

Annual data form

Annual Report

(56-1 One Report)



2023

PAE (Thailand) Public Company Limited

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Company's General information

Name of company issuing securities

PAE (Thailand) Public Company Limited

Company registration number

0107538000291 (Plc. 0552)

Head office location

No. 69 Soi On Nut 64 (Soi Suksamarn), Srinakarin Road, Suan Luang Subdistrict, Suan Luang District, Bangkok 10250.

Songkhla assembly plant

Number 164/6 Village No. 6, Hua Khao Subdistrict, Singhanakhon District, Songkhla Province 90280

Nature of business

Providing engineering and construction services, providing maintenance and repair services for various equipment for oil and natural gas production companies, including sending experienced people to work both onshore and offshore (Onshore & Offshore) both domestically and abroad. Country

Telephone (Head Office)

0-2322-0222 (Automatic)

Fax (Head Office)

0-2322-2970-1

Email address:

info@pae.co.th

Company Website

www.pae.co.th

Stock Registrar

Office Name

Thailand Securities Depository Company Limited

Location

Stock Exchange of Thailand

93 Ratchadaphisek Road, Din Daeng Subdistrict, Din Daeng District, Bangkok 10400

Telephone, Fax

02-009-9000, 02-009-9991

Auditor's name

Mr. Kiatisak Vanithanont Certified Public Accountant No. 9922 and/or
Ms. Susan Eiamvanicha Certified Public Accountant No. 4306 and/or
Mr. Suchart Panitcharoen Certified Public Accountant No. 4475 and/or
Ms. Chuenta Chommern Certified Public Accountant No. 7570 and/or
Ms. Wandee Eiamvanicha Certified Public Accountant No. 8210

Office Name

S.P. Audit Company Limited (Office)

Location

Address

Siriphanyo Building, 16th Floor, Unit 1601, Sri Ayutthaya Road, Thanon Phaya Thai Subdistrict, Ratchathewi District, Bangkok

Telephone 662-642-6172-4

Fax (662) 642-6253



Message from the Chairman

On behalf of the board of directors and executives of PAE (Thailand) Public Company Limited.

Dear shareholders

With the world situation in 2023 until now, the problem of rising energy prices, coupled with the conflicts of great powers with economic and geopolitical conflicts in Asia, Europe, and the Middle East, results in extremely high fuel costs. Continuously and as a result, the price of electrical energy has increased as a result, causing widespread impacts on the country's economic system and the people. As a result, the government must find many types of measures to alleviate energy and electricity costs for the people in order to reduce the impact on the country's economy, especially inflation. Thailand's current transportation and utility costs.

The Department of Mineral Fuels and PTTEP Company, which is a related government agency, have therefore hastened to issue several measures in order to find a source of cheap fuel to supplement the country and the Electricity Generating Authority responsible for production. Electricity for the country in the proportion of 90% of the country's electricity production sources and to reduce the import of high-priced fuels imported from abroad. As a result, PTTEP has a new project to find more sources for producing oil and gas fuels and expand the production capacity of existing fuel drilling rigs to be able to produce more quantities by expanding. Hiring contractors to build drilling and fuel production platforms in the Gulf of Thailand and in Burma has increased. In addition, we have increased the hiring of contractors to increase labor at the G1 gas production field to provide services for improving the gas production system at the existing production platform in the Gulf of Thailand, for which PAE (Thailand) Public Company Limited is the contractor for this famous project. Said this as well and caused the company to receive additional work in many areas, including the amount of work in Manpower Supply Services for Offshore platform Construction and Maintenance and Onshore Prefabrication. The company has experience in this field for more than 30 years, and the company has prepared in advance the personnel and equipment, tools and machinery for use in Offshore Oilfield starting in 2022. With the management that has changed As a result, during the past year 2023, the company's operating results have changed in a better direction in terms of income and debt restructuring with major creditors from financial institutions and existing trade creditors that has been outstanding for many years As a result, the company's financial statements for 2023 show positive numbers for accumulated losses and equity items. Including profit items from operations. This is due to increased income from Songkhla agencies that provide offshore services in 2023, which increased significantly from 2022.

The company has solved financial debt problems and debt restructuring with all creditors in order to maintain liquidity of the company so that it can continue to operate, including plans to expand the service business to have more variety, such as Onshore Prefabrication Wellhead Platform and Brownfield EPCI (Well Hookup and Commissioning).

As the company still has the status of a public limited company and can continue to operate with the trust of important reliable customers in the country such as PTT, EP, ED and subsidiaries of SCG, the company remains. Maintain an increase in revenue from the company's operations from 2022 by maintaining standards, quality, and service to customers that are satisfactory and have earned the trust of PTTEP ED Company Limited for PAE (Thailand) Public Company Limited is a service provider for recruiting teams with expertise and tools, various equipment for contract work. Provision of Offshore Construction Call-off Service Contract for G1/61 at Erawan Field and contracts. Provision of Onshore Prefabrication Call-off Service Contract for G1/61 at Erawan Field and received a new contract from the group of companies. Thai Cane Paper Public Company Limited, Prachinburi (affiliated company of SCGP Group, 2022-2024).

As for the outlook for 2024, PAE (Thailand) Public Company Limited will push to achieve important goals that will create long-term stable growth in the service business in the oil and gas industry together with trade partners and all employees in order to strengthen the company to be able to adjust its status to be a company on the stock exchange again with a new mission to create income from new businesses that are sustainable and stable going forward.

Finally, on behalf of the Board of Directors of PAE (Thailand) Public Company Limited, we would like to thank shareholders, business partners, customers and those who have benefactors in every aspect for trusting and supporting our business operations of the company as always Thank you to all executives and employees who are committed to devoting their heart and soul to performing their duties with diligence, working together to drive the organization to continuous growth. People will be committed and dedicated to performing their duties together with diligence drives the organization to continuous growth.

(Mr. Charlie Jangvijitkul)
Chairman of the Board
PAE (Thailand) Public Company Limited

Importance Information in term of financial

List (Million THB)	For the Year end 31 December		
	2023	2022	2021
	(Audit)	(Restated)	(Audit)
Operating Result			
Revenue			
Revenue from services contracts	234.59	198.86	476.42
Other income	10.66	6.30	3.69
Total Revenue	245.25	205.16	480.11
Gain on sale of asset	97.38	2.98	0.04
Gain on write-off payable	6.27	130.30	72.61
Profit from debt restructuring	469.80	-	-
Gain from memorandum of rights and payment	81.17	20.74	74.60
Profit (Loss)			
Gross profit (Loss)	67.19	(0.77)	73.85
Net Profit (Loss) from operations	11.78		
Net Profit (Loss)	666.41	82.90	(6.62)
Net Profit (Loss) (Parent Company)	667.74	83.78	(7.14)
Financial Status		(Restated)	(Restated)
Assets			
Current Assets	85.38	128.77	229.91
Non-Current Assets	118.94	259.80	245.82
Total Assets	204.32	388.57	475.73
Liabilities			
Liabilities Current	203.18	1,058.60	1,224.56
Non-Current Liabilities	29.58	28.35	32.01
Total Liabilities	232.76	1,086.95	1,256.57
Capital			
Registered Capital	24,938.01	24,938.01	24,938.01
Paid-up Capital	6,642.30	6,642.30	6,642.30
Total Shareholder's Equity	(28.44)	(698.38)	(780.84)
Total Shareholder's Equity (Parent Company)	14.64	(656.63)	(739.97)

Financial Ratios

Financial Ratio and earnings per share		For the Year end 31 December (Consolidated)		
		2023	2022	2021
Liquidity Ratio			Restated	Restated
Current Ratio	(times)	0.42	0.12	0.19
Quick Ratio	(times)	0.24	0.09	0.15
Profitability Ratios				
Gross profit margin	(%)	28.64	(0.39)	15.50
Net profit margin	(%)	284.08	41.47	(1.39)
Return on Assets	(%)	326.16	21.22	(1.39)
Return on Equity : ROE	(%)	2,343.54	11.81	(0.86)
Operating efficiency ratio				
Accounts receivable turnover	(times)	7.77	5.29	6.93
Average collection period	(days)	47	69	53
Tarde payable turnover ratio	(times)	8.22	2.09	2.03
Average payment period	(days)	44	175	180
Fixed Asset Turnover	(times)	14.32	1.32	3.08
Total Asset Turnover	(times)	1.15	0.51	1.00
Per share				
Earnings (loss) per share	Baht: Per share	0.101	0.013	(0.003)



PAE (Thailand) Public
Company Limited

2023

Section 1

Business Operations and Performance



PAE (THAILAND) PUBLIC COMPANY LIMITED

1. Structure and operations of the group of companies

1.1 Policy and overview of business operations

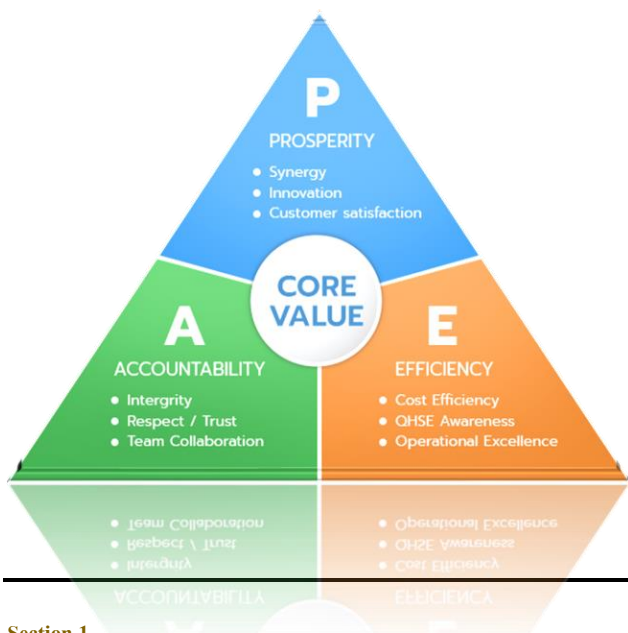
1) PAE (Thailand) Public Company Limited: "PAE"



Established a limited company on May 11, 1964 and listed on the Stock Exchange of Thailand on February 13, 1996 with the objective of conducting business related to engineering and construction of equipment systems in the drilling, oil and natural gas production industries.

The company provides engineering and construction services, maintains and repairs equipment for oil and natural gas production companies, including sending experienced people to work with leading companies both onshore and offshore (Onshore & Offshore) both domestically and internationally.

The company has expertise in engineering and installation in the energy industry, oil and natural gas, petrochemicals, maintenance of electrical systems, control systems, as well as utilities and related industries. The company cares about the quality of operations, takes care of work safety. Including personnel, materials, equipment, tools, machinery, occupational health, and the environment in order to provide service recipients with maximum satisfaction.



2) PAE Energy Solution Company Limited:

"PAE" has a shareholding of 99.99%.



Operate a training center business for people both within the affiliated company and people outside the organization, both in house and public, emphasizing safety, such as courses for safety officers at the executive level (administrative safety officers), safety officers in work Supervisor level (Civil Supervisor), Safety, Occupational Health and Working Environment Committee (OCC), which is registered and licensed as a training center for all three courses from the Safety Division, Department of Welfare. And labor protection Ministry of Labor and course requirements (Requirement) Internal audit (Internal Audit) of the management system. ISO9001:2015, ISO14001:2015, ISO45001:2018. Registered with the Department of Industrial Works as a pollution treatment system controller, consulting company type.

3) PPS. Energy and Marine Company Limited:

"PAE" has a shareholding proportion of 67.77%.



Operating a business producing and distributing raw water/drinking water/tap water. And has not operated a business since 2020.

4) Oasis Development Company Limited:

"PAE" Has a shareholding proportion of 54.94%.

It is a real estate service company. And has not operated a business for more than 10 years.

Vision

We will be the most respected provider of engineering, personnel, facilities and equipment in the energy, oil and gas, petrochemical and related industries both upstream and downstream.

Objective

Maintain leadership in the engineering, procurement and construction (EPC) service business, including sending skilled personnel to work in the oil and gas exploration and production industry both domestically and regionally. The company aims to be a leader in providing complete services in Engineering, Procurement and Construction (EPC) starting from design, planning, construction, procurement of materials and equipment, and delivery of personnel with skills, experience and expertise to carry out the work to customers as well as providing various services in the energy industry, including oil, gas, and petrochemicals, which are considered the main businesses of the company.

Mission

Is a leader in providing comprehensive design, planning, construction, materials and equipment (EPC) Engineering, Procurement and Construction services in the energy, oil and gas, petrochemical and related alternative energy industries both domestically and regionally.

