

Tipco Asphalt Public Company Limited and its subsidiaries
Report and consolidated and separate financial statements
31 December 2024

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 2024, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the 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 (collectively "the financial statements").

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 2024, 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 forward contracts

As discussed in Notes 4 and 31 to the financial statements, the Group has entered into derivatives to protect the exposure from the fluctuation in foreign exchange rates and commodity prices, 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 forward contracts. I sent the confirmations to counterparties. I verified supporting documents and recalculated the fair value of such 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 fair value used by comparing to the counterparties' information and available market inputs. Moreover, I assessed the adequacy of disclosure of information in notes to the financial statements.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit 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: 11 February 2025

Tipco Asphalt Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Assets					
Current assets					
Cash and cash equivalents		1,846,306,539	3,001,571,115	375,589,117	853,257,473
Trade and other receivables	6, 7	5,721,700,395	4,624,342,863	4,266,086,802	3,239,658,066
Contract assets	8	889,837,990	979,152,846	-	-
Short-term loans to related parties	6	66,680,786	158,487,238	105,000,000	40,000,000
Inventories	9	5,930,426,418	4,907,953,444	4,601,482,509	3,594,088,580
Current tax assets		82,676,979	84,994,628	-	-
Derivative - forward contracts	31	27,636,407	123,343,300	27,252,334	123,249,795
Advance payments for inventories and services	6	156,064,523	306,256,637	2,665,545	726,880
Other current assets		203,881,845	194,024,162	26,890,957	33,685,757
Total current assets		14,925,211,882	14,380,126,233	9,404,967,264	7,884,666,551
Non-current assets					
Investments in subsidiaries	10	-	-	8,576,108,478	8,203,108,878
Investments in joint ventures	11	129,369,147	150,345,811	67,552,611	67,552,611
Investments in associates	12	566,814,044	564,219,500	18,403,580	18,403,580
Long-term loan to a related party	6	-	-	318,476,438	384,675,016
Investment properties	13	191,496,040	189,032,559	94,342,234	94,342,234
Property, plant and equipment	14	6,669,677,900	7,001,271,119	640,176,148	694,361,042
Right-of-use assets	19	627,948,645	753,726,582	68,556,548	96,086,211
Goodwill		195,932,109	195,932,109	-	-
Intangible assets	15	105,096,363	127,413,602	13,200,337	18,669,046
Deferred tax assets	24	231,727,928	153,078,532	96,000,912	54,013,352
Other non-current assets		145,688,716	148,944,661	1,123,977	1,088,976
Total non-current assets		8,863,750,892	9,283,964,475	9,893,941,263	9,632,300,946
Total assets		23,788,962,774	23,664,090,708	19,298,908,527	17,516,967,497

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 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	16	2,935,165,266	2,164,558,027	2,716,147,190	1,731,696,411
Trade and other payables	6, 17	2,863,800,840	2,848,103,764	3,310,513,578	3,296,490,734
Contract liabilities	8	399,072,232	438,530,590	116,033,823	2,330,849
Current portion of lease liabilities	19	100,120,802	114,425,062	23,808,008	28,190,378
Short-term loans from related parties	6	58,838,478	123,870,480	110,000,000	60,000,000
Income tax payable		370,165,227	121,652,544	289,243,312	71,099,402
Derivative - forward contracts	31	77,744,404	20,313,963	40,812,593	20,163,076
Other current liabilities		156,551,130	110,117,988	30,088,308	48,156
Total current liabilities		6,961,458,379	5,941,572,418	6,636,646,812	5,210,019,006
Non-current liabilities					
Lease liabilities - net of current portion	19	219,113,266	328,125,495	47,614,943	69,578,689
Deferred tax liabilities	24	221,279,850	252,852,918	-	-
Provision for long-term employee benefits	20	280,969,350	239,470,741	152,852,898	131,027,982
Derivative - forward contracts	31	13,387,680	-	1,891,767	-
Total non-current liabilities		734,750,146	820,449,154	202,359,608	200,606,671
Total liabilities		7,696,208,525	6,762,021,572	6,839,006,420	5,410,625,677

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 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Shareholders' equity					
Share capital					
Registered					
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
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		(555,818,770)	(564,073,047)	-	-
Retained earnings					
Appropriated - statutory reserve	21	172,123,329	172,123,329	172,123,329	172,123,329
Unappropriated		14,158,479,757	14,336,373,950	9,378,014,359	8,981,041,820
Other components of shareholders' equity		(802,039,806)	(512,759,311)	4,260,928	47,673,180
Equity attributable to owners of the Company		15,878,248,001	16,337,168,412	12,459,902,107	12,106,341,820
Non-controlling interests of the subsidiaries		214,506,248	564,900,724	-	-
Total shareholders' equity		16,092,754,249	16,902,069,136	12,459,902,107	12,106,341,820
Total liabilities and shareholders' equity		23,788,962,774	23,664,090,708	19,298,908,527	17,516,967,497

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

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Directors



Tipco Asphalt Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Profit or loss:					
Revenues					
Sales and service income		25,797,009,315	27,604,647,348	22,377,064,765	23,383,179,342
Revenues from construction contracts		2,166,892,135	3,501,351,239	-	-
Other income	22	256,578,210	246,044,794	993,767,021	456,184,053
Total revenues		28,220,479,660	31,352,043,381	23,370,831,786	23,839,363,395
Expenses					
Cost of sales and services		22,742,673,046	23,727,964,309	20,283,479,787	20,634,689,217
Gain from commodity forward contracts	31	(22,957,173)	(146,012,843)	(22,957,173)	(146,012,843)
Reduction of cost of inventories to net realisable value (reversal)	9	(13,145,386)	46,906,180	(8,569,943)	27,843,706
		22,706,570,487	23,628,857,646	20,251,952,671	20,516,520,080
Cost of construction		2,121,045,656	3,339,497,675	-	-
Selling expenses		169,148,942	161,681,345	96,670,276	93,813,817
Administrative expenses		1,074,319,643	1,100,185,051	613,140,952	623,463,981
Other expenses					
Impairment loss of investment in a subsidiary	10	-	-	-	172,950,000
Reversal of impairment loss on investment properties and property, plant and equipment	13, 14	(2,675,282)	(625,000)	(211,800)	(625,000)
Total expenses		26,068,409,446	28,229,596,717	20,961,552,099	21,406,122,878
Profit from operating activities		2,152,070,214	3,122,446,664	2,409,279,687	2,433,240,517
Share of loss from investments in joint ventures	11	(16,799,065)	(10,514,237)	-	-
Share of profit from investments in associates	12	127,011,508	122,381,743	-	-
Finance income		28,764,554	28,501,888	29,676,470	35,653,587
Finance cost		(148,028,375)	(142,966,422)	(86,769,259)	(75,267,856)
Expected credit losses	7	(277,878,827)	(211,175,516)	(67,765,282)	(81,371,743)
Profit before income tax		1,865,140,009	2,908,674,120	2,284,421,616	2,312,254,505
Income tax	24	(410,964,787)	(583,203,240)	(300,908,692)	(440,759,917)
Profit for the year		1,454,175,222	2,325,470,880	1,983,512,924	1,871,494,588

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 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currencies		(199,615,299)	(165,677,191)	-	-
Loss on cash flow hedges - net of income tax	24, 31	(84,830,536)	(75,971,179)	(43,412,252)	(75,971,179)
Net changes in cost of hedging - net of income tax	24, 31	(7,009,441)	-	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		<u>(291,455,276)</u>	<u>(241,648,370)</u>	<u>(43,412,252)</u>	<u>(75,971,179)</u>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial loss - net of income tax	20, 24	<u>(16,690,213)</u>	<u>604,200</u>	<u>(8,188,124)</u>	<u>-</u>
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		<u>(16,690,213)</u>	<u>604,200</u>	<u>(8,188,124)</u>	<u>-</u>
Other comprehensive income for the year		<u>(308,145,489)</u>	<u>(241,044,170)</u>	<u>(51,600,376)</u>	<u>(75,971,179)</u>
Total comprehensive income for the year		<u>1,146,029,733</u>	<u>2,084,426,710</u>	<u>1,931,912,548</u>	<u>1,795,523,409</u>
Profit attributable to:					
Equity holders of the Company		1,417,148,281	2,305,518,247	<u>1,983,512,924</u>	<u>1,871,494,588</u>
Non-controlling interests of the subsidiaries		<u>37,026,941</u>	<u>19,952,633</u>		
		<u>1,454,175,222</u>	<u>2,325,470,880</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		1,111,177,573	2,077,390,066	<u>1,931,912,548</u>	<u>1,795,523,409</u>
Non-controlling interests of the subsidiaries		<u>34,852,160</u>	<u>7,036,644</u>		
		<u>1,146,029,733</u>	<u>2,084,426,710</u>		
Earnings per share					
27					
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.90</u>	<u>1.46</u>	<u>1.26</u>	<u>1.19</u>

