated in foreign currencies were summarised below.

Foreign currency	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	as at 31 December		as at 31 December		as at 31 December	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	16	57	16	28	34.2	34.6
Euro	8	8	9	8	38.0	36.8
Yen	-	-	24	8	0.2	0.3
Ringgit	9	14	17	17	7.4	7.8

Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	as at 31 December		as at 31 December		as at 31 December	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	59	102	33	50	34.2	34.6
Singapore Dollar	-	-	10	12	26.0	25.7
Euro	8	8	9	8	38.0	36.8
Ringgit	-	-	9	5	7.4	7.8

The Group outstanding forward exchange contracts which maturity date within one year are summarised below.

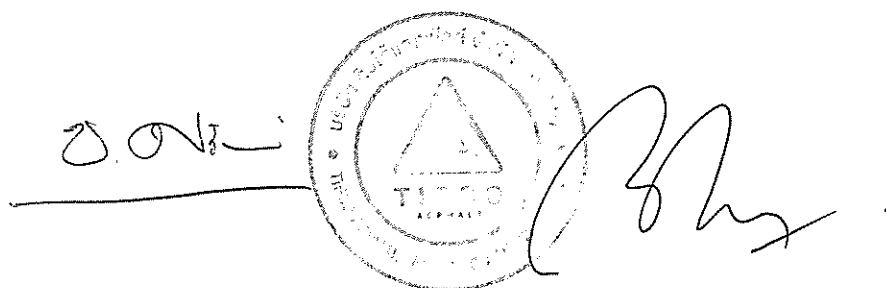
As at 31 December 2023

Foreign currency	Consolidated		Separate		Contractual exchange rate	
	financial statements		financial statements		Sold	Bought
	Sold	Bought	Sold	Bought		
amount	amount	amount	amount	(Per 1 foreign currency unit)		
	(Million)	(Million)	(Million)	(Million)		
US Dollar	22	10	22	9	34.3 - 36.6 Baht	34.5 - 36.1 Baht
US Dollar	-	10	-	-	-	24,185 - 24,425 Vietnam Dong
US Dollar	-	10	-	-	-	15,438 - 15,813 Indonesia Rupiah

As at 31 December 2022

Foreign currency	Consolidated		Separate		Contractual exchange rate	
	financial statements		financial statements		Sold	Bought
	Sold	Bought	Sold	Bought		
amount	amount	amount	amount	(Per 1 foreign currency unit)		
	(Million)	(Million)	(Million)	(Million)		
US Dollar	31	13	31	13	34.3 - 37.7 Baht	34.5 - 35.5 Baht
US Dollar	-	10	-	-	-	23,703 - 23,781 Vietnam Dong
US Dollar	-	12	-	-	-	15,502 - 15,763 Indonesia Rupiah

In addition, the Group exposes to foreign exchange risk on its investments in overseas subsidiaries, joint ventures and associates, loans to overseas subsidiaries and loan from financial institution. These investments and loans are currently not hedged by derivative financial instruments.



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

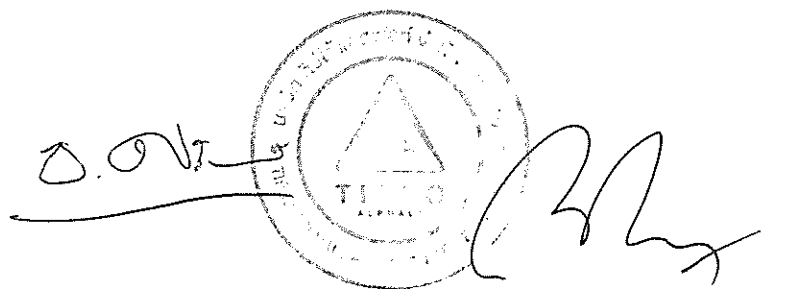
Currency	2023		2022	
	Change in FX rate	Effect on profit before tax (Thousand Baht)	Change in FX rate	Effect on profit before tax (Thousand Baht)
US dollar	+1%	1,484	+1%	8,534
	-1%	(1,484)	-1%	(8,534)

Interest rate risk

The Group exposure to interest rate risk relates primarily to its cash at banks, loans to and loans from related parties and financial institutions. However, since most of the Group's financial assets and liabilities bear fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on loans from financial institutions affected as at 31 December 2023 and 2022.

Interest rate	2023		2022	
	Increase/decrease	Effect on profit before tax (Thousand Baht)	Increase/decrease	Effect on profit before tax (Thousand Baht)
Interest rate	+1%	(957)	+1%	(1,926)
	-1%	957	-1%	1,926



The image shows a handwritten signature in black ink over a circular official stamp. The stamp contains the company's name in Thai and English, along with a central logo featuring a triangle and the word 'ALPHA'.

Commodity price risk

The Group is exposed to risk from fluctuations in the price of raw materials and finished goods. To manage these risks, the Group has entered into commodity forward contracts to hedge the risk from fluctuation in such prices.

The Group's Commodity Hedging Committee has developed and enacted a risk management strategy for commodity price risk and its mitigation. Based on a 12-month forecast sales, the Group hedges the selling price using commodity forward contracts. The forward contracts do not result in physical delivery of commodity products, but hedge the risk from fluctuation in commodity prices to offset the effect of price changes in commodity.

Forward contracts with a physical delivery that qualify for normal purchase, sale or usage are therefore not recognised as derivatives.