- Providing services for recruiting skilled personnel to work in the oil and gas exploration and production industry both domestically and regionally.
- Manage operating costs and providing efficient customer service In order to achieve all business operations goals.
- Committed to continuously developing the management system and promoting the use of new technology to increase the company's growth potential and to develop personnel to achieve the goals set by the company.
- Focus on management that is socially responsible and adheres to the principles Good governance for transparent management towards sustainable and continuous growth of the organization for the benefit of shareholders, business partners, employees in the organization, as well as society and the

● Important changes and developments

The Company has had important changes and developments regarding business operations and management in the past 3 years as follows:

Year 2021

- On February 22, 2021, the company would like to inform you of additional progress that PAE (Thailand) Public Company Limited has entered the business rehabilitation process in accordance with the Bankruptcy Act B.E. 2483. Currently, the Central Bankruptcy Court's business rehabilitation plan is being considered. The Supreme Court has ordered allowing those opposing the company's business rehabilitation order and the Central Bankruptcy Court has made an appointment to wait to hear the Supreme Court's judgment on February 17, 2021 following the announcement of the Central Bankruptcy Court regarding guidelines for case management in the situation of the outbreak of coronavirus 2019 (COVID19) dated 20 January 2021 to reduce the risk of the spread of the coronavirus disease (COVID-19). The court therefore ordered the cancellation of the original appointment date and set the appointment date for April 21, 2021.
- On April 12, 2021, the Stock Exchange announced action against PAE (Thailand) Public Company Limited (PAE) in order for the company to resolve the reasons for possible delisting of securities regarding its financial status. By giving the company time to bring shareholders' equity to no less than zero, another 3 months from the date the Central Bankruptcy Court orders approval of the business rehabilitation plan, but not later than March 31, 2022. If the Central Bankruptcy Court orders not approving the business rehabilitation plan before March 31, 2022 or within March 31, 2022, the Central Bankruptcy Court has not yet issued an order approving the business rehabilitation plan. In either case, the Stock Exchange may consider proceeding with the delisting of the Company's securities from being listed securities.
- On June 1, 2021, the Supreme Court issued an order dismissing the company's request to enter the business rehabilitation plan because the company's business rehabilitation request was a repeat of the consideration process of Red Case No. F. 20/2017 that a creditor had previously filed a complaint with Central Bankruptcy Court already.
- On September 20, 2021, the Stock Exchange of Thailand passed a resolution to delist the Company's common shares from being listed securities. This is due to the fact that during the period the company has been extended to take action to completely resolve the reasons for delisting. The Supreme Court has ruled to dismiss the company's business rehabilitation request before March 31, 2022. If the company wishes to appeal the delisting order, it can file an appeal within 15 days from the date of receiving the notification from the Stock Exchange.
- On September 28, 2021, the company applied for an extension of the appeal until it was allowed to extend the period until February 19, 2022. On February 18, 2022, the company has already filed an appeal against the revocation order. At present, it is awaiting the results of the appeal consideration from the Stock Exchange of Thailand's Appeal Committee.
- On November 30, 2021, at the Extraordinary Meeting No. 1/2021, shareholders resolved to approve the following:
 - 1) Reduce registered capital amount 5,280,827,566 baht from the original registered capital 8,051,717,332 baht is the registered capital 2,770,889,766 baht by eliminating the number of registered common shares that have not yet been sold. 5,280,827,566 shares, par value 1.00 baht per share.
 - 2) Increase the registered capital of the company 22,167,118,128 baht from the original registered capital 2,770,889,766 baht to 24,938,007,894 baht by issuing additional common shares in the amount 22,167,118,128 shares, par value 1.00 baht per share.
 - 3) Allocated additional common shares of the company in the amount 22,167,118,128 shares with a par value of 1.00 baht per share to be offered for sale at the same time or at different times to existing shareholders in proportion to their shareholding (Rights Offering) by offering in the subscription ratio of 1 common share previously extended to 8 additional common shares (In the case where there are fractional shares from the calculation, they must be discarded) with an offering price of 0.015 baht per share.
 - 4) Allocate the remaining additional common shares from the allocation to the existing shareholders of the company in proportion to their shareholding (Rights Offering) to a limited number of persons (Private Placement) with an offering price not lower than the appraised price. However, it is not less than 0.015 baht.

➤ In December 2021, the company opened for sale of additional common shares to existing shareholders in proportion to their shareholding (Rights Offering) by offering at a subscription ratio of 1 existing common share to 8 additional common shares. The offering price per share is 0.015 baht. There are 602 existing shareholders exercising their rights. The company has allocated additional common shares to the existing shareholders. 3,871,409,630 shares received payment for capital increase totaling 58,071,144 baht (there were expenses related to the distribution of shares net of income tax in the amount of 1,236,658 baht, which is an item in the discount on common shares account). As a result, the registered and paid-up capital equal to 6,642,299,396 baht, remaining number of additional common shares that have not been allocated of 18,295,708,498 shares to be allocated to a limited number of persons (Private Placement) at a price not lower than the appraised price. However, it is not less than 0.015 baht.

➤ On December 20, 2021, the Board of Directors' Meeting No. 8/2021 resolved to approve the sale of investments in PAE Technical Services Public Company Limited ("PTECH"), which is a subsidiary of PAE whole amount and on December 22, 2021, the Executive Committee has completed the process of signing the share purchase agreement and transferring the business of the subsidiary company to the buyer and receiving payment for the shares from the buyer.

➤ On December 29, 2021, the company has changed the paid-up registered capital from the amount 2,770,889,766 baht, amounting to 6,642,299,396 baht, to the Department of Business Development, Ministry of Commerce.

➤ On December 30, 2021, the company immediately paid debts to 3 creditors who signed the memorandum of rights and debt repayment, realizing profit from debt restructuring in the amount of 74,601,975 baht in the year 2021.

Year 2022

➤ On January 21, 2022, the PAE (Thailand) Board of Directors' meeting passed important resolutions as follows:

- 1) It was resolved to approve the appointment of Mr. Chaiwiwat Leenabanchong as a director of

the company in place of Mrs. Suwanna Mektohunek, who resigned, effective from 21 January 2022.

- 2) It was resolved to approve the structure of the executive committee by appointing Mr. Chaiwiwat Leenabanchong is the Chairman of the Executive Committee, Mr. Gumpon Kupadakvinij is the 1st Vice Chairman of the Executive Committee, Mr. Uthai Klangpimai is the 2nd Vice Chairman of the Executive Committee, Mr. Somporn Mangmee and Ms. Panadda Boonprakob are Executive Directors. Effective from January 21, 2022

➤ On July 19, 2022, the Stock Exchange announced the delisting of common shares of PAE (Thailand) Public Company Limited from being listed securities. Effective from 10 August 2022 onwards.

Year 2023

➤ As of June 2023, the company is in the process of complying with the conditions of the debt restructuring agreement and the court compromise agreement with Islamic Bank Asset Management. (IAM) has proceeded with the sale of assets as collateral for debt repayment as approved by the 2023 Annual General Meeting of Shareholders. Item 1 is land with title deed 1679 along with factory buildings, Makham Khu Subdistrict. Phatthana Nikhom District, Rayong Province and used the money received from the sale to repay debt to IAM.

➤ As of December 2023, the company is still in the process of complying with the conditions of the debt restructuring contract with IAM and has proceeded to sell assets as collateral as the 2023 Annual General Meeting of Shareholders resolved to approve the second item, which is 11 plots of land with buildings. with an office building in Suan Luang Subdistrict, Phra Khanong District, Bangkok and use the proceeds from the sale of said assets to pay off debts to IAM, along with repaying all remaining debt to IAM. Therefore, there is no further debt to each other.

Group shareholding structure

Overview of the business operations of the Company and its subsidiaries as of December 31, 2023



- PAE Energy Solution Company Limited. **PAE has a shareholding proportion of 99.99%**
- PPS. Energy and Marine Company Limited. **PAE has a shareholding of 67.77 %.**
- Oasis Development Company Limited. **PAE has a shareholding of 54.94 %.**

Relationship with the business group of the major shareholder

The Company has a policy of investing in subsidiaries or associated companies by focusing on investing in companies whose business objectives are to support the operations of the Company and its subsidiaries, which will result in the Company's operating results or increases profits or businesses that benefit the company by being able to support the company's main business operations to be more integrated

1.2 Nature of business

The company's business can be divided into 2 main groups as follows:

1. Energy industry business group including industrial Petrochemical hydrocarbons (Hydrocarbons)

The oil, natural gas and petrochemical industry groups that the company provides services start from engineering design and calculation services (Engineering Services), production, assembly and installation of equipment sets or structural work (Oil & Gas Services), maintenance work. The company has an acceptable performance potential and has passed the evaluation in all requirements efficiently in terms of quality of work, timeline and budget. The company has a team of engineers and company personnel, all of whom have experience and ability to work on a variety of projects, such as the construction of a petrochemical industry center (Petrochemical Complexes), power plants, oil and natural gas industries both onshore and offshore, etc.

2. Infrastructure business group (Infrastructures)

The infrastructure group includes civil engineering work for energy and basic utilities, as well as industrial plants, office buildings, renovation and construction of oil and gas service stations, etc.

The income structure of the Company and its subsidiaries has business operations with income values classified by line of work over the past 3 years as follows:

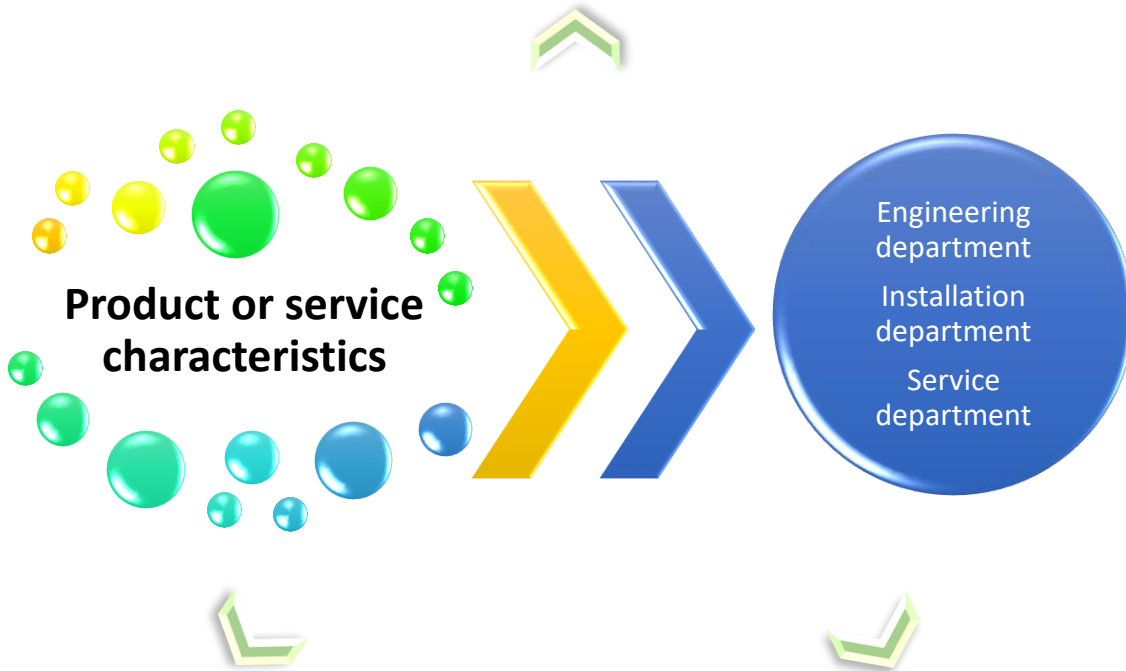
Income structure (Company and Subsidiary)	% shareholders	2023		2022		2021	
		Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
1. Service income from the oil business and natural gas							
1.1 PAE (Thailand) Plc.		199,342	84.98	156,150	78.52	200,135	41.99
2. Revenue of Non Destructive Testing (NDT-Non Destructive Testing)							
2.1 PAE Technical Service Plc. *	72.12	-	-	-	-	220,217	46.22
3. Service income under other contracts							
3.1 PAE (Thailand) Plc.		34,174	14.57	41,291	20.76	44,113	9.26
4. Income for producing tap water							
4.1 PPS Energy & Marine Co., Ltd.	67.77	-	-	-	-	-	-
5. Other income							
5.1 PAE (Thailand) Plc. – Other service		1,072	0.46	1,420	0.71	-	-
5.2 PAE Technical Service Plc.- Scaffolding installation service	72.12	-	-	-	-	12,034	2.53
5.3 PAE Energy Solutions Co., Ltd. – Training services	99.99	-	-	-	-	9	0.00
Total		234,588	100	198,861	100	476,417	100

* Being a subsidiary until December 22,2021 as the Group had already sold the company.