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 2024

(Unit: Baht)

	Consolidated financial statements											
	Equity attributable to owners of the Company											
	Other components of equity										Equity attributable to non-controlling interests of the subsidiaries	
	Issued and paid-up share capital	Premium on share capital	Other deficits	Appropriated statutory reserve	Unappropriated reserve	Retained earnings	Exchange differences on translation of financial statements in foreign currencies	Cash flow hedge reserve	Cost of hedging reserve	Total other components of shareholders' equity		Total equity attributable to shareholders of the Company
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
Profit for the year	-	-	-	-	2,305,518,247	-	-	-	-	2,305,518,247	19,952,633	2,325,470,880
Other comprehensive income for the year	-	-	-	-	604,200	(152,761,202)	(75,971,179)	-	(228,732,381)	(228,128,181)	(12,915,989)	(241,044,170)
Total comprehensive income for the year	-	-	-	-	2,306,122,447	(152,761,202)	(75,971,179)	-	(228,732,381)	2,077,390,066	7,036,644	2,084,426,710
Dividend paid (Note 29)	-	-	-	-	(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
Balance as at 1 January 2024	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
Profit for the year	-	-	-	-	1,417,148,281	-	-	-	-	1,417,148,281	37,026,941	1,454,175,222
Other comprehensive income for the year	-	-	-	-	(16,690,213)	(197,440,518)	(84,830,536)	(7,009,441)	(289,280,495)	(305,970,708)	(2,174,781)	(308,145,489)
Total comprehensive income for the year	-	-	-	-	1,400,458,068	(197,440,518)	(84,830,536)	(7,009,441)	(289,280,495)	1,111,177,573	34,852,160	1,146,029,733
Purchase of investment in a subsidiary (Note 10)	-	-	8,254,277	-	-	-	-	-	-	8,254,277	(381,253,877)	(372,999,600)
Dividend paid (Note 29)	-	-	-	-	(1,578,352,261)	-	-	-	-	(1,578,352,261)	-	(1,578,352,261)
Dividend paid to non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	-	-	(3,992,759)	(3,992,759)
Balance as at 31 December 2024	1,578,361,570	1,327,141,921	(555,818,770)	172,123,329	14,158,479,757	(757,873,009)	(37,157,356)	(7,009,441)	(802,039,806)	15,878,248,001	214,506,248	16,092,754,249

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 (continued)

For the year ended 31 December 2024

(Unit: Baht)

	Separate financial statements									
	Retained earnings					Other components of shareholders' equity				
	Other comprehensive					Total				
	Issued and paid-up share capital	Premium on share capital	Appropriated statutory reserve	Unappropriated	Cash flow hedge reserve	income	components of shareholders' equity	shareholders' equity	shareholders' equity	shareholders' equity
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	12,283,745,324	12,283,745,324
Profit for the year	-	-	-	1,871,494,588	-	-	-	1,871,494,588	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)	(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	1,795,523,409	1,795,523,409
Dividend paid (Note 29)	-	-	-	(1,972,926,913)	-	-	-	(1,972,926,913)	(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	12,106,341,820	12,106,341,820
Balance as at 1 January 2024	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	12,106,341,820	12,106,341,820
Profit for the year	-	-	-	1,983,512,924	-	-	-	1,983,512,924	1,983,512,924	1,983,512,924
Other comprehensive income for the year	-	-	-	(8,188,124)	(43,412,252)	(43,412,252)	(43,412,252)	(51,600,376)	(51,600,376)	(51,600,376)
Total comprehensive income for the year	-	-	-	1,975,324,800	(43,412,252)	(43,412,252)	(43,412,252)	1,931,912,548	1,931,912,548	1,931,912,548
Dividend paid (Note 29)	-	-	-	(1,578,352,261)	-	-	-	(1,578,352,261)	(1,578,352,261)	(1,578,352,261)
Balance as at 31 December 2024	1,578,361,570	1,327,141,921	172,123,329	9,378,014,359	4,260,928	4,260,928	4,260,928	12,459,902,107	12,459,902,107	12,459,902,107



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

Tipco Asphalt Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2024

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Cash flows from operating activities:				
Profit before income tax	1,865,140,009	2,908,674,120	2,284,421,616	2,312,254,505
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	1,112,406,807	1,195,350,448	155,160,023	173,180,326
Written-off of withholding tax	13,043,217	7,142,584	-	-
Expected credit losses	277,878,827	211,175,516	67,765,282	81,371,743
(Reversal) reduction of cost of inventories to net realisable value	(11,209,048)	46,906,180	(8,569,943)	27,843,706
Impairment loss of investment in a subsidiary	-	-	-	172,950,000
Reversal of impairment loss on investment properties and property, plant and equipment	(2,675,282)	(625,000)	(211,800)	(625,000)
Dividend income from subsidiaries	-	-	(742,111,951)	(195,074,896)
Dividend income from an associate	-	-	(72,685,114)	(65,872,712)
Unrealised loss (gain) on exchange	4,960,217	18,461,105	(769,912)	20,936,971
Loss (gain) on sales/written-off of equipment	29,662,362	9,554,788	29,307,198	(2,520,129)
Loss (gain) on sales/written-off of computer software	209,194	(47,465)	-	(66,339)
Share of loss from investments in joint ventures	16,799,065	10,514,237	-	-
Share of profit from investments in associates	(127,011,508)	(122,381,743)	-	-
Provision for long-term employee benefits	37,019,541	31,683,905	15,455,411	16,044,604
Change in fair value of forward exchange contracts	13,358,863	2,995,664	13,800,319	2,987,467
Change in fair value of commodity forward contracts	50,473,111	(53,211,303)	50,473,111	(53,211,303)
Finance income	(28,764,554)	(28,501,888)	(29,676,470)	(35,653,587)
Finance cost	133,667,930	128,469,235	81,714,225	69,573,961
Profit from operating activities before changes in operating assets and liabilities	3,384,958,751	4,366,160,383	1,844,071,995	2,524,119,317
(Increase) decrease in operating assets				
Trade and other receivables	(1,358,567,934)	2,150,018,355	(1,173,760,626)	2,315,458,809
Contract assets	89,435,480	159,478,903	-	-
Inventories	(1,011,208,006)	27,951,810	(998,823,986)	152,400,927
Advance payments for inventories and services	150,192,114	(2,406,237)	(1,938,665)	677,868
Other current assets	(143,131,746)	(107,782,344)	(45,360,543)	(50,709,715)
Other non-current assets	8,319,289	(4,916,485)	(35,001)	2,153,276
Increase (decrease) in operating liabilities				
Trade and other payables	35,656,689	(872,850,306)	230,209,826	(769,233,372)
Contract liabilities	(39,458,358)	(244,779,133)	113,702,974	(31,520,157)
Other current liabilities	44,531,861	(34,821,472)	30,040,152	(5,234,549)
Other non-current liabilities	(14,734,102)	(38,205,898)	(3,865,650)	(20,120,444)
Cash flows from (used in) operating activities	1,145,994,038	5,397,847,576	(5,759,524)	4,117,991,960
Cash received from withholding tax refundable	65,797,686	-	-	-
Cash paid for corporate income tax	(341,527,124)	(1,240,270,362)	(111,852,249)	(825,422,200)
Net cash flows from (used in) operating activities	870,264,600	4,157,577,214	(117,611,773)	3,292,569,760