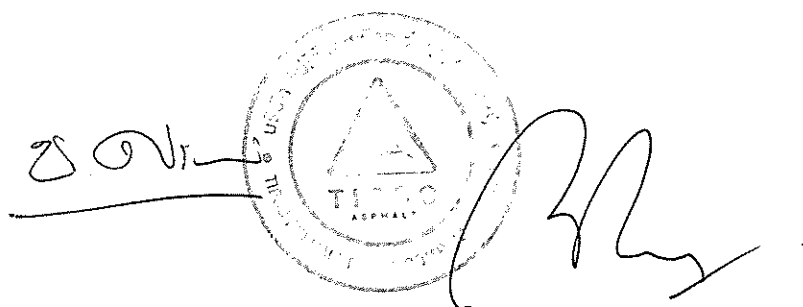
Commodity price sensitivity

The following table demonstrates the sensitivity of the Group's profit before tax and equity to a reasonably possible change in commodity price, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of commodity forward contracts are as follow:

	2023			2022		
	Increase/ decrease	Effect on profit before tax	Effect on equity	Increase/ decrease	Effect on profit before tax	Effect on equity
		(Thousand Baht)	(Thousand Baht)		(Thousand Baht)	(Thousand Baht)
Petroleum price	+1%	(3,140)	(9,747)	+1%	(965)	(15,887)
	-1%	3,140	9,747	-1%	965	15,887

Liquidity risk

The Group implements liquidity risk management procedures through the use of loans from financial institutions and leases. The Group assesses the risk relating to its ability to repay as low since the Group has access to sufficient and varied sources of funding and ability to request an extension to the repayment period for debts due within 12 months.

A handwritten signature in black ink is written over a circular stamp. The stamp features a central logo with a triangle and the text 'TISCO ASPHALT' below it. The outer ring of the stamp contains Thai text: 'บริษัท ทีเอสซี จำกัด' at the top and 'เลขที่จดทะเบียนการค้า 0105033000001' at the bottom.

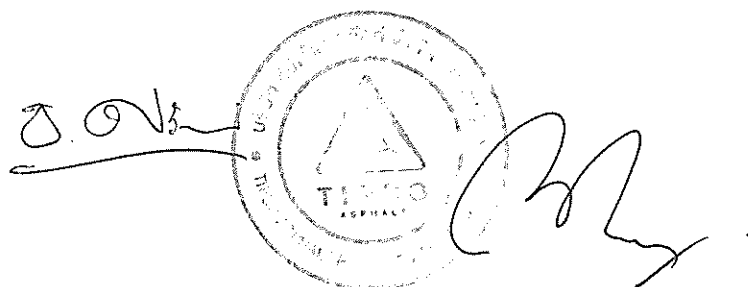
The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2023 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Less than 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives				
Short-term loans from financial institutions	2,176,290	-	-	2,176,290
Trade and other payables	2,848,104	-	-	2,848,104
Lease liabilities	134,678	267,219	121,248	523,145
Short-term loans from related parties	132,603	-	-	132,603
Total non-derivatives	5,291,675	267,219	121,248	5,680,142
Derivatives				
Derivative liabilities - Commodity forward contracts	13,709	-	-	13,709
Derivative liabilities - Forward exchange contracts	6,604	-	-	6,604
Total derivatives	20,313	-	-	20,313

(Unit: Thousand Baht)

	Separate financial statements			
	Less than 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives				
Short-term loans from financial institutions	1,740,935	-	-	1,740,935
Trade and other payables	3,296,491	-	-	3,296,491
Lease liabilities	30,380	72,722	-	103,102
Short-term loans from related parties	60,600	-	-	60,600
Total non-derivatives	5,128,406	72,722	-	5,201,128
Derivatives				
Derivative liabilities - Commodity forward contracts	13,709	-	-	13,709
Derivative liabilities - Forward exchange contracts	6,454	-	-	6,454
Total derivatives	20,163	-	-	20,163



30.3 Fair value of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in statement of financial position. For derivatives, fair value is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.

31. Capital management

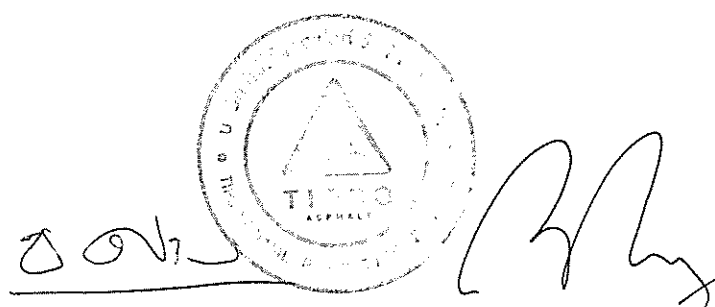
The primary objective of the capital management of the Group is to ensure that they have an appropriate financial structure and preserve the ability to continue their business as a going concern.

The Group manages its capital position with reference to financial ratio. As at 31 December 2023 and 2022, these financial ratios were as follow:

Financial Ratio	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Interest Bearing Short-term Debt-to-Equity Ratio	0.135 : 1	0.199 : 1	0.148 : 1	0.245 : 1

32. Approval of financial statements

These financial statements were authorised for issue by the Company's authorised directors on 9 February 2024.



The image shows a handwritten signature in black ink over a circular stamp. The stamp contains the text 'TISCO ASPHALT' and 'TISCO' in the center, with a triangle symbol above it. The signature is written in a cursive style.