1.2.1 Product or service characteristics

ENGINEERING : PROVIDING ENGINEERING DESIGN SERVICES FROM SURVEYING SITE CONDITIONS, CONCEPTUAL DESIGN, FRONT END ENGINEERING DESIGN (FEED) UNTIL DETAILED DESIGN, PROCUREMENT ASSISTANT, MANPOWER SUPPLY AND COVERS PROJECT MANAGEMENT (PROJECT MANAGEMENT).



OIL&GAS SERVICE DEPARTMENT: The Company provides services in the provision of engineers, technicians, and workers to customers both onshore and offshore. By giving importance and adhering to safety and quality of work in general, labor recruitment services including engineers and officials to be stationed and responsible for work at the drilling rig are provided by PAE (Thailand) Public Company Limited, branch. Songkhla is in charge.

The company also provides equipment rental services for both onshore and offshore operations. By sending skilled workers and tools to the work site quickly and according to the plan.

FABRICATION SHOP: Rayong assembly plant provides structural assembly services. (FABRICATION) provides installation services. (INSTALLATION) at customer sites, installation of machinery and equipment used in oil refinery and petrochemical industries, product storage facilities in mechanical engineering, electrical systems, pipe work. measurement tools and others.

The Songkhla assembly plant primarily provides structural assembly services to OFFSHORE customers. The Songkhla plant is the center of offshore service and support (OFFSHORE FACILITIES) in the Gulf of Thailand, including technical personnel delivery, procurement, and logistics. Buy and rent equipment and tools Machinery for customers in this business group Inside the factory there is cutting and punching, steel forming, welding, steel surface preparation and painting. The company has BLASTING and PAINT SHOP that can be considered one of the best in the Songkhla area.

1.2.2 Marketing and Competition

The company focuses on providing engineering, construction, maintenance and repair services for various equipment for companies in the energy industry, including sending employees with experience in working with leading companies, both onshore and offshore (Onshore & Offshore) both within the country and abroad.

The company places the utmost importance on safety in the workplace in terms of personnel, materials, equipment, machines, and the environment, including the quality of work delivered to customers.

Due to the current economy, business competition has become more competitive. The company has changed its marketing strategy and improved bidding. The company will participate in bidding on work in which the company has specialized expertise or in more Shut Down and Turnaround Service work.

A. Marketing policy in the past year

The company has a competitive strategy and main business operation policy that focuses on accepting work from many leading organizations in the oil group, oil refinery, gas separation plant, petrochemical industry and energy group. The company has provided good service and to the best of its ability. The company expects that if customers are satisfied with the work, it may result in the company receiving more work assignments from other departments.

- **Characteristics of customers and target groups, distribution channels**

The company's customers can be divided into 2 groups according to the nature of the business: hydrocarbon customers and government, enterprise and private infrastructure customers who are oil exploration and drilling industries, oil refineries, gas separation plants, petrochemical factories, Paper factories and power plants. At present, the proportion of the Company's customers may change according to the economic conditions and various circumstances that occur.

B. Competition conditions

- *Competitive conditions within the industry in the past year.*

The average crude oil price in 2023 is in the range of 70-90 dollars per barrel. Because it is still faced with economic problems that may reduce demand, but next year (2024), analysts expect prices to continue to decrease during the same period next year, which market trends indicate a stable balance. Caution has limitations to OPEC's output policy and the evolving energy landscape and in the future the crude oil market enters into uncertainty. As the world gradually turns to renewable energy and electric vehicles, there has been a shift in the crude oil market, with prices fluctuating between \$60-\$100 per barrel.

- **Industry trends and future competition conditions and the estimated number of competitors.**

For the EPC contracting industry in the country, competition tends to be more intense as there are existing competitors who have developed their own potential better. Including project management ability and engineering experience are important factors. Meanwhile, the outlook for petroleum and petrochemical construction projects is not very good. Too much competition in the same industry may create obstacles to a company's work.

For the company's business at this time, although there are not many new competitors, because the general market situation is not yet favorable. But price competition is still high. As a result, the project's profits are relatively low.

- **Status and competitive potential**

For the company's business, there are now many new competitors as specialized contractors set up and operate their own businesses. When there are many competitors, there is intense price competition, causing the project to have relatively low profits.

- **Competitor**

For the EPC contracting industry in the country, competition tends to be more intense as there are existing competitors who have developed their own potential better, including project management ability and engineering experience as important factors. Meanwhile, the outlook for petroleum and petrochemical construction projects is not very good, too much competition in the same industry may create obstacles in the company's work.

1.2.3 Providing products or services

The nature of procuring products in which the company's operating procedures include both being a direct contractor (Main Contractor) and a subcontractor (Sub-Contractor) in which the company will accept construction work by directly contacting the employer through bidding or negotiating for work. There are steps to carry out the work as follows.

1. Bidding and accepting work from customers, the company will follow the news of the bidding according to announcements from newspapers or from consulting companies or design companies and assign the cost estimation department to calculate the costs and expenses that will occur. After that, the company will submit bids for the competition by following the steps specified by the agency.

2. Procurement by negotiation process may not involve a competition or bidding but is a job proposal in which the customer specifically selects a company to be the builder. This method is often used with old customers who have a good relationship between them. After the price and conditions have been agreed upon, a contract will be signed.

The steps for operating after the company accepts the job are as follows.

1. The company will consider the type of work and pass it on to the relevant department to be mainly responsible for each part.

2. The company will appoint a project manager. Is responsible for every aspect of the project. By overseeing the progress of the project and controlling the work to proceed as planned.

3. The company has a policy of requesting project financing sources from financial institutions for each project to support the financial operations of each project. Or in some cases, the company will form a joint venture with a subsidiary to create a joint venture to support funding for the project.

4. Detailed planning of the project, The project manager determines the project schedule to be appropriate for the conditions and the time and budget that have been set. Including workforce planning classified by type of work and workers. As well as being the person who prepares a detailed work schedule for each phase of the project.

5. Construction Operations During construction operations, the project manager is responsible for controlling and monitoring the progress of the work as planned.

6. Reporting and recording results, those involved and responsible for each line of work make reports on details of work, use of construction materials, costs, quality and quantity of work by reporting to the respective supervisors of the line of work.

7. Follow-up and inspection: When the project manager receives reports from relevant people, the timeline is checked to match the planned plan.

8. Checking completeness before delivery, the project manager is responsible for checking the accuracy in detail, checking for completeness, correcting errors and delivering the work to the customer.

The company operates itself as much as possible. If there are areas where the company still lacks personnel and tools, the company will consider selecting subcontractors. Initially, the company will select subcontractors based on the type of work, considering the potential of that subcontractor or considering subcontractors with proven good work to the company first. As for the hiring agreement, the company will consider the best conditions and control costs within the budget of that project.

Selection of subcontractors can be divided into 2 methods:

1. Price Comparison and Technical Proposals, The Company will call subcontractors to bid against the median prices that the Company has calculated and select the subcontractor that offers the lowest Company costs and the cheapest technical proposal. Must be combined with the reliability of the subcontractor. This is to ensure that subcontractors are able to perform their work correctly according to the specifications of that project.

2. Negotiation, the company will negotiate prices within the company's budget and conditions.

Construction equipment and materials used in construction projects

Most of the procurement of raw materials will be provided by the project owner, and on the construction side, the company will negotiate from the time the contract is awarded with many manufacturers to compare prices and agree on the conditions for purchasing main materials in advance until the end of the project to control costs.

Environmental impacts from the production process or disposal of waste raw materials

1. Actions or policies to reduce environmental impacts Environmental Policy 2019 rev07 And Environmental Monitoring, which measures environmental conditions such as wastewater, air quality, noise levels, lighting, heat, etc. which are measured annually.

2. Actual results of operations during the past 3 years, The Company has complied with all the laws and regulations.

3. The Company has no environmental disputes or lawsuits.

4. The Company has staff assigned to each project to take care of construction safety as well as various environmental impacts by inspecting and controlling the construction process and managing waste and leftover materials. From construction in order to avoid negative effects on pollution and the environment, and in the past 3 years, the company has had no disputes or lawsuits regarding pollution and the environment.

1.2.4 Each of the projects currently in progress and contract work that the company has been contracted for.

The company has always been well trusted by customers. In the year 2023, the company received a job providing services in the oil and natural industry for leading companies. PTTEP is the job of installing tools and equipment, procuring materials, equipment, tools, and renting machinery tools, as well as providing labor to work Offshore and Onshore. The work value is 200.00 million baht.

- The company has signed a contract for the oil and gas industry, The Provision of Offshore Construction Call-off Services Contract for G1/61 at Erawan Field, with PTTEP. The value of the contract work 189,931,421 baht with a contract period of 23 months from 1 January 2022, ending on 30 November 2023 and has been extended until 29 February 2024.
- The company has signed a contract for the oil and natural gas industry, The Provision of Onshore Prefabrication Call-off Services Construction for G1/61, with PTTEP. The work value is 121,200,000 baht, with a contract period of 3 years from the date On January 1, 2022, the contract ended on December 31, 2024 and the contract was extended until December 31, 2025.
- The company has been awarded a contract to provide Maintenance Service in E&I work for the Siam Kraft Industry Group, with a work value of 51.00 million baht, divided into 3 agency contracts and an additional 11.5 million baht in overtime service fees, with a total contract period of 24 months from October. 2021 The contract ends on 30 September 2023. Throughout 2023, in this contract, the company has provided services according to the actual workload. Total overtime Total value is 19.739 million baht.
- The company received the contract. (New contract renewal), Providing Maintenance Service in ME&EE work from a subsidiary of SCG Company (Thai Cane Paper Company TCP), Prachinburi branch, as a continuous contract for a period of 24 months (2 years) from 1 November 2022 until October 2024. Work value is 25.690 million baht and overtime service fee is another 4.80 million baht. Throughout the year 2023, the company has provided services according to the actual work volume. Total overtime Total value is 14.758 million baht.

The work delivered by the company was completed as of December 31, 2023, with details as follows:

Number	Project	Job description	Project value (Million Baht)
1.	Construction and Installation Contract – Chevron Songkhla Contract – PTTEP ED	Manpower Supply Equipment Rental & Fabrication	200.005
2.	Maintenance Service E&I – SKIC	Manpower supply	19.739
3.	Maintenance Service ME&EE PCP	Manpower supply	14.758

Past work until now

No.	Partners/Customers/Projects	Project value (Million Baht)	Duration	Job description
1.	TPK	44.593	January 2014- June 2016	E&I Electrical & Instrument
2.	IRPC	26.85	May 2016 – December 2016	Instrument Electrical, Piping
3.	PTT	11.33	March 2016 - December 2016	Gas station work, E&I, Piping
4.	LEC	1.76	May 2016 – December 2016	Supply Material crane rental
5.	PTT	35.0	August 2016 – April 2018	Oil tank work E&I, Piping
6.	Hyundai	74.22	January 2014- October 2015	Building Structure
7.	SamSung ITD	123.025	January 2014- October 2015	E & I Work
8.	PTT Phenol PTTGC, PTTME	41.90	January 2015 – December 2015	Instrument Electrical, Piping
9.	PTT GC TOPS	19.5	April 2016- December 2016	Mechanical
10.	PTT GC Jiffy 3	1.70	January 2017 – March 2017	Piping
11.	PTTPLC	2.90	February 2017 – May 2017	Gas station work
12.	PTTGC TOPS	0.597	April 2018	Electrical & Instrument
13.	SKIC Wang Sala Ban Pong	54.680	October 2017 -September 2019	Manpower Supply E&I
14.	SKIC Wang Sala Ban Pong	12.875	October 2017 - September 2019	Overtime service work
15.	TCP Prachin Buri	26.654	February 2020 – October 2022	Maintenance Service
16.	TCP Prachin Buri	5.331	February 2020 – October 2022	Overtime service work
17.	SKIC Wang Sala Ban Pong	57.50	October 2019 - September 2021	Manpower Supply E&I
18.	SKIC Wang Sala Ban Pong	17.5	October 2019 - September 2021	Overtime service work
19.	SKIC Wang Sala	51.00	October 2021- September 2023	Manpower Supply E&I
20.	SKIC Wang Sala	11.50	October 2021 - September 2023	Overtime service work
21.	TCP Prachin Buri	25.690	November 2022 - October 2024	Maintenance Service
22.	TCP Prachin Buri	4.80	November 2022 - October 2024	Overtime service work

2. Risk factor management

2.1 Risk management policy and plan

The company is aware of the importance of enterprise risk management. This will help the organization to operate its business to achieve its objectives and goals and have good corporate governance as well as stable and sustainable growth. The company has therefore adopted a risk management framework according to international standards to apply in the organization. The international standards COSO (The Committee of Sponsoring Organizations of the Treadway Commission) (ERM Enterprise Risk Management) and ISO 31000 are used as management guidelines to prevent and reduce the impact of various risks. That may cause the organization to not achieve its objectives as set. This is to build confidence among stakeholders that the company will be able to conduct business under today's continuously and rapidly changing environment. Executives and employees at all levels in the organization, including subsidiaries, are involved in operating according to a standardized risk management system along with the organization's strategic planning process and sustainable business development policy in harmony with the environment, society, and Governing the organization according to the principles of good governance (Environmental, Social and Good Corporate Governance).