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 2024

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Cash flows from investing activities:				
Cash paid for investment in a subsidiary	-	-	(372,999,600)	-
Cash paid for investment in a joint venture	-	(10,000,000)	-	-
Dividend received from subsidiaries	-	-	719,306,941	195,074,896
Dividend received from an associate	72,685,114	65,872,712	72,685,114	65,872,712
(Increase) decrease in short-term loans to related parties	91,806,452	(117,558,762)	(65,000,000)	70,000,000
Cash receipt from interest	29,720,241	26,818,646	2,658,723	5,139,501
Acquisition and cash paid to settle payables from purchases of equipment	(578,419,551)	(410,160,612)	(47,842,938)	(43,599,200)
Cash paid for acquisitions of computer software	(6,506,830)	(6,741,321)	(1,603,868)	(5,538,819)
Proceeds from sales of equipment	27,128,181	21,437,255	6,529,723	2,935,166
Proceeds from sales of computer software	19,018	92,357	-	66,377
Net cash flows from (used in) investing activities	(363,567,375)	(430,239,725)	313,734,095	289,950,633
Cash flows from financing activities:				
Increase (decrease) in short-term loans from financial institutions	789,533,089	(1,063,000,430)	984,450,779	(1,176,623,412)
Increase (decrease) in short-term loans from related parties	(65,032,002)	12,903,175	50,000,000	(40,000,000)
Payment of principal portion of lease liabilities	(128,631,723)	(121,958,163)	(28,345,848)	(25,963,051)
Acquisition of non-controlling interests	(372,999,600)	-	-	-
Dividend paid to shareholders	(1,578,180,549)	(1,972,947,058)	(1,578,180,549)	(1,972,947,058)
Dividend paid to non-controlling interests of subsidiaries	(3,992,759)	(1,625,104)	-	-
Interest paid	(134,973,198)	(124,597,146)	(80,912,588)	(70,095,634)
Net cash flows used in financing activities	(1,494,276,742)	(3,271,224,726)	(652,988,206)	(3,285,629,155)
Exchange differences on translation of financial statements in foreign currencies	(147,217,245)	(68,502,001)	-	-
Net increase (decrease) in cash and cash equivalents	(1,134,796,762)	387,610,762	(456,865,884)	296,891,238
Net foreign exchange difference	(20,467,814)	10,465,411	(20,802,472)	9,890,790
Cash and cash equivalents at beginning of year	3,001,571,115	2,603,494,942	853,257,473	546,475,445
Cash and cash equivalents at end of year	1,846,306,539	3,001,571,115	375,589,117	853,257,473
Supplemental cash flows information				
Non-cash transactions				
Acquisitions of equipment for which cash has not been paid	4,625,946	2,185,861	-	-
Additions to right-of-use assets and lease liabilities	16,537,610	147,902,078	1,999,731	32,262,979

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



Tipco Asphalt Public Company Limited and its subsidiaries

Notes to financial statements

For the year ended 31 December 2024

1. General information

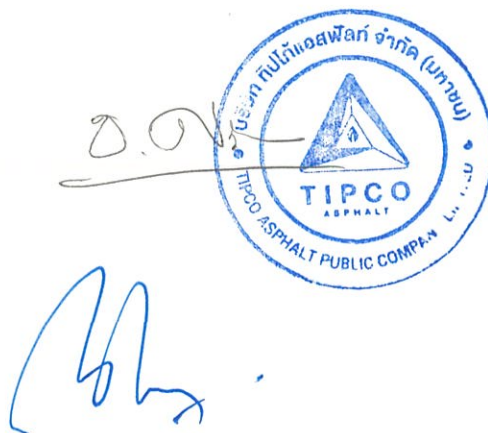
Tipco Asphalt Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The major shareholders of the Company are Supsakorn family and Colas Group, a company incorporated in French Republic. The Company is principally engaged in the manufacture and distribution 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	
		2024 (Million Baht)	2023 (Million Baht)	2024 (%)	2023 (%)
<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	1	99.98	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	99.99	62.50
Thanomwongse Service Co., Ltd. (Owned by Thai Slurry Seal)	Construction service and sales of construction materials	2,500	2,500	99.99	62.50



Company's name	Nature of business	Paid-up capital		Shareholding percentage	
		2024	2023	2024 (%)	2023 (%)
<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)	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.	Dormant	0.05 Million SGD	0.05 Million SGD	100.00	100.00
Pacific Bitumen Shipping Ptes 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	
		2024	2023	2024	2023
<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")	Manufacture and distribution of asphalt products	58,450 Million IDR	58,450 Million IDR	99.99	99.99
PT Saranaraya Reka Cipta (99.90% owned by ABS)	Manufacture and distribution of asphalt products	10,477 Million IDR	10,477 Million IDR	99.89	99.89
<u>Subsidiary incorporated in Cambodia</u>					
Tipco Asphalt (Cambodia) Co., Ltd.	Manufacture and distribution of asphalt products	20 Million Riel	20 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



Company's name	Nature of business	Paid-up capital		Shareholding percentage	
		2024	2023	2024 (%)	2023 (%)
<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 Million RMB	30 Million RMB	100.00	100.00
Guangzhou Tipco Asphalt Trading Co., Ltd.	Distribution of asphalt products	6 Million RMB	6 Million RMB	100.00	100.00



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- 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.

Joint venture's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2024	2023
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
FDS Joint Venture	Construction service	Thailand	60.00	-
GTTPD Joint Venture	Construction service	Thailand	32.00	-



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 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 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 2025

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 2025. 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.

4. 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 variation 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.

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.

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).

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 or their estimated useful lives if ownership of the leased asset is transferred to the Group at the end of the lease term.

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, right-of-use assets, 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.

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.

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 forward exchange contracts and commodity forward contracts to hedge against fluctuations in foreign exchange rates and commodity prices, 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. If the hedged transaction subsequently results in the recognition of a non-financial item, the reserve will be included in the initial cost or other carrying amount of the hedged asset or liability.

In case of the Group designates only the spot element of forward contracts as a hedging instrument, the change in fair value of the forward element of forward contracts, which separately accounted for as a cost of hedging, is recognised in other comprehensive income and accumulated in a separate component of equity under cost of hedging reserve. Once the hedged transaction is recognised as a non-financial item, then the reserve is removed directly from equity and included in the initial carrying amount of the recognised non-financial item.

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.



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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		
	2024	2023	2024	2023	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Sales and service income	-	-	5,876	7,856	Cost plus certain margin
Rental and service income	-	-	11	9	Contract price
Technical and administrative assistance income	-	-	57	60	Contract price
Interest income	-	-	28	34	At rates of 2.00 - 3.20 percent and SOFR plus 1.50 percent per annum
Dividend income	-	-	742	195	
Purchases of goods	-	-	7	13	Cost plus certain margin
Rental and service expenses	-	-	1,856	1,932	Contract price
Interest expenses	-	-	1	1	At rate of 1.00 - 1.75 percent per annum
<u>Transactions with joint arrangements</u>					
Sales and service income	633	836	391	374	Market price / contract price
Revenues from construction contracts	137	140	-	-	Contract price
Rental and service income	4	7	-	-	Contract price
Interest income	4	4	-	-	At rate of 3.20 - 6.86 percent per annum
Purchases of goods	434	535	434	535	Market price
<u>Transactions with group of other joint operators</u>					
Sales and service income	3	-	-	-	Market price / contract price
Purchases of goods	42	116	-	-	Market price / contract price
Cost of construction	245	269	-	-	Contract price
Rental and service expenses	4	-	-	-	Contract price
Interest expenses	6	9	-	-	At rates of 6.35 - 7.05 percent per annum
<u>Transactions with associates</u>					
Dividend income	-	-	73	66	
Rental and service expense	3	3	-	-	Contract price



(Unit: Million Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	2024	2023	2024	2023	
Transactions with related companies					
Sales and service income	2,382	2,282	2,317	2,194	Market price / contract price
Rental and service income	48	38	7	3	Contract price
Purchases of goods	9	-	-	-	Market price / contract price
Rental and service expenses	104	92	83	61	Contract price
Technical and administrative assistance expenses	31	47	23	31	Contract price

The balances of the accounts between the Group and those related companies as at 31 December 2024 and 2023 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Trade and other receivables- related parties (Note 7)				
Subsidiaries	-	-	833,584	1,325,132
Joint arrangements	277,770	177,322	80,038	7,404
Associates	2,329	3,424	-	-
Group of other joint operators	2,382	3,809	-	-
Related companies (common shareholders and directors)	338,703	230,200	276,754	210,378
Total trade and other receivables - related parties	621,184	414,755	1,190,376	1,542,914
Unbilled receivables - related parties				
Joint arrangements	34,283	17,215	-	-
Total unbilled receivables - related parties	34,283	17,215	-	-
Advance payments for inventories and services - related parties				
Group of other joint operators	23,391	77,461	-	-
Total advance payments for inventories and services - related parties	23,391	77,461	-	-



(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<u>Trade and other payables - related parties</u> (Note 17)				
Subsidiaries	-	-	1,618,343	2,098,268
Joint arrangements	252	674	23	21
Associates	-	553	-	-
Group of other joint operators	314,859	332,734	-	-
Related companies (common shareholders and directors)	59,994	83,326	51,118	63,142
Total trade and other payables - related parties	375,105	417,287	1,669,484	2,161,431

Advance received from inventories and services - related parties

Subsidiaries	-	-	68,870	-
Joint arrangements	10,482	12,532	-	-
Related companies (common shareholders and directors)	53,537	37,230	-	-
Total advance received from inventories and services - related parties	64,019	49,762	68,870	-

Loans to related parties and loans 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 31 December 2023	Increase during the year	Decrease during the year	Balance as at 31 December 2024
<u>Short-term loans to related parties</u>					
TN Joint Venture	Joint arrangement	158,487	113,033	(219,739)	51,781
TDS Joint Venture	Joint arrangement	-	40	(40)	-
Nila Solutions Co., Ltd.	Joint arrangement	-	5,000	-	5,000
Dusit Service Co., Ltd.	Common directors	-	100	-	100
Nawarat Patanakarn PCL	Other joint operator	-	9,800	-	9,800
Total		158,487	127,973	(219,779)	66,681
<u>Short-term loans from a related party</u>					
Nawarat Patanakarn PCL	Other joint operator	123,870	-	(65,032)	58,838



(Unit: Thousand Baht)

		Separate financial statements				
Company's name	Related by	Balance as at	Increase	Decrease	Loss on exchange	Balance as at
		31 December 2023	during the year	during the year		31 December 2024
Short-term loans to related parties						
Alpha Maritime Co., Ltd.	Subsidiary	40,000	-	-	-	40,000
Ravana 1020 Co., Ltd.	Subsidiary	-	75,000	(10,000)	-	65,000
Total		40,000	75,000	(10,000)	-	105,000
Long-term loan to a related party						
Pacific Bitumen Shipping Pte. Ltd.	Subsidiary	384,675	-	(63,635)*	(2,564)	318,476

* Pacific Bitumen Shipping Pte. Ltd. offsets its long-term loan and accrued interest to be repaid to the Company with outstanding balance receivable from the Company totaling Baht 186 million.

Short-term loan from a related party

Raycol Asphalt Co., Ltd.	Subsidiary	60,000	50,000	-	-	110,000
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Directors and management's benefits

During the years ended 31 December 2024 and 2023, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2024	2023	2024	2023
Short-term employee benefits	191	196	171	174
Post-employment benefits and other long-term benefits	2	6	2	6
Total	193	202	173	180

Guarantee obligations with related parties

The Group has outstanding guarantee obligations with its related parties, as described in Note 18 and Note 30.5 to the financial statements.



7. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<u>Trade receivables - related parties</u> (Note 6)				
Aged on the basis of due dates				
Not yet due	429,281	287,669	905,065	1,019,666
Past due				
Up to 3 months	146,740	31,349	61,477	201,778
3 - 6 months	-	31,323	72,384	102,395
6 - 9 months	-	-	25,869	27,267
9 - 12 months	-	3,538	23,877	-
Over 12 months	22,119	21,483	-	-
Total trade receivables - related parties	<u>598,140</u>	<u>375,362</u>	<u>1,088,672</u>	<u>1,351,106</u>
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	3,606,222	2,412,218	2,325,965	842,710
Past due				
Up to 3 months	887,084	691,694	499,136	357,072
3 - 6 months	247,229	510,663	158,815	274,396
6 - 9 months	130,828	353,589	47,608	186,158
9 - 12 months	153,352	219,898	25,859	103,305
Over 12 months	885,711	560,387	309,118	144,374
Total	<u>5,910,426</u>	<u>4,748,449</u>	<u>3,366,501</u>	<u>1,908,015</u>
Less: Allowance for expected credit losses	<u>(867,693)</u>	<u>(607,821)</u>	<u>(312,565)</u>	<u>(244,813)</u>
Total trade receivables - unrelated parties, net	<u>5,042,733</u>	<u>4,140,628</u>	<u>3,053,936</u>	<u>1,663,202</u>
Total trade receivables - net	<u>5,640,873</u>	<u>4,515,990</u>	<u>4,142,608</u>	<u>3,014,308</u>
<u>Other receivables</u>				
Accounts receivable from commodity forward contracts				
	20,447	32,756	20,447	32,756
Accrued dividend receivables - related party (Note 6)	-	-	22,805	-
Other receivables - related parties (Note 6)	23,044	39,393	78,899	191,808
Other receivables - unrelated parties	37,336	36,204	1,328	786
Total other receivables	<u>80,827</u>	<u>108,353</u>	<u>123,479</u>	<u>225,350</u>
Total trade and other receivables - net	<u>5,721,700</u>	<u>4,624,343</u>	<u>4,266,087</u>	<u>3,239,658</u>

The normal credit terms are due 30 - 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>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Beginning balance	607,821	436,080	244,813	166,439
Allowance for expected credit losses	404,839	301,388	137,818	120,522
Amount recovered	(126,960)	(101,695)	(70,053)	(39,151)
Amount written-off	(1,791)	(15,752)	(13)	(2,997)
Effect from foreign exchange	(16,216)	(12,200)	-	-
Ending balance	<u>867,693</u>	<u>607,821</u>	<u>312,565</u>	<u>244,813</u>

8. Contract assets/Contract liabilities

8.1 Contract balances


(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Contract assets				
Unbilled receivables	713,330	677,474	-	-
Retention receivables	183,884	309,176	-	-
Less: Allowance for expected credit losses	(7,376)	(7,497)	-	-
Total retention receivables - net	176,508	301,679	-	-
Total contract assets	<u>889,838</u>	<u>979,153</u>	<u>-</u>	<u>-</u>
Contract liabilities				
Advances received from inventories and services	399,072	438,531	116,034	2,331
Total contract liabilities	<u>399,072</u>	<u>438,531</u>	<u>116,034</u>	<u>2,331</u>

During the current year, the Group was not recognised an allowance for expected credit losses on contract assets in the consolidated financial statements (2023: Baht 7 million).

8.2 Unbilled receivables

As at 31 December 2024, the balance of unbilled receivables of Baht 713 million was expected to be billed within one year (2023: Baht 677 million).




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 144 million (2023: Baht 280 million) as revenue, and recognised increase in revenue from changes in variable considerations of performance obligations satisfied in previous years of Baht 3 million (2023: decrease by Baht 11 million).

8.4 Revenue to be recognised for the remaining performance obligations

As at 31 December 2024, the Group expected to recognise revenue totaling Baht 3,637 million (2023: Baht 2,545 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 3 years.

9. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduction of cost to net realisable value		Inventories - net	
	2024	2023	2024	2023	2024	2023
Finished goods	1,810,983	1,896,532	(17,985)	(30,588)	1,792,998	1,865,944
Raw materials	3,776,713	2,891,039	(19,794)	(19,022)	3,756,919	2,872,017
Packaging materials, spare parts and factory supplies	161,989	172,015	(7,963)	(7,362)	154,026	164,653
Goods in transit	226,483	5,339	-	-	226,483	5,339
Total	5,976,168	4,964,925	(45,742)	(56,972)	5,930,426	4,907,953

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduction of cost to net realisable value		Inventories - net	
	2024	2023	2024	2023	2024	2023
Finished goods	1,186,211	1,187,318	(12,346)	(21,349)	1,173,865	1,165,969
Raw materials	3,339,089	2,427,009	(8,334)	(8,306)	3,330,755	2,418,703
Packaging materials, spare parts and factory supplies	8,793	8,149	(506)	(107)	8,287	8,042
Goods in transit	88,576	1,375	-	-	88,576	1,375
Total	4,622,669	3,623,851	(21,186)	(29,762)	4,601,483	3,594,089



During the current year, the Group recorded reduction of cost of inventories to reflect the net realisable value in which reversed by Baht 13 million which was deducted in cost of sales and reduced by Baht 2 million which was included in cost of construction (2023: reduced by Baht 47 million which was included in cost of sales) (the Company only: reversed by Baht 9 million which was deducted in cost of sales (2023: reduced by Baht 28 million which was included in cost of sales)).

10. Investments in subsidiaries

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

Company's name	Investment cost		(Unit: Thousand Baht) Dividend received during the year	
	2024	2023	2024	2023
<u>Domestic subsidiaries</u>				
Raycol Asphalt Co., Ltd.	583,030	583,030	138,750	77,700
Thai Bitumen Co., Ltd.	386,697	386,697	54,375	112,500
Ravana 1020 Co., Ltd.	79,999	79,999	-	-
Tipco Maritime Co., Ltd.	2,945	2,945	24,996	-
Alpha Maritime Co., Ltd.	142,999	142,999	45,045	-
Bitumen Marine Co., Ltd.	149,999	149,999	-	-
Tasco Shipping Co., Ltd.	289,999	289,999	252,300	-
Thai Slurry Seal Co., Ltd.	971,042	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	45,270	-
Kemaman Bitumen Company Sdn Bhd	2,769,493	2,769,493	-	-
KBC Trading Sdn Bhd	1,377	1,377	-	-
Tipco Asphalt (Cambodia) Co., Ltd.	3,352	3,352	101,544	-
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	70,694	-
AD Shipping Pte. Ltd.	430,232	430,232	-	-
Less: Allowance for impairment loss of investment	(172,950)	(172,950)	-	-
Reta Link Pte. Ltd.	28,682	28,682	-	-
Tipco Asphalt Lao Company Limited	78,877	78,877	9,138	4,875
Total investments in subsidiaries	8,576,108	8,203,109	742,112	195,075

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



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Acquisition of investment in Thai Slurry Seal Co., Ltd. (“Thai Slurry Seal”)

On 12 November 2024, the Company’s Board of Director Meeting passed a resolution to approve the increase of its shareholding in Thai Slurry Seal from the current shareholding of 3,108,334 shares with the par value of Baht 100 per share, equivalent to 62.50 percent of total issued and paid-up shares, to 4,973,332 shares with the par value of Baht 100 per share, equivalent to 99.99 percent of total issued and paid-up shares, through the acquisition from Supsakorn family and Colas Group of 1,864,998 ordinary shares with the par value of Baht 100 per share, equivalent to 37.49 percent of the total issued and paid-up shares, at acquisition price of Baht 200 per share, totaling Baht 373 million.