There is an organization's risk management committee to provide continuous supervision in order to achieve common business goals according to the organization's risk management structure. Everyone must apply it appropriately and be aware of your responsibility to follow the risk management policy. In order for risk management to be successful with efficiency and effectiveness.

The Company has established a risk management working group that reports directly to the Audit Committee to perform the following duties.

- Prepare risk management policies, guidelines, and risk management processes for various departments in the company.
- Approve the company's risk management framework and monitor its implementation, including reviewing the effectiveness of the risk management framework.
- Study and provide knowledge about risks and risk factors to employees.
- Coordinate, support, promote, and recommend risk management processes to various departments of the company.
- Present risk assessments and risk management guidelines to the Audit Committee at least once a year.

Organizational risk management process

Important steps for enterprise risk management.



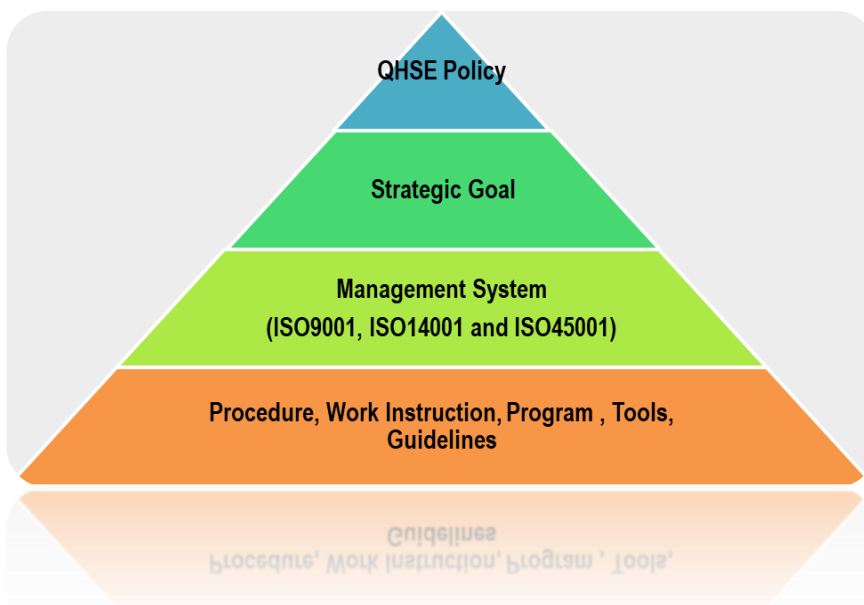
The above steps are consistent with the Quality, Health, Safety and Environment Management System or QHSE (Quality, Health, Safety and Environment) Management System or ISO Management System that raises the management system level to High Level Standard and bringing the issue of Risk Based Thinking into an important part of the ISO system to enable the organization to manage and grow sustainably. The organizational context that takes into account internal and external factors in order to prevent and manage potential risks will be written and included in the QHSE Manual.

Risk policy framework for quality, occupational health, safety and environment

QHSE (Quality, Health, Safety and Environment) Risk Policy Framework

PAE (Thailand) Public Company Limited has established a quality, occupational health, safety and environment policy to demonstrate the organization's commitment and provide a framework for QSHE management for executives and employees in the organization to implement. By setting goals, strategic plans, and operational plans including indicators according to the plan including monitoring and evaluating performance according to goals. To assess compliance with the policy including the internal audit according to the specified plan.

QHSE Management Framework



Strategy implementation will focus on strengthening QSHE culture and QHSE management systems as key tools for improving operational effectiveness and efficiency. Creating innovation as well as developing processes and operating results to meet the set goals, reduce losses, risks and negative impacts on society and the environment and to reflect commitment to action. Therefore, annual QSHE operational goals (QSHE Goals) have been set through analyzing internal and external factors that affect the company's operations and selecting important indicators (Key Performance Indicators) to set goals. At the organizational level, each unit will consider setting its own goals and transfer them to division/departmental goals as appropriate. There will be monitoring and evaluation according to the goals at each level and presenting to the executives according to the specified plan.

QHSE management standards (QHSE Management System) are like an important tool in QHSE risk management that every department of the company must use as a management framework. By applying it appropriately to the nature and risks of that agency, linking quality, occupational health, safety and environmental policies with management standard policies and procedures. Operating procedures of each department. The framework of management standards is developed based on principles. Plan-Do-Check-Action to achieve continuous development (Continuous Improvement) which is based on international management standards (ISO Management System).

For policies regarding quality, occupational health, safety and the environment are as follows:



2.2 Risk factors for business operations

The company has laid out a risk framework divided into Risk management for the organization's business operations, investment project risk management, and business continuity management in order to be able to assess and prepare appropriate risk management plans. The progress in operations is as follows.

2.2.1 Risk management for the organization's business operations

2.2.1.1 Risk from technological changes

Today, innovation has played a role in business operations at a rapid pace, especially in the last decade, which is both an opportunity and a threat to competitiveness. This depends on each organization's preparation for receiving technological change. The company is aware of the importance of adapting to technological changes in order to maintain sustainable business competitiveness. The company has established a team with knowledge and expertise to monitor, analyze, and evaluate. Significant impact of changes on the business and reported to senior management. To respond to changes in a timely manner and to introduce new technology to apply to improve current business operations.

2.2.1.2 Risk from social media threats

Today's business operations and communications within organizations and between organizations are more technology-intensive, making them more vulnerable to cyber threats, which can affect the security of business information and the credibility of companies. The company has an internal communications network system for controlling data links in business operations to increase work efficiency and maintain data security from loss and theft. Additionally, the company has firewall security control measures. For preventing unauthorized persons from entering the network, having a data backup system as well as complying with the Personal Data Protection Act (PDPA) and adopting new technology to help store data to increase work efficiency and maintain data security, and organize training for employees to raise awareness of data security risks.

2.2.1.3 Risk from operating results

The company's main income comes from providing EPC and Manpower Supply services, including sending employees with skills, expertise, and high abilities, including Multi-skilled employees work at oil rigs of Chevron and PTTEP and SCG's industrial groups. Therefore, operating income and/or cash flow of the group of companies. It will change according to the number of projects that can bid. The duration of each project, during the past 3 years (2020 - 2022), there has been an open bidding. The Company has continuously been able to win project bids, which has resulted in the Company being able to maintain continuous income.

However, if in the future the number of projects open for bidding in the industry decreases significantly and/or the Company is unable to bid on new projects continuously. This will result in the company being at risk of having income, operating results and/or cash flow that are inconsistent and/or fluctuating. The company is aware of such risks. Therefore, it is important to systematically follow up on information about bidding openings in order to prepare for bidding. The company has guidelines for bidding on work prices in advance. To reduce such risk. In addition, the company also places importance on developing the ability to manage construction costs in order to increase competitiveness in terms of price.

2.2.1.4 Risk from intense competition in bidding for work

The current economic and social conditions are showing a widespread decline in growth rates around the world. The Company sees the risk of intense competition from new competitors that are starting to play a greater role in competing for project bidding, which may have high technological capabilities and an advantage in financial costs. However, with a reputation for quality and safety, occupational health and environmental management in over 50 years of project work and the strength of our commercial partners. The company believes in its ability to compete in the EPC, Manpower supply and Maintenance businesses and remains committed to operating its business according to its vision. By presenting project results that emphasize the quality of the work and completed on time with the contracting party along with promoting sustainable progress for society and the communities in which we operate. However, in order to maintain a competitive advantage The Company emphasizes continuous improvement and development of organizational potential and consider joint venture opportunities with trade partners both domestically and abroad with consistent core values, taking into account social and environmental responsibility and respect for human rights as well as being an organization with good corporate governance in order to strengthen strengths Improve weak points and increase competitive ability.

2.2.1.5 Risk from construction material prices, labor costs and oil price fluctuations.

The Company's project contracts are unit price contracts or contracts where the unit price of the project is specified in advance before starting the project. By setting the price for bidding on project work. The Company calculates this by adding the budgeted costs plus the desired gross profit margin. Therefore, the Company may be at risk that the actual construction costs are higher than the budgeted costs. Due to fluctuations in prices, materials, labor, and/or workloads greater than estimated, this will result in gross profit margins being lower than expected or operating losses. If the actual costs are higher than the revenue in the contract with the customer, then the company has considered procuring a business partner and new sellers continuously as an alternative in operations and using appropriate costs.

2.2.1.6 Risk from complying with contracts that have various conditions and requirements

In general, clients often use contracts with standardized terms and conditions that are applied to project contracting parties, which cannot be negotiated by the contracting parties to make appropriate adjustments as needed and suitable for each project, which may therefore be considered a constraint and/or the Company's risk in complying with various conditions and requirements in the contract completely. In addition, in some cases, the company may incur additional expenses in complying with the terms and conditions of the said contract, such as sending employees to attend specialized training according to the requirements, which also affects operating costs, etc. In addition, if the future conditions have changed. Or the standard contract terms and conditions with the project may affect the Company's competitiveness. Compliance with such additional conditions or requirements may result in the Company's costs increasing significantly, which may have a significant negative impact on operations, revenue, results of operations, cash flow, financial position and future trends of the company.

Risks to securities holders' investments

The Group has significant uncertainty regarding the outcome of several lawsuits brought by the parties seeking damages, which are currently being considered in court. However, the company's management and legal departments have considered that the debt burden that the company has recorded in its accounts is sufficient and appropriate.

Possible effects

Investors in securities are at risk of loss if the company loses a case in which the counterparty claims damages. The company may have to pay damages according to the judgment when the case is final.



3. Driving business for sustainability

3.1 Sustainability management policies and goals

(PAE (Thailand) Public Company Limited and its subsidiaries) is committed to sustainable development in society and the environment through the company's business activities by applying the philosophy of sufficiency economy as a guideline for sustainable development. Taking into account stakeholders in every aspect and creating value and benefits for both the business sector and society simultaneously. Including giving importance to management systems and production processes, both technology and innovation, for product development and promoting the most efficient use of resources and having the least impact on the environment. Including communicating with those involved to understand in the same direction as follows:

➤ Corporate governance

The company has a policy to conduct business with ethics, honesty and transparency based on good corporate governance. Be responsible to all groups of stakeholders. Adhere to compliance with relevant laws, rules and regulations. Do not commit or support dishonesty and corruption and have directors, executives, and employees at all levels adhere to it as a norm in their work to create sustainable value for the organization.

➤ Sustainable and balanced development

The company conducts business under the concept of sustainable development and balance in all three aspects: economic, social and environmental. By integrating the concept into the operating processes at every level of the company, creating returns and business value along with society and the environment so that all stakeholders can benefit and achieve success according to the vision in the end.

➤ Stakeholder management

The company is aware of the role of stakeholders in the strategy and direction of the company's business operations. Therefore, we give importance and consideration to all groups of stakeholders, both internal and external. By considering setting missions and policies to meet the needs and expectations of stakeholders in each group in a balanced way.

➤ Innovation management

The company promotes innovation in the organization to create added business value through product development, production processes or new services which not only helps create sustainable value for the organization if it helps create income, reduce costs or reduce resource provision. It will have positive effects on the economy, society and the environment.

➤ Employee participation

Realizing the importance of personnel, which is a key factor in driving business operations to success according to the set goals, the company therefore places importance on human capital management by developing knowledge and abilities of employees continuously promote the transfer, sharing of knowledge and exchange of knowledge between employees and business partners or other stakeholders. Promote employee participation in developing the organization towards sustainability through innovative products and services that are socially responsible and environment.

Joining forces and sharing

The Company aims to conduct business responsibly and develop competitive capabilities through product and service innovation by working with business partners, communities, society or other stakeholders in creating projects or activities that create benefits for the Company and its stakeholders. There are stakeholders at the same time. By using the company's expertise in creating projects or activities that will create benefits and value for the company as well as improve the quality of life for stakeholders throughout the supply chain.

The company continues to work towards building a sustainable organization. Therefore, it produces products that are safe for consumers and friendly to the environment, maintains standards of corporate governance and has an anti-corruption policy to link it with corporate strategy. Create a sustainable organization.

Management guidelines

The company has a vision and is committed to offering selected quality service opportunities, developing effective human potential to reach their highest potential because it believes that every change will lead to success for both improving your financial status, happiness, and achieving your life goals to share valuable life with society in a sustainable way.