On 2 December 2024, the Company received 1,864,998 ordinary shares of Thai Slurry Seal and made full payment for these shares. As a result of the share acquisition, the Company’s shareholding in Thai Slurry Seal increased from 62.50% to 99.99% of all issued and paid-up shares, and the Group recorded surplus from change in the ownership interest in a subsidiary under shareholders’ equity in the consolidated statement of financial position. The details were as follows:

	(Unit: Thousand Baht)
	Consolidated financial statements
Non-controlling interests of the subsidiary	381,254
Less: Cash paid for acquisition of investment in a subsidiary	(373,000)
Surplus from the change in the ownership interests in a subsidiary	<u>8,254</u>

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 2023.

Impairment loss of investment in AD Shipping Pte. Ltd.

During 2023, 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.



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)

Joint ventures	Nature of business	Country of incorporation	Consolidated financial statements			
			Shareholding percentage		Carrying amounts based on equity method	
			2024 (%)	2023 (%)	2024	2023
Asia Bitumen Trading Pte. Ltd. (Owned by TIHK)	Distribution of asphalt and petroleum products	Singapore	50	50	44,507	44,606
Borneo Asphalt Sdn Bhd (Owned by KBC)	Distribution of asphalt products	Malaysia	50	50	-	8,613
Phoenix Asphalt Philippines Inc.	Manufacture and distribution of asphalt and petroleum products	The Philippines	40	40	78,901	87,851
Nila Solutions Co., Ltd. (Owned by Indrachit)	Software services	Thailand	50	50	5,961	9,276
Total					129,369	150,346

(Unit: Thousand Baht)

Joint venture	Nature of business	Country of incorporation	Separate financial statements			
			Shareholding percentage		Carrying amounts based on cost method	
			2024 (%)	2023 (%)	2024 Cost	2023 Cost
Phoenix Asphalt Philippines Inc.	Manufacture and distribution of asphalt and petroleum products	The Philippines	40	40	67,553	67,553
Total					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 2023.

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	
	2024	2023
Asia Bitumen Trading Pte. Ltd.	320	170
Borneo Asphalt Sdn Bhd	(8,850)	(16,560)
Phoenix Asphalt Philippines Inc.	(4,954)	6,600
Nila Solutions Company Limited	(3,315)	(724)
Total	(16,799)	(10,514)



11.3 Summarised financial information about material joint ventures

Summarised information about financial position as at 31 December 2024 and 2023 are as below.

(Unit: Million Baht)

	Asia Bitumen Trading Pte. Ltd.		Borneo Asphalt Sdn Bhd		Phoenix Asphalt Philippines Inc.	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Cash and cash equivalent	206.4	95.1	6.1	16.1	31.4	7.8
Trade and other receivables	0.4	75.0	46.7	52.2	78.4	44.4
Other assets	3.9	1.4	288.4	308.9	256.0	270.0
Trade and other payables	(117.7)	(74.7)	0.2	(3.3)	(8.9)	(7.6)
Other liabilities	(4.0)	(7.6)	(361.1)	(356.7)	(159.6)	(95.0)
Net assets	89.0	89.2	(19.7)	17.2	197.3	219.6
Shareholding percentage (%)	50	50	50	50	40	40
Carrying amounts of joint ventures based on equity method	44.5	44.6	(9.8)	8.6	78.9	87.9

Summarised information about profit and loss for the years ended 31 December 2024 and 2023 are as below.

(Unit: Million Baht)

	For the year ended 31 December					
	Asia Bitumen Trading Pte. Ltd.		Borneo Asphalt Sdn Bhd		Phoenix Asphalt Philippines Inc.	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Total revenues	1,145.7	1,478.0	248.8	339.0	877.7	722.6
Cost of goods sold	(1,122.8)	(1,451.8)	(263.0)	(337.5)	(826.2)	(660.6)
Total expenses	(22.3)	(25.8)	(22.9)	(33.7)	(48.5)	(46.0)
Profit (loss) for the year	0.6	0.4	(37.1)	(32.2)	3.0	16.0

The Group recognised share of loss from investment in one joint venture until the value of the investment approached zero. Subsequent loss incurred by this joint venture has not been recognised in the Group's accounts since the Group has no obligations, whether legal or constructive, to make any payments on behalf of this joint venture. The amount of such unrecognised share of losses for the year amounting to Baht 10 million (2023: None).



12. Investments in associates

12.1 Details of associates

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements			
			Shareholding percentage		Carrying amounts based on equity method	
			2024	2023	2024	2023
			(%)	(%)		
Colasie Co., Ltd.	Holding company	France	40	40	566,814	563,958
PT Sarana Distribusi Aspal Nusantara (Owned by ABS)	Barge rental service	Indonesia	49	49	-	262
Total investments in associates					566,814	564,220

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements					
			Shareholding percentage		Carrying amounts based on cost method			
			2024	2023	Cost	Cost		
			(%)	(%)	2024	2023	2024	2023
Colasie Co., Ltd.	Holding company	France	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	
	2024	2023	2024	2023
Colasie Co., Ltd.	127,361	122,971	72,685	65,873
PT Sarana Distribusi Aspal Nusantara	(349)	(589)	-	-
Total	127,012	122,382	72,685	65,873



12.3 Summarised financial information about material associates

Financial information of Colasie Co., Ltd.

Financial information of Colasie Co., Ltd. as at 31 December 2024 and 2023 and for the years then ended are summarised below.

	<u>2024</u>	<u>2023</u>
Paid-up capital	1.04	1.04
Total assets	1.63	1.70
Total liabilities	0.31	0.01
Total revenues	4.73	4.77
Profit for the year	4.67	4.71

(Unit: Million Euro)

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 2024:			
Cost	267,472	383,608	651,080
Less: Accumulated depreciation	(137,804)	-	(137,804)
Less: Allowance for diminution in value	(86,868)	(234,912)	(321,780)
Net book value	<u>42,800</u>	<u>148,696</u>	<u>191,496</u>
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	<u>42,800</u>	<u>146,233</u>	<u>189,033</u>



(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 2024:		
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 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

A reconciliation of the net book value of investment properties for 2024 and 2023 is presented below.

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Net book value at beginning of year	189,033	189,033	94,342	94,342
Reversal impairment loss	2,463	-	-	-
Net book value at end of year	191,496	189,033	94,342	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 2024 and 2023 are stated below:

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
The Company's land for rent located at Suratthani province	-	-	242,000	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	148,696	146,233	-	-



14. Property, plant and equipment

(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
Cost							
As at 1 January 2023	656,066	1,031,278	9,548,876	1,382,334	3,874,144	289,853	16,782,551
Additions	3,197	20,584	65,650	15,113	100,639	195,066	400,249
Disposals/written-off	(3,974)	(657)	(74,648)	(84,482)	(82,962)	-	(246,723)
Transfer in (transfer out)	3,431	5,679	148,970	11,618	-	(169,698)	-
Translation adjustment	32,712	(35,634)	(652,390)	(225,047)	(1,778)	(24,104)	(906,241)
As at 31 December 2023	691,432	1,021,250	9,036,458	1,099,536	3,890,043	291,117	16,029,836
Additions	1,666	10,578	107,337	20,181	39,473	401,625	580,860
Disposals/written-off	-	(4,229)	(46,777)	(34,803)	(36,905)	(35)	(122,749)
Transfer in (transfer out)	-	2,898	290,547	17,999	26,637	(338,081)	-
Translation adjustment	(205)	(14,048)	(70,775)	(12,565)	(15,499)	(1,272)	(114,364)
As at 31 December 2024	692,893	1,016,449	9,316,790	1,090,348	3,903,749	353,354	16,373,583



(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 2023	351,222	590,576	5,645,470	1,008,097	1,400,313	-	8,995,678
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)
Translation adjustment	(27,517)	(25,782)	(529,730)	(222,754)	(15,468)	-	(821,251)
As at 31 December 2023	331,083	597,436	5,568,862	814,981	1,518,463	-	8,830,825
Depreciation for the year	11,430	33,482	481,292	67,269	225,361	-	818,834
Accumulated depreciation on disposals/written-off and adjustment	-	(3,928)	(36,780)	4,553	(32,119)	-	(68,274)
Translation adjustment	(38)	(9,220)	(48,693)	(10,456)	(5,440)	-	(73,847)
As at 31 December 2024	342,475	617,770	5,964,681	876,347	1,706,265	-	9,507,538