The company conducts business according to sustainable development guidelines by creating awareness among executives and employees throughout the organization to be aware of using energy and resources in the most worthwhile and beneficial manner. By focusing on the continuous development of environmentally friendly products. There has been development in terms of management, work processes, providing services, sourcing and distributing products and services, good corporate governance, business ethics, including anti-fraud and corruption and attach importance to social responsibility, community and environment in order to grow the company along with creating added value to society and the environment in a sustainable way.

Management structure for sustainability

In order to perform the duties of the Board of Directors efficiently. The Company has established 3 sub-committees: Audit Committee, Executive Committee, and Compensation Committee to carefully screen assigned work under the principles of good corporate governance with the Company Secretary as a coordinator which will improve the structure of the committee to have a connected scope of responsibilities to increase efficiency and effectiveness Sub-committees are responsible for managing specific areas of work. Covering economic, social and environmental aspects as well as considering various matters to be correct, appropriate and efficient as follows.

Economic aspect

Executive Committee Consisting of 4 company directors, the chairman of the executive committee and the chief executive officer are responsible for supervising operations to be in line with the mission and following the company's business operations policy to achieve the business goals of the company and achieving the objectives according to the resolution of the shareholders' meeting.

➤ Social aspect

Board of Directors Consisting of 9 directors, with the Chairman of the Board of Directors being an independent director assigned to sub-committees, the Nomination and Remuneration Committee. Responsible for proposing good corporate governance practices, reviewing good corporate governance guidelines and principles, as well as monitoring social responsibility operations to be able to respond to stakeholders completely, equally and efficiently under Policy on corporate governance and business ethics with a focus on maintaining standards and developing good corporate governance on a continuous and sustainable basis. Create it into the culture of the organization and practice it as follows.

- Review corporate governance policy, principles of good corporate governance and business ethics.
- Support the promulgation of anti-corruption policies throughout the organization.
- Provide recommendations regarding business goal setting and organizational strategy preparation.

In addition, we also follow up on operations according to the guidelines for developing principles of good corporate governance in various areas as follows:



The company has communicated and disseminated public relations to employees at all levels to emphasize good corporate governance policy practices for employees, which is an important part in preparing to enter the ASEAN economy. Including campaigning anti-corruption guidelines for employees and expanding to business partners of the organization. **Assigned to the Deputy Managing Director of Human Resources and Corporate Governance.** It is responsible for setting guidelines for safety, occupational health and environmental plans and being a medium for providing assistance in various welfare matters to employees as well as ensuring that employees have a good quality of life. It also has a duty to promote participation in community and social development. It is responsible for setting guidelines and plans for participation in community and social development of the company, including organizing such operations, as well as continuously monitoring and evaluating operations in order to improve and develop work regularly.

➤ Environmental

Assigned to the Deputy Managing Director of Human Resources and Corporate Governance of the Company It is responsible for implementing energy management in accordance with the established energy conservation policy, including controlling and ensuring that energy management methods are efficient, as well as coordinating with all parties involved so that energy management meets specified goals.

3.2 Managing impacts on stakeholders in the business value chain

3.2.1 Analysis of stakeholders in the business value chain

The company conducts business under business ethics. Adhere to responsibility and respect the rights of all groups of stakeholders, both inside and outside the company, society, community and the environment, to ensure that stakeholders are protected and have their rights according to relevant laws and are Treat fairly and with equality. The company is well aware that stakeholders play an important role in determining the direction of business operations and therefore has established a sustainable development strategy for all stakeholder groups as follows.

Stakeholder groups: shareholders and investors

Stakeholder expectations

Treating all shareholders equally	Complying with the law correctly, transparently, and with good corporate governance.
Benefits that should be received by law, such as dividends	The company has good operating results and financial status, is stable and can operate according to the set goals.

Responding to stakeholder expectations

- Has good operating results, growing steadily.
- Comply with laws, regulations, and supervise the rights of every shareholder. All groups will receive equal rights according to the principles of good corporate governance.
- Provide information equally Accurate, complete, clear.

Participation channels

- Annual General Meeting of Shareholders
- Annual Report
- Reporting the Company's operating results in the annual One Report and disclosing information through the Company's website, opening channels for receiving suggestions and complaints through the department. "Investor Relations" on the website or contact through the company secretary.

Stakeholder group: employees

Stakeholder expectations

Receive appropriate compensation and benefits	Knowledge and skills in working have been developed.
Employees have equal rights	Gain professional advancement, stability and safety in work.

Responding to stakeholder expectations

- Take care and promote the quality and stability of employees' work.
- Comply with labor laws by taking into account human rights principles and the needs of employees.
- Providing appropriate and fair compensation and benefits, giving importance to developing work potential and continuously promoting knowledge to employees as well as promoting career advancement.
- Provide communication channels for employees to make suggestions or file complaints on various matters.
- Occupational health and safety are implemented efficiently and effectively.
- Setting various policies to achieve maximum benefit to the company and other stakeholders.
- There is correct compliance with the law, various regulations and principles of corporate governance. Control and manage the company's operations in accordance with the resolutions and policies that have been set.

Participation channels

- Communication within the organization using the Intranet system.
- Publicize news through online channels such as Line Group, Intranet, Email, including public relations boards, accepting suggestions and complaints through Post Box or line supervisors.

Stakeholder groups: society, community and environment

Stakeholder expectations

There is no impact that may occur from operations in terms of pollution such as dust, noise, surface water quality, as well as impacts on quality of life and daily life. If there is any impact from operations, it must be resolved quickly to make it normal as soon as possible.

Responding to stakeholder expectations

- Follow the guidelines for social responsibility (CSR).
- Support community and social development by sharing knowledge Organizational skills for the community.
- Support energy conservation, environmental protection and efficient use of resources.
- Projects for the community, both professional and professional Continuous education and care for the environment and occupational health and safety.
- Follow the environmental management system (ISO14001:2015) and occupational health and safety (ISO45001:2018) continuously.

Participation channels

- Organize activities to educate people in the community.
- Community relations activities.
- Channels open for suggestions and complaints via email and the company secretary.

Stakeholder group: Partners

Stakeholder expectations

Pay for goods and wages in full at the appointed time. Continuously use the products and services of partners/subcontractors.

Responding to stakeholder expectations

- Treat all trading partners with fairness and equality.
- Explaining to business partners the policy and business ethics in conducting business.
- Follow commercial conditions and contracts.
- Do not demand or agree to receive property or any other benefits in addition to trade agreements.
- Visiting partners to exchange knowledge and experience and expertise with each other and listen to various problems/suggestions has a process that can be verified.

Participation channels

- Report on purchase documents, employment contracts.
- Organizing meetings with contractors and partners.
- Telephone, Email, Line.
- Channels open for suggestions and complaints via email and the company secretary.

Stakeholder group: customers

Stakeholder expectations

There is supervision and management of occupational health, safety and the environment in operations and measures are taken to control potential impacts on the environment.

There are efficient and sufficient personnel to carry out the work.

There are tools, machines, and equipment that are efficient enough to perform the job.

Have the ability and experience to work on the success of operations.

Completeness of technical details for each type of work.

Maintain customer confidentiality, innovation to increase the value of operations

Responding to stakeholder expectations

- Customer requirements are followed.
- Deliver quality work that meets standards and requirements.
- The project is guaranteed for the period specified in the project contract.
- Organize a customer satisfaction survey.

Participation channels

- Document reports and evidence of operations according to requirements.
- Attending meetings with customers (Weekly/Monthly Meeting or as requested by the customer).
- Telephone, Email, Line.
- Channel for receiving feedback from customers: Customer Satisfaction Survey via Email, Application Form.

Stakeholder group: Competitors

Stakeholder expectations

Do not damage the reputation of other companies by making malicious accusations. Operate with transparency under fair trade and competition.

Do not seek competitors' secret information through dishonest means.

Treat competitors correctly and with legal ethics.

There is no trade protection policy.

Responding to stakeholder expectations

- Conduct business within the framework of the law and be ethical.
- It is transparent and verifiable and does not infringe on intellectual property or copyright.

Participation channels

- Receive information from public forums.

Stakeholder group: Creditors

Stakeholder expectations

Received payment of debt on time and according to agreement without defaulting on debt.

Responding to stakeholder expectations

- Strictly comply with trade conditions.

Participation channels

- Annual Report/Corporate Social Responsibility, Community and Environment.
- Through relevant departments and the company's website.
- Channel for accepting suggestions and complaints via email to the company secretary.

Stakeholder group: Government agencies

Stakeholder expectations

Follow the laws, regulations related to conducting business correctly and transparently.

Responding to stakeholder expectations

- Follow the laws, regulations related to conducting business correctly and transparently.
- Quickly clarify information with government agencies that supervise.

Participation channels

- Requesting legal and tax advice via telephone and the website of the Revenue Department.
- Requesting advice on laws and guidelines related to operations from relevant government agencies via telephone and websites of agencies such as the Ministry of Labor, Department of Industrial Works, Department of Business Development, Department of Intellectual Property.

Stakeholder group: mass media

Stakeholder expectations

Receive information from the company that is clear and to the point and the information is accurate. Receive equal information to other stakeholder groups

Responding to stakeholder expectations

- Communicate information that is correct, complete and timely, refraining from false communication, distorting the truth or breaking good morals.
- Treat all groups of media equally with other groups of stakeholders.
- Promote a good image for the organization.

Participation channels

- The report disseminates information about the organization through the stock exchange's press releases.
- Give interviews and provide information through the company's website.
- Email
- Telephone

3.3 Sustainability management in the environmental dimension

3.3.1 Environmental policies and practices

PAE (Thailand) Public Company Limited and its subsidiaries intend to operate their business to grow on the basis of good governance and sustainable social and environmental responsibility, including Taking into account the interests of shareholders. The Company and all groups of stakeholders are important in order to aim for the Company's shareholders. Stakeholders live happily with the community and society and develop and advance progress together. The company is committed to conducting business with honesty, transparency, fairness, environmental friendliness and verifiability. Focusing on the growth of the company along with improving the quality of life of employees, communities and the quality of society and the environment in every dimension, including taking care of the interests of stakeholders according to the vision and mission of the company. Determined to be in accordance with the spirit and concept mentioned above. The company has therefore established the following social and environmental responsibility policies.

1. Conduct business with honesty, transparency, fairness, environmental friendliness and verifiability by focusing on the growth of the company along with improving the quality of life of employees, the community and the quality of society and the environment in every dimension. Including taking care of the interests of stakeholders according to the vision and mission set by the company.
2. Promote and provide social and environmental knowledge to company employees at all levels to use as a common guideline in developing and taking care of social and environmental responsibility throughout the organization.
3. Promote projects or activities for society and the environment by using the company's potential and resources to achieve goals and objectives cost-effectively and efficiently.
4. To communicate and publicize the project or two-way social and environmental activities (Two Ways Communication) with communities, society and stakeholders. Including providing opportunities for stakeholders to participate in the project or activity as appropriate.
5. Promote and support respect for human rights by treating those involved, including employees, communities and surrounding society, with respect for human values. Consider equality and equal freedom. Do not violate basic rights and do not discriminate whether in terms of race, nationality, religion, language, skin color, gender, age, education, physical condition or social status. Including ensuring that the business of the Company and its subsidiaries is not involved in human rights violations, both directly and indirectly.
6. Promote human resource development and treat workers fairly. This is a factor that will increase the value of the business and strengthen the competitiveness and sustainable growth of the company and its subsidiaries in the future.
7. The Company and its subsidiaries will treat customers fairly in terms of products and services without discrimination and without disclosing customer information that they have learned as a result of business operations, which is information that should normally be reserved and not disclosed and do not use such information for the benefit of oneself and those involved unless it is disclosed in accordance with legal duties. In addition, we are committed to and consider the utility and safety of consumers by controlling the quality of products to meet standards.
8. Promote conservation of natural resources and efficient use of energy. We are also concerned and aware of the safety of society, the environment, and the quality of life of employees and communities that may be affected by the company's operations.
9. Will conduct business that is beneficial to the economy and society and adhere to behaving as a good citizen and fully complying with relevant laws and regulations Therefore, there is a policy to provide assistance and develop society, with a policy to assist the underprivileged by donating needy items and providing health check-ups.

10. Support innovation both at the work process level in an organization and at the level of cooperation between organizations, this means doing things in new ways. It can also mean a change in thinking, production to add value. The goal of innovation is positive change to make things change for the better creates increased productivity. This is to achieve maximum benefit to society.
11. There will be a summary of the results of various projects that the company, company employees, and shareholders have done together with outside communities as mentioned above and report them to the company executives for further reporting to the shareholders at least once a year.
12. The company supports democratic governance and has a policy of political neutrality.
13. Have executives in every line cooperate and encourage employees to work together in accordance with the policies that the company has set for success.