(Unit: Thousand Baht)

Consolidated financial statements

	Land and land improvement	Buildings, improvements and complements	Machinery, tools and equipment	Furniture, office equipment and vehicles	Vessels	Construction in progress and equipment under installation	Total
Allowance for impairment loss							
As at 1 January 2023	1,183	-	-	-	195,031	3,823	200,037
Decrease during the year	-	-	-	-	-	(625)	(625)
Translation adjustment	-	-	-	-	(1,672)	-	(1,672)
As at 31 December 2023	1,183	-	-	-	193,359	3,198	197,740
Decrease during the year	-	-	-	-	-	(212)	(212)
Translation adjustment	-	-	-	-	(1,161)	-	(1,161)
As at 31 December 2024	1,183	-	-	-	192,198	2,986	196,367
Net book value							
As at 31 December 2023	359,166	423,814	3,467,596	284,555	2,178,221	287,919	7,001,271
As at 31 December 2024	349,235	398,679	3,352,109	214,001	2,005,286	350,368	6,669,678
Depreciation for the year							
2023 (Baht 774 million included in manufacturing cost, and the balance in selling expenses and administrative expenses)							872,774
2024 (Baht 749 million included in manufacturing cost, and the balance in selling expenses and administrative expenses)							818,834



(Unit: Thousand Baht)

	Separate financial statements						Total
	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		
Cost							
As at 1 January 2023	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	
Additions	291	1,619	20,921	12,690	12,321	47,842	
Disposals/written-off	-	(810)	(11,840)	(19,499)	(35)	(32,184)	
Transfer in (transfer out)	-	-	14,772	-	(14,772)	-	
As at 31 December 2024	517,965	404,635	756,532	497,612	15,508	2,192,252	
Accumulated depreciation							
As at 1 January 2023	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	
Depreciation for the year	4,795	12,198	38,448	13,250	-	68,691	
Accumulated depreciation on disposal/written-off and adjustment	-	(697)	(11,832)	13,893	-	1,364	
As at 31 December 2024	268,556	249,194	608,094	422,063	-	1,547,907	



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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 2023	1,183	-	-	-	3,823	5,006
Decrease during the year	-	-	-	-	(625)	(625)
As at 31 December 2023	1,183	-	-	-	3,198	4,381
Decrease during the year	-	-	-	-	(212)	(212)
As at 31 December 2024	1,183	-	-	-	2,986	4,169
Net book value						
As at 31 December 2023	252,730	166,133	151,201	109,501	14,796	694,361
As at 31 December 2024	248,226	155,441	148,438	75,549	12,522	640,176
Depreciation for the year						
2023 (Baht 78 million included in manufacturing cost, and the balance in selling expenses and administrative expenses)						95,414
2024 (Baht 52 million included in manufacturing cost, and the balance in selling expenses and administrative expenses)						68,691

As at 31 December 2024, 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 4,214 million (2023: Baht 3,812 million) (The Company only: Baht 1,479 million (2023: Baht 1,252 million)).



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15. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements					Separate financial statements		
	Computer software	Customer relationship	Non-competition clause	Backlog	Computer software under installation	Computer software under installation	Computer software under installation	Total
As at 31 December 2024:								
Cost	221,649	224,112	11,724	129,386	1,418	588,289	173,917	173,917
Less: Accumulated amortisation	(201,142)	(143,013)	(10,725)	(129,386)	-	(484,266)	(160,717)	(160,717)
Translation adjustments	2,072	-	(999)	-	-	1,073	-	-
Net book value	22,579	81,099	-	-	1,418	105,096	13,200	13,200
As at 31 December 2023:								
Cost	215,343	224,112	11,724	129,386	2,734	583,299	169,579	172,313
Less: Accumulated amortisation	(192,940)	(125,651)	(10,725)	(127,666)	-	(456,982)	(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	18,669



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A reconciliation of the net book value of intangible assets for the years 2024 and 2023 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Net book value at beginning of year	127,414	191,106	18,669	19,714
Acquisition of computer software	6,507	6,741	1,604	5,539
Amortisation	(28,573)	(70,387)	(7,073)	(6,584)
Disposal	(228)	(45)	-	-
Translation adjustments	(24)	(1)	-	-
Net book value at end of year	<u>105,096</u>	<u>127,414</u>	<u>13,200</u>	<u>18,669</u>

16. Short-term loans from financial institutions

	(Unit: Thousand Baht)					
	Interest rates		Consolidated		Separate	
	(% per annum)		financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Loans in Thai Baht	2.28 - 3.60	2.47 - 7.05	2,823,160	2,068,810	2,716,147	1,731,696
Loans in Indonesia Rupiah	8.50 - 10.06	8.50 - 10.10	112,005	95,748	-	-
Total			<u>2,935,165</u>	<u>2,164,558</u>	<u>2,716,147</u>	<u>1,731,696</u>

17. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Trade payables - related parties (Note 6)	106,481	158,178	1,615,233	2,095,955
Trade payables - unrelated parties	1,771,468	1,567,456	1,455,051	925,049
Unbilled payables - related parties (Note 6)	174,805	150,508	-	-
Retention payables - unrelated parties	92,756	140,034	2,618	4,838
Accounts payable from commodity forward contracts	-	24,046	-	24,046
Other payables - related parties (Note 6)	93,819	108,601	54,251	65,476
Other payables and accrued expenses - unrelated parties	624,472	699,281	183,361	181,127
Total trade and other payables	<u>2,863,801</u>	<u>2,848,104</u>	<u>3,310,514</u>	<u>3,296,491</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
- 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
- The Group allows business partners to use its facilities to issue bank guarantees, with the Group being responsible to the banks for the amounts drawn down

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

Movements of right-of-use assets for the years ended 31 December 2024 and 2023 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Land and buildings	Machinery and equipment	Office equipment	Motor vehicles	Total
1 January 2023	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
Additions	7,927	1,999	-	6,612	16,538
Lease modification	-	(3,518)	-	-	(3,518)
Depreciation	(67,730)	(29,532)	(1,344)	(21,489)	(120,095)
Disposals/written-off	-	(10,520)	-	(2,289)	(12,809)
Translation adjustments	(6,212)	318	-	-	(5,894)
31 December 2024	433,266	144,440	3,472	46,771	627,949



(Unit: Thousand Baht)

Separate financial statements

	Land and buildings	Office equipment	Motor vehicles	Total
1 January 2023	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
Additions	-	-	2,000	2,000
Depreciation	(12,912)	(1,344)	(12,984)	(27,240)
Disposals	-	-	(2,289)	(2,289)
31 December 2024	38,491	3,471	26,595	68,557

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Lease payments	380,654	523,145	74,653	103,102
Less: Deferred interest expenses	(61,420)	(80,594)	(3,230)	(5,333)
Total	319,234	442,551	71,423	97,769
Less: Portion due within one year	(100,121)	(114,425)	(23,808)	(28,190)
Lease liabilities - net of current portion	219,113	328,126	47,615	69,579

A maturity analysis of lease payments is disclosed in Note 31.2 to the 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>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Depreciation expense of right-of-use assets	120,095	121,029	27,240	25,929
Interest expense on lease liabilities	18,959	20,666	2,207	2,548
Expense relating to short-term leases	3,176	4,473	2,014	311
Expense relating to leases of low-value assets	7,321	9,262	3,200	4,388



d) Others

The Group has total cash outflows for leases for the year ended 31 December 2024 of Baht 100 million (2023: Baht 158 million) (the Company only: Baht 29 million, 2023: Baht 33 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>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Provision for long-term employee benefits				
at beginning of year	239,471	246,786	131,028	135,104
Included in profit or loss:				
Defined benefit plans				
Current service cost	19,179	22,420	9,296	11,667
Past service cost	(8,719)	-	(5,882)	-
Interest cost	7,471	7,621	3,448	3,748
Long service award	19,089	1,643	8,594	629
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Financial assumptions changes	9,416	(20)	4,911	-
Experience adjustments	11,395	(754)	5,324	-
Benefits paid during the year	(14,734)	(38,206)	(3,866)	(20,120)
Translation adjustments	(1,599)	(19)	-	-
Provision for long-term employee benefits				
at end of year	<u>280,969</u>	<u>239,471</u>	<u>152,853</u>	<u>131,028</u>

The Group expects to pay Baht 88 million of long-term employee benefits during the next year (2023: Baht 72 million) (the Company only: Baht 51 million, 2023: Baht 43 million).

As at 31 December 2024, the weighted average duration of the liabilities for long-term employee benefit was between 7- 20 years (2023: 6 - 13 years) (the Company only: 7 years, 2023: 6 years).



Key actuarial assumptions used for the valuation are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	2.5 - 7.0	2.9 - 7.0	2.5	2.9
Future salary increase rate	3.0 - 7.0	4.0 - 7.0	3.0 - 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 2024 and 2023 are summarised below:

(Unit: Million Baht)

	As at 31 December 2024			
	Consolidated financial statements		Separate financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(17)	20	(9)	11
Salary increase rate	17	(15)	9	(8)

(Unit: Million Baht)

	As at 31 December 2023			
	Consolidated financial statements		Separate financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(12)	14	(6)	7
Salary increase rate	12	(11)	6	(5)



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. Other income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Dividend income from subsidiaries (Note 10)	-	-	742,112	195,075
Dividend income from an associate (Note 12)	-	-	72,685	65,873
Gain on exchange rate	50,719	86,237	50,868	67,580
Management fee income	38,850	33,998	56,523	59,802
Reversal of provision	47,311	-	-	-
Others	119,698	125,810	71,579	67,854
Total	256,578	246,045	993,767	456,184

23. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Salary, wages and other employee benefits	1,422	1,448	488	504
Depreciation, amortisation and maintenance expenses	994	1,077	138	158
Costs related to production of goods and services (excluding of staff cost, depreciation, amortisation and maintenance expenses)	23,314	25,439	20,148	20,475



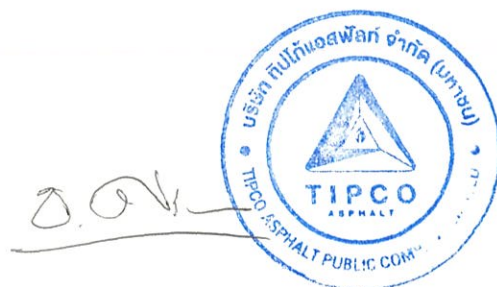
24. Income tax

Income tax expenses for the years ended 31 December 2024 and 2023 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Current income tax:				
Current income tax charge	(505,953)	(728,355)	(329,140)	(449,221)
Adjustment in respect of income tax of previous year	(260)	1,290	(857)	2,466
Deferred tax:				
Relating to origination and reversal of temporary differences	95,248	143,862	29,088	5,995
Income tax reported in the profit or loss	<u>(410,965)</u>	<u>(583,203)</u>	<u>(300,909)</u>	<u>(440,760)</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2024 and 2023 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Deferred tax on actuarial gains and losses	4,121	(170)	2,047	-
Deferred tax on change in fair value of hedging instruments of cash flow hedges	10,853	18,993	10,853	18,993
Income tax reported in other comprehensive income	<u>14,974</u>	<u>18,823</u>	<u>12,900</u>	<u>18,993</u>



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Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2024 and 2023 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Accounting profit before tax	1,865,140	2,908,674	2,284,422	2,312,255
Income tax at Thai corporate income tax rate of 20%	(373,028)	(581,735)	(456,884)	(462,451)
Adjustment in respect of income tax of previous year	(260)	1,290	(857)	2,466
Utilisation of previously unrecognised tax losses and capital allowance	192	1,174	-	-
Unused tax loss and unutilised investment tax allowances of current year which has not recognised as deferred tax assets	(94,783)	(58,375)	-	-
Difference of tax rates in group companies	17,377	13,997	-	-
Adjustment of previous deferred tax assets/liabilities	(4,352)	41	(4,357)	-
Effects of:				
Non-taxable income/expenses	(44,708)	(48,708)	(2,513)	(38,026)
Additional expenses deductions allowed	6,896	1,018	114	461
Exemption of income	10,930	11,358	162,959	52,190
Promotional privileges (Note 25)	-	1,442	-	-
Tax privilege (Note 26)	46,046	50,674	629	4,600
Share of profit from investment in joint ventures and associates	15,481	15,522	-	-
Others	9,244	9,099	-	-
Total	43,889	40,405	161,189	19,225
Income tax expenses reported in profit or loss	(410,965)	(583,203)	(300,909)	(440,760)

The tax rates enacted at the end of the reporting period of the Group are 0% to 25% (2023: 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	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Deferred tax assets				
Allowance for doubtful accounts	171,781	118,956	62,513	48,963
Reduction of cost of inventories to net realisable value	8,331	11,728	4,237	5,952
Fair value of forward exchange contracts	1,068	1,320	1,068	1,291
Fair value of commodity forward contracts	7,473	2,742	7,473	2,742
Allowance for asset impairment	65,200	65,735	18,211	18,253
Provision for long-term employee benefits	57,560	51,929	30,570	26,206
Effect on elimination of intercompany transactions	1,271	6,258	-	-
Unutilised tax loss and capital allowance	13,657	9,838	-	4,433
Lease liabilities	39,093	47,861	14,005	18,470
Others	7,509	8,468	-	-
Total	372,943	324,835	138,077	126,310
Deferred tax liabilities				
Difference depreciation for tax purpose	(205,780)	(222,454)	(23,273)	(29,803)
Fair value of forward exchange contracts	(1,566)	(4,546)	(1,563)	(4,546)
Fair value of commodity forward contracts	(3,887)	(20,104)	(3,887)	(20,104)
Share of profit from investment in an associate	(71,347)	(65,466)	-	-
Fair value adjustment of assets from business combination	(43,546)	(66,432)	-	-
Lease liabilities	(36,369)	(45,607)	(13,353)	(17,844)
Total	(362,495)	(424,609)	(42,076)	(72,297)

Presented as follows:

Deferred tax assets	231,728	153,079	96,001	54,013
Deferred tax liabilities	221,280	252,853	-	-

As at 31 December 2024 and 2023, 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>2024</u>	<u>2023</u>
	(Million)	(Million)
Malaysian Ringgit	215	219



Effect from international tax reform - Pillar Two model rules

The Group is within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). Accordingly, the Group has applied the mandatory exception requiring that entities shall neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

The Group operates in Vietnam where Pillar Two legislation has been enacted and is effective for fiscal years beginning on or after 1 January 2024. However, no current tax expense related to Pillar Two income taxes was recognised in 2024 because the Group benefits from the “Transitional Safe Harbour” relief under the Pillar Two legislation.

In addition, the Group operates in various countries where Pillar Two legislation has been enacted and will be effective for fiscal years beginning on or after 1 January 2025. The management of the Group is currently in the process of assessing the potential exposure to Pillar Two income taxes in the financial statements.

25. 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 2023, this promotion certificate was expired.

26. 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 was granted tax privilege for a corporate income tax reduction from the stipulated investment amount.

27. 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 number		Earnings per share		
		of ordinary shares				
<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company						
1,417,148	2,305,518	1,578,362	1,578,362	0.90	1.46	
Separate financial statements						
Profit for the year		Weighted average number		Earnings per share		
		of ordinary shares				
<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company						
1,983,513	1,871,495	1,578,362	1,578,362	1.26	1.19	



28. 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.



Revenue and profit information regarding the Group's operating segments for the years ended 31 December 2024 and 2023 are as follows:

(Unit: Million Baht)

	For the year ended 31 December							
	Manufacturing and trading segment		Construction segment		Eliminated transactions		Consolidated financial statements	
	2024	2023	2024	2023	2024	2023	2024	2023
Revenues from external customers	25,797	27,605	2,167	3,501	-	-	27,964	31,106
Inter-segment revenues	212	599	-	-	(212)	(599)	-	-
Total revenues	26,009	28,204	2,167	3,501	(212)	(599)	27,964	31,106
Segment profit	3,090	3,976	46	162	-	-	3,136	4,138
Unallocated income and expenses							(1,271)	(1,229)
Profit before income tax							1,865	2,909

Non-current assets (other than deferred tax assets)

(Unit: Million Baht)

	Geographic segment located in Thailand		Geographic segment located in overseas		Total	
	2024	2023	2024	2023	2024	2023
Non-current assets	3,347	3,518	5,285	5,613	8,632	9,131

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



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

	(Unit: Million Baht)	
	<u>2024</u>	<u>2023</u>
Thailand	14,774	15,063
Overseas	13,190	16,043
Total	<u>27,964</u>	<u>31,106</u>

29. Dividend

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht per share)
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	394.6	0.25
Total for 2023		<u>1,972.9</u>	<u>1.25</u>
Final dividends for 2023	Annual General Meeting of the shareholders on 4 April 2024	1,578.3	1.00
Total for 2024		<u>1,578.3</u>	<u>1.00</u>

30. Commitments and contingent liabilities

30.1 Capital commitment

As at 31 December 2024 and 2023, the Group had outstanding capital commitments relating to the purchase of machinery, equipment, vessel, computer software and construction of building, as follows:

Foreign currency	Consolidated financial statements		Separate financial statements	
	<u>2024</u> (Million)	<u>2023</u> (Million)	<u>2024</u> (Million)	<u>2023</u> (Million)
Baht	19	18	13	15
Malaysian Ringgit	8	3	-	-
Japanese Yen	2,622	-	-	-
Vietnam Dong	21,196	30,501	-	-



30.2 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 2024 and 2023 are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Within 1 year	35	48	23	36
Over 1 and up to 5 years	9	19	7	15
Total	44	67	30	51

30.3 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 2024 and 2023 amounting to approximately Baht 31 million and Baht 47 million, respectively (the Company only: Baht 23 million and Baht 31 million, respectively).