3.3.2 Environmental performance

The Company places importance on social responsibility in protecting the environment. The Company has implemented and controlled the Company's business operations in accordance with the environmental management system. (ISO14001:2015) and occupational health and safety management system (ISO45001:2018) which the company has continuously received certification including monitoring and measuring various environmental values such as Total Suspended Particulate (TSP), carbon monoxide (CO), wastewater, air, light intensity, noise, heat, strictly following the laws related to environmental preservation, including occupational health and safety, under the concept of caring for safety and protecting the environment, focusing on caring for and developing the production process and selecting materials that environmentally friendly.

Key issues of environmental sustainability and safety

- Efficient use of resources
 - Water conservation Valuable use of water.
 - Saving electricity.
 - Efficient use of raw materials.
- Pollution prevention
 - Waste management and dangerous chemicals.
 - Management of pollutant emissions into water sources.
 - Managing air emissions.
 - Eliminating oil spills and chemical spills.
 - Managing other pollution such as pollution from light, heat, and noise.
- Environmental policy and management system (ISO14001:2015)
 - Environmental management.
 - Commitment, Policy and Guidelines.
 - Verification, inspection, certification and evaluation of operations.
 - Management of environmental impacts from business operations and project operations.
- Occupational health and safety management policy and system (ISO45001:2018)
 - Management of safety, occupational health and working environment that cause injury/illness to employees and workers.
 - Commitment, Policy and Guidelines.
 - Verification, inspection, certification and evaluation of operations.
 - Operational safety management.
 - Effective management of emergencies, crises and business continuity so as not to have an impact on business, society, community and the environment.

In addition, the company campaigns on energy saving, cost-effective use of consumable office supplies such as using re-used paper, turning electrical appliances on and off, air conditioning during breaks, organizing media. Distribute soft files instead of hard copies and emphasize communication, meetings, and various transactions more on the internet, reducing traveling back and forth, etc.

This is from operating according to environmental standards. Continuously, the Songkhla branch of the company has already received the Green Industry Level 3 award from the Department of Industrial Works.

3.4 Sustainability management in the social dimension

3.4.1 Social policies and practices

The Board of Directors of PAE (Thailand) Public Company Limited places importance on and is committed to conducting business based on the principles of good corporate governance. By adopting the principles of good corporate governance of the Stock Exchange of Thailand and the regulations of the Securities and Exchange Commission and the Capital Market Supervisory Board. It is a factor in strengthening the organization to have an efficient management system, honesty, transparency, and fairness. Be responsible and take into account the rights of all stakeholders in a complete and appropriate manner and in line with the situation and ready to be based on the sufficiency economy. The company has guidelines for social responsibility in various areas as follows:

(1) Good corporate governance

The Board of Directors has adopted policies regarding corporate governance in supervising the Company's operations. It is believed that good corporate governance consists of having a board of directors and executives who have vision and responsibility for their duties, a good management system, and a control mechanism and balance of power to ensure management is transparent, verifiable, respecting the rights and equality of shareholders and responsibility to stakeholders will be important factors in increasing the value and maximum returns to the Company's shareholders in the long lasting term.

Corporate Governance Policy

The Board of Directors has an important role in setting the direction of the company's operations, supervising and following up on the anti-corruption policy of the management.

Monitoring compliance with corporate governance policies

The Company's Board of Directors, executives and employees have followed the good corporate governance policy and regularly followed up on performance according to the operating plan. For the year 2023 did not find any situation where the practice was inconsistent with the policy and the company did not receive any complaints from stakeholders.

(2) Doing business with fairness

The Company and its subsidiaries give importance to conducting business ethically and transparently, in line with the business ethics of the Company and its subsidiaries under honest, fair and equitable trade competition within the framework of the law. The management guidelines are as follows.

1. Create business alliances with suppliers for long-term mutual growth and development. By operating within the framework of fair competition rules according to procurement regulations, starting from selecting and evaluating partners, comparing prices.
2. Do not destroy the reputation of competitors, do not seek information through dishonest means, do not copy, do not infringe on the intellectual property of others for personal gain.
3. Do not demand, receive or agree to receive property or any other benefits outside of the commercial agreement.
4. Conducting business with business partners, customers in both the public and private sectors, including business competitors, must not bring discredit on the company's reputation or violate the law as follows:

- **Customer**

Committed to creating satisfaction and confidence for customers, paying attention and being responsible to customers. Customers must receive good quality, safe and environmentally friendly products at reasonable prices and according to the standards that have been set. hold Ready to provide information necessary for decision making without hiding or distorting the facts. Including strictly adhering to the terms and conditions with customers, developing standards to increase the value of products and services to meet customer needs continuously, maintaining good and sustainable relationships with customers seriously and consistently, including not doing anything that violates the rights of customers, maintaining customer trade secrets, and not using them for the benefit of oneself or those involved wrongfully.

- **Partners**

Comply with trade agreements based on fair competition, taking into account equality, not taking advantage and being honest in conducting business, maintaining mutual benefits with trading partners, and having a system for selecting business partners. To ensure that the Company's supply chain (Value Chain) consists of business partners who conduct business according to the law, comply with safety and occupational health standards, are environmentally friendly, and build good relationships and understanding with each other, exchange knowledge, jointly develop and add value to products and services for mutual growth.

- **Business competitors**

Treat business competitors under the rules of fair competition. Do not seek confidential information of business competitors through dishonest or inappropriate means. Do not damage the reputation of business competitors by slandering their official trade competitors.

- **Government sector**

Give importance to transparency and consider honesty in dealing with government agencies in order to avoid actions that may result in inappropriate actions and contradict the principles of good management. Including resisting giving bribes to government officials to facilitate or benefit the company's business.

The Company has provided communication channels so that business partners, customers and related stakeholders can file complaints with the Company and complaints will be taken care of and processed fairly.

Non-infringement of intellectual property rights

The Company and its subsidiaries do not take any action related to intellectual property infringement and encourage directors, executives, and employees to use the resources and assets of the Company and its subsidiaries efficiently, and use licensed products and services. Must and must not support products or actions that infringe on intellectual property by setting guidelines as follows.

1. Conduct business in accordance with laws, regulations and contractual obligations regarding intellectual property rights.
2. Take care of work that is the Company's intellectual property and do not use such intellectual property or allow others to use it without permission.
3. Respect the intellectual property rights of others, not infringe or use the work of others for personal gain.

In addition, all directors, executives and employees must respect the legal rights of other people's intellectual property. In 2022, the Company and its subsidiaries will not take any action related to intellectual property infringement.

Partners, service providers and distributors

The company regularly evaluates its performance and visits its partners, service providers and distributors to ensure compliance with the ISO 14001 environmental management system and the energy and environmental conservation management policy. As a result, the Company has systematically selected business partners to ensure that the entire supply chain (Value Chain) of the Company and its subsidiaries consists of business partners who conduct business according to the law and comply with safety and occupational health standards. Be environmentally friendly by supporting environmentally friendly procurement that considers products and services of entrepreneurs that comply with environmental standards or meet the company's criteria, such as compliance with laws. Efficient use of resources and energy, production control, waste management, in order to strengthen the potential and efficiency of doing business together and elevate the company's procurement process to be more Green Procurement in the future. From the above operations, the Company and its subsidiaries expect that trading partners, service providers and distributors who are business partners of the Company and its subsidiaries will be able to apply environmental management guidelines and expand them to become standards in the next chain.

Receiving complaints

The company provides a system and channels for customers to conveniently file complaints, ask for information, and make suggestions about the quality of products and services. You can contact us in many ways through the call center at 02-322-0222 and through Social Media, including www.pae.co.th. To respond to the changing lifestyles of customers This makes it possible to communicate efficiently, quickly and through the company's activities. In 2023, there were no significant complaints from customers. As for other complaints, the company has analyzed them to find the cause in order to correct, prevent, monitor the entire system, and adapt the entire organization so that the defect does not occur again.

(3) Anti-corruption

The Company and its subsidiaries oppose all forms of corruption and corruption, realizing that corruption is a serious danger that destroys free and fair competition. It also causes damage to the economic and social development of the company. and the subsidiary has no policy of offering money, incentives, gifts, special benefits in any form, whether directly or through third parties, to customers, company partners, external agencies or government officials in order to gain or maintain business benefits or advantages, including no policy for paying rewards. or any other payment to expedite operations or facilitate throughout the past period. The board of directors and executives are committed to management in strict accordance with the principles of good corporate governance. Ready to be committed to having employees throughout the organization perform their duties with diligence, honesty, fairness, including being aware of the importance and following guidelines and risk management regarding anti-corruption, resulting in In 2022, there were no cases of complaints about fraud and corruption, giving or receiving bribes for the business benefit of the company.

3.4.2 Social performance

(1) Employee

The company is aware of the importance of human resources and believes that quality employees are an important factor in driving the business towards its goals and creating an advantage over business competition. Therefore, we have continuously supported both management and personnel development systematically at every level. Ready to support employees to use their knowledge and abilities to the fullest, creating equal career advancement opportunities to grow along with the success of the organization.

Promoting diversity and equal labor practices

The company is open and provides opportunities for people of various characteristics to participate, such as gender, age, education, nationality, race, skin color, religion, citizenship rights, sexual orientation, and disabilities. These factors are not limitations on work. But it is diversity in which the company can effectively manage different challenges in accordance with the guidelines for treating all employees equally according to labor standards in the labor law and as set forth.

In business ethics, it is to comply with relevant laws and standards and treat employees and workers fairly and respect human rights. This includes setting compensation and other benefits that are fair, providing welfare that is not less than what is required by law or more as appropriate, taking care of health and safety at work, providing knowledge training, developing potential and promote advancement and provide opportunities for employees to develop their work skills in other areas.

(2) Treating labor fairly

The company promotes a good quality of life and commitment to the company among employees based on fair treatment and mutual respect. The company has therefore established guidelines as follows:

Hiring practices

1. The company does not use forced labor in any form of employment.
2. The company complies with laws, regulations and will protect the rights of employees equally.
3. The company provides an employment system with legal contracts and clear employment agreements.
4. The Company treats employees in terms of employment based on their ability to perform their duties, their performance, rather than their personal characteristics.

Compensation guidelines

1. The company sets compensation not less than the minimum wage rate required by law or according to industry standards with fairness. Do not discriminate on nationality, race, religion, gender, but will consider according to the principle that the work is equal, the pay is equal.
2. The company considers wage adjustments to be fair in order to distinguish between workers who are different in terms of knowledge and abilities by setting criteria according to the performance evaluation and promotion regulations.
3. The company has a system for recording reports that is transparent and auditable.

Guidelines for labor relations

- The company gives employees the opportunity to participate in management through the human resources department and other systems where employees can express their opinions and participate in decision-making.
- The company complies with the law according to the rights of employees of all types of employment contracts to receive.
- The company does not obstruct, interfere or do anything that will affect the exercise of employees' rights that does not have a detrimental effect on the company's business in carrying out activities of employees who adhere to the beliefs of race, religion, gender, disability, national origin.
- The company has established a grievance system as a medium for building understanding and good relationships as well as ensuring fairness in employment.

Recruitment and hiring

The company develops the potential of employees and supports turnover within the organization. The company continues to recruit personnel with knowledge and ability to strengthen and be an important force in driving the organization according to

appropriate manpower and in line with driving the business under fluctuations from economic conditions. The Company has set up a process for dealing with matters that employees complain about that may be wrongdoing by setting policies and guidelines to protect employees or those who report wrongdoing in “Policy for reporting clues to wrongdoers” The Board of Directors provides opportunities for employees and stakeholders to report clues or complaints when discovering matters that may be illegal acts, corruption or misconduct of employees in the company as well as Behavior that may be problematic and cause damage to the company Including accepting complaints in cases where employees and stakeholders have had their rights violated or have been treated unfairly through the channels and processes that the company has determined. The company will listen and process all complaints equally, transparently and fairly. There are systematic and fair measures to protect complainants. Complainant's information will be kept confidential.

Measures to protect complainants

Those who report complaints or clues will receive appropriate protection from the company, such as no change in job position or nature of work and workplace, including no suspension, no intimidation or interference with work. Termination of employment or anything else that is in the nature of unfair treatment towards that person, including the personal information of the person who reports the complaint or clues or information about reporting the complaint or clues will be kept secret, Do not disclose to unrelated persons unless required to be disclosed according to legal requirements. Any person who is aware of the notification of complaints or clues or information related to notification of complaints or clues in accordance with this regulation must protect the information. Complaints or whistleblowing or related to complaints or clues to be kept secret and not disclosed to other people, taking into account the safety and damage of the person making the complaint or clues, the source of the information or the persons involved, except in cases where Necessary in the process of carrying out this regulation or as required by law if there is a deliberate violation of the disclosure of information. The company will take disciplinary action and/or take legal action against violators, as the case may be.