30.4 Project construction cost commitments

As at 31 December 2024, the Group had commitments related to agreements of project construction costs of Baht 2,582 million (2023: 1,215 million). The Group will make payment of these commitments upon delivery of the relevant goods or services.

30.5 Guarantees

As at 31 December 2024, there were outstanding bank guarantees in respect of advance received, contractual performance and certain performance bonds as required in the normal course of business issued by the banks on behalf of business partners amounting to Baht 1,028 million (2023: 493 million) (the Company only: Baht 426 million (2023: 281 million)) and on behalf of the Group which are summarised below.

	Foreign currency	Consolidated financial statements		Separate financial statements	
		<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
		(Million)	(Million)	(Million)	(Million)
Baht		2,239	1,698	2	2
Malaysian Ringgit		6	8	-	-



31. Financial instruments

31.1 Derivatives and hedge accounting

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Derivative assets				
<i>Not designated as hedging instruments</i>				
Forward exchange contracts	8,200	22,822	7,816	22,729
Commodity forward contracts	2,879	38,738	2,879	38,738
<i>Designated as hedging instruments</i>				
Commodity forward contracts	16,557	61,783	16,557	61,783
Total derivative assets	27,636	123,343	27,252	123,250
Derivative liabilities				
<i>Not designated as hedging instruments</i>				
Forward exchange contracts	5,341	6,604	5,341	6,453
Commodity forward contracts	25,238	13,594	25,238	13,594
<i>Designated as hedging instruments</i>				
Forward exchange contracts	48,428	-	-	-
Commodity forward contracts	12,125	116	12,125	116
Total derivative liabilities	91,132	20,314	42,704	20,163
Presented in derivative - forward contracts account as follows:				
Current assets	27,636	123,343	27,252	123,250
Non-current assets	-	-	-	-
Current liabilities	77,744	20,314	40,812	20,163
Non-current liabilities	13,388	-	1,892	-

All derivatives are measured at fair value in level 2.



Derivatives not designated as hedging instruments

The Group enters into forward exchange contracts and commodity forward contracts to manage risk against fluctuations in foreign exchange rates and commodity prices, 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

Foreign currency risk

Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of forecast purchases in Japanese Yen. These forecast transactions are highly probable, and they comprise majority of its total expected purchases in Japanese Yen. The foreign exchange forward contract balances vary with the level of expected foreign currency purchases and changes in foreign exchange forward rates.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange forward contracts match those of the expected highly probable forecast transactions i.e., notional amount and expected payment date.

Commodity price risk

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 0.85:1 for the hedging relationships.



Hedge ineffectiveness can arise from:

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

Details of derivatives, which up to 2 years maturity, hold as hedging instruments as at 31 December 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Foreign exchange forward contracts for highly probable forecast purchases		
Average forward rate (Baht /Japanese Yen)	0.2430	-
Commodity forward contracts for highly probable forecast petroleum products sales		
Average hedged rate (USD/barrels)	90.2	101.4

The impact of hedged items on the statement of financial position as at 31 December 2024 and 2023 is as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Change in fair value used					
	for measuring		Cash flow hedge reserve		Cost of hedging reserve	
	ineffectiveness		- continuing hedges			
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Highly probable forecast purchases	48,428	-	41,418	-	7,010	-
Highly probable forecast petroleum products sales	(6,246)	(71,391)	(5,326)	(59,591)	-	-
Total	42,182	(71,391)	36,092	(59,591)	7,010	-



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The impact of the hedging instruments on the statement of financial position as at 31 December 2024 and 2023 and the effect of the cash flow hedge in the statement of comprehensive income for the years ended 31 December 2024 and 2023, are as follows:

(Unit: Million Baht)

		Consolidated financial statements											
		Carrying amount *		Changes in fair value used for measuring ineffectiveness		Effectiveness recognised in other comprehensive income		Ineffectiveness recognised in profit or loss **		Cost of hedging recognised in equity		Amount of cash flow hedge reserve reclassified to profit or loss ***	
2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Foreign exchange forward contracts - hedge the risk arising from highly probable forecast purchases													
478	-	(48)	-	(48)	-	(41)	-	-	-	(7)	-	-	-
Commodity forward contracts													
- hedge the risk arising from highly probable forecast petroleum products sales													
785	1,117	4	62	5	66	5	60	-	-	-	-	24	44
1,263	1,117	(44)	62	(43)	66	(36)	60	-	-	(7)	-	24	44
Total													

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

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

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



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31.2 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 currency risk, interest rate 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 import or export
- Commodity forward contracts to hedge the commodity price risk arising on sales of products



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 two year.

As at 31 December 2024 and 2023, 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>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	24	16	25	16	34.0	34.2
Euro	8	8	9	9	35.4	38.0
Japanese Yen	-	-	17	24	0.2	0.2
Ringgit	8	9	17	17	7.6	7.4

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>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	51	59	33	33	34.0	34.2
Singapore Dollar	-	-	10	10	25.0	26.0
Euro	8	8	9	9	35.4	38.0
Ringgit	-	-	2	9	7.6	7.4

The Group manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 24-month period for hedges of forecasted sales and purchases.

When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of the derivative to match the terms of the hedged exposure. For hedges of forecast transactions, the derivative covers the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.



The Group outstanding forward exchange contracts which maturity date within two years are summarised below.

As at 31 December 2024

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	27	17	27	17	33.3 - 34.6 Baht	33.7 - 34.6 Baht
US Dollar	-	13	-	-	-	15,725 - 16,240 Indonesia Rupiah
Japanese Yen	-	1,967	-	-	-	0.2308 - 0.2473 Baht

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

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.



Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Group's profit before tax and equity to a reasonably possible change in US Dollar and Japanese Yen exchange rate, with all other variables held constant. The impact on the Group's profit before tax and equity is due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives as at 31 December 2024 and 2023. The Group's exposure to foreign currency changes for all other currencies is not material.

Currency	2024			2023		
	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)
US Dollar	+1%	517	-	+1%	1,484	-
	-1%	(517)	-	-1%	(1,484)	-
Japanese Yen	+1%	(36)	4,294	+1%	(59)	-
	-1%	36	(4,294)	-1%	59	-

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.

Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on loans from financial institutions affected as at 31 December 2024 and 2023.

	2024		2023	
	Increase/ decrease	Effect on profit before tax	Increase/ decrease	Effect on profit before tax
		(Thousand Baht)		(Thousand Baht)
Interest rate	+1%	(1,120)	+1%	(957)
	-1%	1,120	-1%	957



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 follows:

	2024			2023		
	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%	(11,112)	(7,808)	+1%	(3,140)	(9,747)
	-1%	11,112	7,808	-1%	3,140	9,747

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.



The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2024 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Less than 1	1 to 5	Over	Total
	year	years	5 years	
Non-derivatives				
Short-term loans from financial institutions	2,968,526	-	-	2,968,526
Trade and other payables	2,863,801	-	-	2,863,801
Lease liabilities	114,882	165,620	100,152	380,654
Short-term loans from related parties	62,913	-	-	62,913
Total non-derivatives	6,010,122	165,620	100,152	6,275,894
Derivatives				
Derivative liabilities - Forward exchange contracts	42,273	11,496	-	53,769
Derivative liabilities - Commodity forward contracts	35,471	1,892	-	37,363
Total derivatives	77,744	13,388	-	91,132

(Unit: Thousand Baht)

	Separate financial statements			
	Less than	1 to 5	Over	Total
	1 year	years	5 years	
Non-derivatives				
Short-term loans from financial institutions	2,747,976	-	-	2,747,976
Trade and other payables	3,310,514	-	-	3,310,514
Lease liabilities	25,383	49,270	-	74,653
Short-term loans from related parties	111,625	-	-	111,625
Total non-derivatives	6,195,498	49,270	-	6,244,768
Derivatives				
Derivative liabilities - Forward exchange contracts	5,341	-	-	5,341
Derivative liabilities - Commodity forward contracts	35,471	1,892	-	37,363
Total derivatives	40,812	1,892	-	42,704



31.3 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.

32. 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 2024 and 2023, these financial ratios were as follows:

Financial Ratio	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Interest Bearing Short-term Debt-to-Equity Ratio	0.186 : 1	0.135 : 1	0.227 : 1	0.148 : 1

33. Approval of financial statements

These financial statements were authorised for issue by the Company's authorised directors on 11 February 2025.