In addition, the Company will not tolerate any acts of retaliation against employees who make complaints or provide information and will take disciplinary action against those found to have committed such acts of retaliation. The Company will take appropriate steps to prevent the working environment and/or working relationships of employees who express themselves and report information for the benefit of the Company as a whole being affected.

Wage, salary, compensation and welfare management

The company implements compensation management policy with the principle of fairness as appropriate to the economic conditions, livelihoods as well as the competitive standards of the same type of business based on the principle of linking work achievements appropriately with duties and responsibilities, consistent with with the abilities of employees equally, both without discrimination of gender, people with disabilities, in order to attract knowledgeable and talented people join the company and motivate employees to continuously improve their performance. In addition, the company has provided various benefits with care for the quality of life of employees in addition to what is required by law in order to build bonds and good relationships between employees and the company as follows.

- Welfare that promotes future stability, such as provident fund welfare Insurance welfare project.
- Welfare to help with living expenses, such as employee uniforms Welfare for picking up the company's products every month.

Providing welfare and other benefits

The Company complies with laws related to labor and welfare and aims to encourage employees to have a good quality of life by providing appropriate welfare for employees at all levels in accordance with the nature of work and social status. Support, promote, and play a role in organizing various activities.

Personnel development

The company believes that employees are an important resource that is valuable to the organization and is the key to the organization's success. Therefore, the company is committed to continuously developing the potential of employees as well as maintaining employees with knowledge and ability to stay with the organization by taking care of all employees equally on the basis of respect for human rights and labor rights throughout. Until encouraging all employees to develop their own knowledge and abilities Through training from within and outside the organization to develop skills in various areas according to the job description appropriately, which will bring in the human resources the organization needs and support business needs. Moreover, it also promotes and provides equal opportunities for career advancement without discrimination as if we are one family so that employees feel connected and proud of the organization, which results in the organization being able to continue moving forward.

(3) Respect for human rights

The Company conducts business by respecting the law in accordance with human rights principles without discriminating against employment regardless of a person's origin, nationality, race, ethnicity, skin color, religion, language, sexual orientation, Disability is a factor in considering and deciding employment. Employees are willing to work and do not use child labor. Respect the rights and freedoms of employees. At the same time, emphasis is placed on developing employees to train their skills and increase their potential by giving employees opportunities to learn thoroughly and regularly in cases where employees do not receive justice in various matters. There is a channel for making complaints or reporting matters that may be illegal, along with a process for resolving them. Systematic and fair measures to protect complainants At the same time, emphasis is placed on employee development to train their skills and increase their potential by giving employees opportunities to learn thoroughly and regularly. In the event that employees do not receive justice in various matters, there are channels through which they can file complaints or provide clues about matters that may be illegal and have a process for correcting measures to protect complainants that is systematic and fair.

Protecting and respecting employee privacy

The company respects the privacy of employees by protecting and not using personal information of employees such as salary, family history, medical history, etc. to be disclosed to third parties or unrelated persons, unless it is information that must be disclosed to relevant third parties according to the provisions of the law.

(4) Community and environment

The company conducts business with responsibility to the community and society. By giving importance to reducing environmental impacts and avoiding operations that may have a negative impact on the quality of life of communities around the establishment. In 2022, there were no complaints from the community on social or environmental issues.

4. Management's Discussion and Analysis

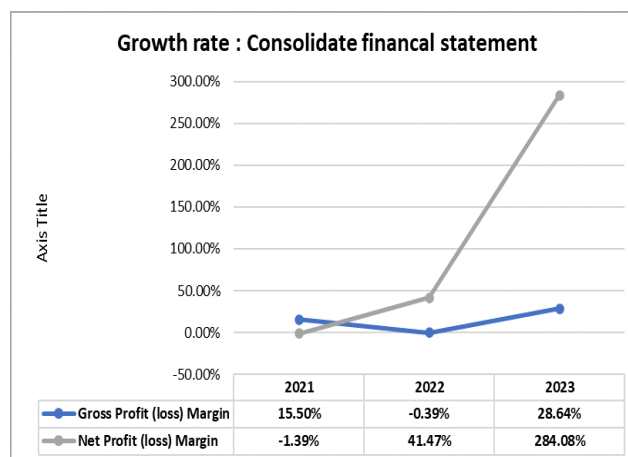
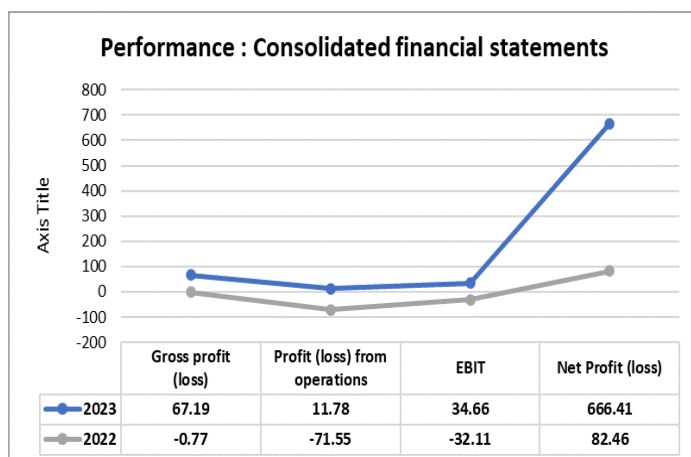
4.1 Key business overview

In 2023, the offshore oil and gas industry services business, our current core business, entered into an agreement with which is a company that has been granted the right to explore and produce petroleum in the Gulf of Thailand exploration block number G1/61 (Erawan) under a production sharing contract system. From the Ministry of Energy. This has been a continuous contract since the beginning of 2022 and the company has been trusted to receive an extension of the service contract until the beginning of 2024.

In the past year, the company has continued to focus on improving operational efficiency to meet acceptable standards. Focus on managing costs and expenses for maximum efficiency. Until continuously gaining the trust of existing customers and new customers both in the oil and natural gas industry service business group and personnel management service business group for maintenance of electrical equipment in other industrial sectors.

Overall Operation Result of the Group

Company's Performance For Year 2023 (Million Baht)	Consolidated		+ (-)	
	2023	2022	MB	%
		(Restated)		
Revenue from operation	234.59	198.86	35.73	17.97%
Cost of goods sold and cost of services	(167.40)	(199.63)	32.23	-16.14%
Gross Profit (Loss)	67.19	(0.77)	67.96	-8825.97%
Other Revenues	10.66	6.30	4.36	69.21%
Reversal on expected credit loss	1.39	11.03	(9.64)	-87.40%
Selling and Administrative Expenses	(44.58)	(48.67)	4.09	-8.40%
EBIT	34.66	(32.11)	66.77	-207.94%
Financial cost	(22.88)	(39.44)	16.56	-41.99%
Operating Profit (Loss)	11.78	(71.55)	83.33	-116.46%
Non-operating income/expense	654.63	154.01	500.62	325.06%
Profit (Loss) before tax	666.41	82.46	583.95	708.16%
Corporate Tax (Expenses) Rev	-	-	-	#DIV/0!
Net Profit (Loss)	666.41	82.46	583.95	708.16%
Equity holders of the Company	667.74	83.34	584.40	701.22%
Non-controlling interests of the subsidiary	(1.33)	(0.88)	(0.45)	51.14%
Actuarial gain arising from defined benefit plan of employees	3.54	-	3.54	#DIV/0!
Total Comprehensive income for ther period	669.95	82.46	587.49	7.12
Equity holders of the Company	671.27	83.34	587.93	705.46%
Non-controlling interests of the subsidiary	(1.33)	(0.88)	(0.45)	0.51
Earnings (loss) per share (Baht/Share)	0.101	0.013		
Gross Profit Margin	28.64%	-0.39%		
Net Profit Margin	284.54%	41.47%		



The overall performance of the group of companies showed a net profit for the year 2023 of 666.41 million Baht or an increase in net profit of 708.16% compared to the financial statements of the previous year which had a net profit of 82.46 million Baht. Net profit in 2023 was 284.54%, Net profit margin increased from the previous year by 586.13% (Year 2022 : Net profit margin 41.47%)

Since during the past year 2023, the company has The Company expedited debt restructuring with financial institution creditors, which are major creditors, and successfully paid all debts according to the debt restructuring agreement. As a result, profits from debt restructuring can be recognized in the income statement in the amount of 469.80 million baht. Due to the implementation of the debt restructuring plan the company has sold assets that were collateral. To use the money from the sale to pay debts to financial institution creditors, resulting in a profit from the sale of assets in the amount of 97.38 million baht. In addition, it has hastened the process of requesting debt restructuring negotiations with several other creditors. Ready to proceed with payment of debt to creditors who have signed the memorandum of understanding of rights and debt repayment. Able to recognize profit from debt reduction according to the memorandum of rights and debt repayment in the amount of 81.17 million baht and profit from writing off debt that has expired in the amount of 6.27 million baht, respectively.

Performance and profitability of the company in the year 2023 increased from the previous year with a gross profit of 67.19 million baht, or 28.64% of the total income, which increased by 17.97% from the previous year. (Year 2022: Gross loss of 0.77 million baht or 0.39% of total income.) Currently, the core business of the group of companies is the Offshore oil and natural gas industry service business group and the personnel management service business group for electrical equipment maintenance in the industrial sector. The increase in operating results came from the oil and natural gas industry services business group because in the 3rd and 4th quarters of 2023, the rate of manpower being called to work on production platforms increased from the previous year. As a result, the company's income from renting tool cabinets and equipment has increased in the same direction. (In 2022, the rate of low manpower is called normal because it is a transition period for concession contracts.) In addition, the company was able to generate more income and profit from Onshore contracts than the previous year. It also focuses on controlling costs and various expenses to be more efficient.

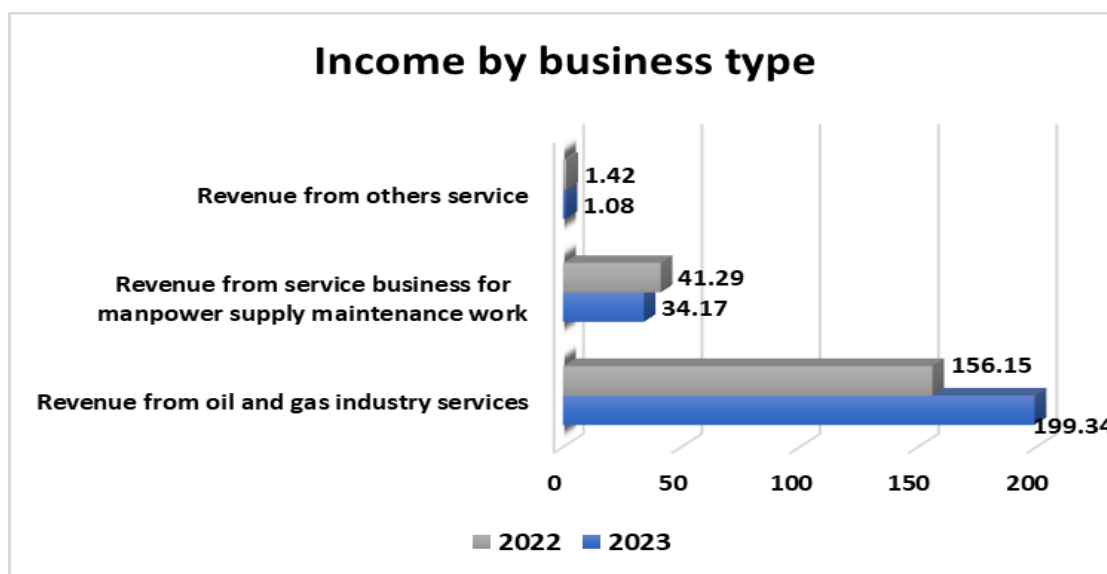
The company has a return on assets ratio of 326.16% and 21.22% in 2023 and 2022, respectively, indicating that the company can use assets in operations more efficiently compared to the previous year. The company has a return on equity ratio of 2,343.54% and 11.81% in 2023 and 2022 respectively. The reason that the return on equity increased from the previous year was the result of the successful implementation of the debt restructuring plan with financial institution creditors according to the debt restructuring plan.

- **Revenue from services**

The company has revenue from services for the year 2023 amount of 234.59 million Baht, a increased of 35.78 million baht from the previous year or 17.97%, which last year the company had income from services in the amount of 198.86 million baht, with most of the company’s revenue coming from the business. Providing services for the oil and gas industry in the amount of 199.34 million baht, or 84.97% of total revenue (Year 2022 : 156.15 million baht, or 78.52% of total revenue) and revenue from repair personnel management services maintenance of electrical equipment in the amount of 34.17 million baht, or 14.57% of the total revenue, with the total revenue increased Due to the total revenue from sending manpower and income from renting equipment and tools the number of services delivered to the Erawan platform increased form the previous year.

Table of income by Business type

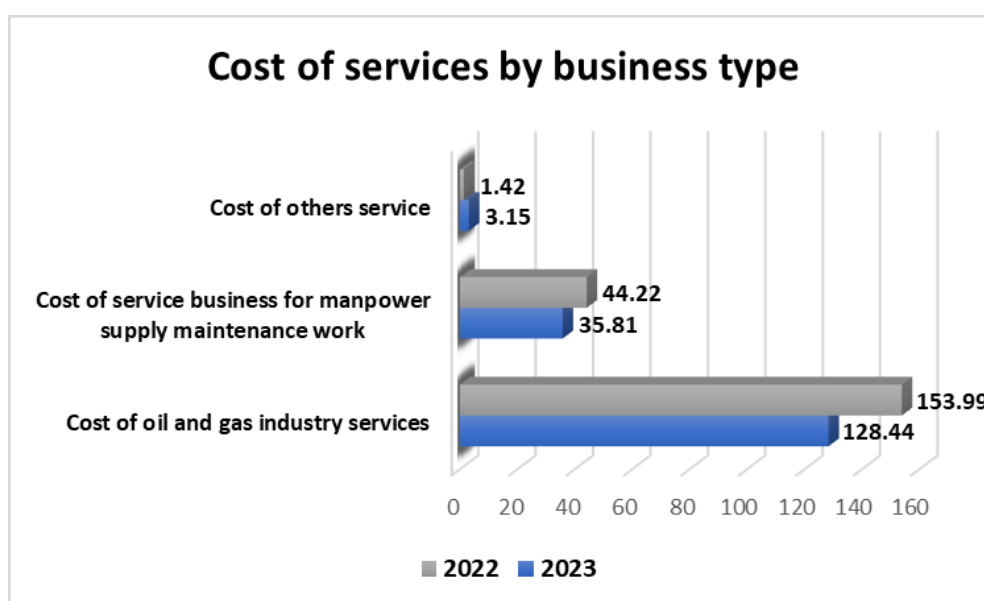
Income	2023		2022	
	Million	%	Million	%
Revenue from oil and gas industry services	199.34	84.97	156.15	78.52
Revenue from service business for manpower supply maintenance work	34.17	14.57	41.29	20.76
Revenue from others service	1.08	0.46	1.42	0.72
Total Income	234.59	100.00	198.86	100.00



The company continues to focus on retaining its customer base from its core business of providing services in the offshore oil and gas industry by sending employees with specific expertise, qualified to meet good performance standards. Equipment rental services on drilling rigs in the Gulf of Thailand in addition, it has expanded its personnel management services for electrical equipment maintenance in other industrial sectors. Which has been trusted by customers to make long-term contracts continually increasing.

- **Cost of sale and services**

Year 2023, the company has total cost of sale and services in the amount of 167.40 million baht or 71.36 of total revenue from sales and services, the percentage of cost of services to revenue a decrease of 29.03% (Year 2022: The cost of services amounted to 199.63 million baht, representing 100.39% of revenue services) The cause is the cost of training and developing personnel. Purchasing various materials and equipment the company has already invested in this expense in the previous accounting period. It also has a policy to manage costs and control various expenses. Strictly resulting in the use of various budgets This is a direct cost in increasing project management efficiency.



- **Selling and Administrative Expenses**

Year 2021, the company has selling and administrative expenses in the amount of 44.58 million baht or 19.00% of the revenue from services. Which decreased from the previous year in the amount of 4.09 million baht or 8.40% , in which in 2022 there were sales and administrative expenses in the amount of 48.67 million baht or 24.47% of revenue services. This is a result of the management policy and control of various expenses. of the company to be efficient, thus causing the company's expenses to continuously decrease.

Overview of financial position

As at December 31 2023, the company has total assets of 204.32 million baht, a decrease of 47.42% compared to the previous year. Total assets consisted of trad and other current receivable, contract assets of 74.55 million baht and investment property land building and equipment amounted to 78.73 million baht. The company had total liabilities of 232.76 million baht. Current liabilities accounted of 203.18 million or 87.29% of total liabilities. Equity attributable to owners of the company as of December 31, 2023, was 14.64 million baht, and non-controlling interests of the subsidiary was negative in the amount of 43.08 million baht. The shareholders' equity of the company increased compared to the previous year due to annual net profits of 669.94 million baht. (Year 2022: Total shareholders' equity is negative in the amount of 698.38 million baht). This is the result of the successful implementation of the debt restructuring plan with major creditors, allowing the company to realize profits from debt restructuring, and profits from debt reduction negotiations with creditors. Both the operating profit of the company increased from the previous year. Due to the company's policy to manage costs and various expenses more efficiently, resulting in 2023 the company's annual net profit will be higher than the previous year by 705.46%, resulting in shareholders' equity as of 31 December, 2023 increased accordingly.

Statement of Financial Position as at (Million Baht)	Consolidated financial statements				+ (-)	
	2023	2022	2021	2020	MB	%
	(Restated) (Restated)					
ASSETS						
Cash and cash equivalents	6.42	81.74	127.07	46.01	(75.32)	-92.15%
Trade and other current receivable, Contract assets	74.55	44.63	100.44	163.03	29.92	67.04%
Investment property	62.35	64.27	65.92	67.57	(1.92)	-2.99%
Property, plants and equipment ,Right-of-use assets	16.38	150.64	154.87	214.71	(134.26)	-89.13%
Withholding tax	14.12	21.58	14.46	28.39	(7.46)	-34.57%
Other current assets	4.42	2.40	2.40	9.10	2.02	84.17%
Other non-current assets	26.08	23.31	10.58	15.78	2.77	11.88%
TOTAL ASSETS	204.32	388.57	475.73	544.59	(184.25)	-47.42%
LIABILITIES						
Defaulted debts	65.5	836.39	799.68	658.14	(770.89)	-92.17%
Trade and other current payables	74.31	118.64	310.66	355.41	(44.33)	-37.37%
Provision for late penalty	-	24.83	24.83	56.83	(24.83)	-100.00%
Employee benefit obligation	27.56	28.09	24.74	47.40	(0.53)	-1.89%
Provision for litigation	-	-	-	106.31	-	#DIV/0!
Other current liabilities	63.38	78.74	89.39	98.64	(15.36)	-19.51%
Other non-current liabilities	2.01	0.26	7.26	20.51	1.75	673.08%
TOTAL LIABILITIES	232.76	1,086.95	1,256.57	1,343.23	(854.19)	-67.98%
SHAREHOLDERS' EQUITY						
Issued and paid-up share capital	6,642.30	6,642.30	6,642.30	2,770.89	-	0.00%
Premium on ordinary shares	128.89	128.89	128.89	128.89	-	0.00%
Discount on ordinary shares	(4,754.94)	(4,754.94)	(4,754.94)	(940.36)	-	0.00%
Deficits	(2,068.86)	(2,740.13)	(2,823.47)	(2,822.26)	671.27	-24.50%
Other components of shareholders' equity	67.24	67.24	67.24	67.24	-	0.00%
Equity attributable to owners of the Company	14.64	(656.63)	(739.97)	(795.59)	671.27	-102.23%
Non-controlling Interests of the subsidiaries	(43.08)	(41.75)	(40.87)	(3.05)	(1.33)	3.19%
TOTAL SHAREHOLDERS' EQUITY	(28.44)	(698.38)	(780.84)	(798.64)	1,341.21	-192.04%

- **Cash and cash equivalents.**

As at 31 December 2023 the company had cash and cash equivalents amount of 6.42 million baht (Year 2022: 81.74 million baht.) decreased of 75.32 million baht or 92.15%, due to the use of cash to pay debts according to the debt restructuring plan with financial institution creditors. and creditors who successfully negotiated for a debt reduction

- **Trade and other current receivables, Contract assets**

The company had trade and other receivables, Assets arising from contract as at December 31, 2023 amounted to 74.55 million baht, increase of 29.92 million baht or 67.04% compared to the previous year (Year 2022 : amount 44.63 million baht). The company has a turnover ratio of trade accounts receivable equal to 7.77 times, a decrease from the previous year which was 5.29 times and has an average collection period of about 47 days, an increase from the previous year equal to 22 days, which in 2022 has an average collection period of about 69 days, indicating that efficiency of The company's debt collection decreased slightly from the previous year.

Most of the trade accounts receivable are within their due dates. As for trade receivables that are overdue for more than 12 months, the company has already set up an allowance for credit losses and an allowance for doubtful accounts of almost 100%, which is an appropriate and sufficient criterion.

- **Liabilities**

As at 31 December 2023 the company had total liabilities of 232.76 million baht, a decrease of 854.19 million baht from the previous year, or 78.59 percent, compared to the previous year. (Year 2022: amount 1,086.95 million baht) The reason is because the company has successfully implemented the debt restructuring plan and repaid debts to financial institution creditors. Total liabilities include trade and other creditors in the amount of 74.31 million baht and defaulted debt from a domestic financial institution in the amount of 65.50 million baht (debt of a subsidiary company).

- **Liquidity Ratio**

In 2023, the company had a working capital ratio equal to 0.42 times, an increase of 0.30 times compared to 2022 equal to 0.12 times, caused by current liabilities, which are defaulted debts, in the amount of 836.39 million baht, from the company stopping paying principal and interest to the said creditors. Since January 2016, the amount has decreased by 770.89 million baht because the company has completed debt restructuring and repayment according to the debt restructuring plan to creditors.

- **Profitability Ratio**

In 2023, the company's ability to make profits increased from the previous year. With a gross profit of 67.19 million baht, or 28.64 percent of total revenue, which increased from the previous year by 29.03 percent. In 2022, the company had a gross loss of 0.77 million baht, or 0.39 percent of total revenue. The company has a rate of return on assets of 326.16 percent. The rate of return on shareholders' equity is 2,343.54 percent. In 2023, the company has a profit from debt restructuring. Profit from selling assets and profits from debt reduction from successfully negotiating debt reduction with creditors.

- **Adequacy of liquidity and debt servicing ability**

The company still has sufficient cash flow. Receive credit line support from trading partners for use in the normal business operations of the group of companies. The company mainly uses credit term management with its trading partners. By negotiating credit terms with product suppliers to be consistent with the collection period from the company's trade receivables. The company still believes that it will be able to obtain sufficient working capital from future operations for business operations.

- **Obligations**

As at 31 December 2023, the company had a letter of guarantee issued by a local financial institution to be bound by the Company's trade agreement amounting to 78.20 million baht, including the liability that may arise from the lawsuit, which is currently under the process of not being finalized by the court.

Assets used in business operations

Important characteristics and details of assets

As of December 31, 2023, the Company and its subsidiaries have the main fixed assets used in business operations as follows:

Land, buildings and structures

Location	Property characteristics	Proprietary nature	Obligation	Net book value 2023
PAE (Thailand) Public Company Limited				
Head office		Sold in installments		-
Rayong branch office		Sold in installments		-
PPS Energy and Marine Company Limited				
Chiang Mai branch office				
No. 59/2, San Pong Subdistrict, Mae Rim District, Chiang Mai Province	1 plot of land and improvements, area 1-3-31 rai	Owner	Mortgage with a financial institution	1,400,000.00
	Office building	owner	Mortgage with a financial institution	2,432,432.00
Total				3,832,432.00

Machinery, tools, construction equipment and assets under construction

Property type	Proprietary nature	Obligation	Net book value
Machinery, tools and equipment	owner	free from obligation	8,297,279.42
Office supplies and furnishings	owner	free from obligation	834,998.58
Vehicle	owner	free from obligation	14.00
Assets under installation and construction	owner	free from obligation	-
Total			9,132,292.00

Investment policy in subsidiaries and associated companies

The Group of Companies has established a policy for investing in subsidiaries and associated companies of the Company, focusing on investing in business groups that are related to the operations of the Company's core business and must be capable businesses. To make a profit and give good returns.

For management in subsidiaries and joint ventures, the company will send representatives to be directors in subsidiaries and joint ventures in order to participate in setting management policies and attend meetings or discuss various management matters. creating efficiency and maximizing benefits together.

5. General information and other

5.1 General information

Name of company issuing securities	PAE (Thailand) Public Company Limited
Company registration number	0107538000291 (Plc. 0552)
Head office location	No. 69 Soi On Nut 64 (Soi Suksamarn), Srinakarin Road, Suan Luang Subdistrict, Suan Luang District, Bangkok 10250.
Songkhla assembly plant	Number 164/6 Village No. 6, Hua Khao Subdistrict, Singhanakhon District, Songkhla Province 90280
Nature of business	Providing engineering and construction services, providing maintenance and repair services for various equipment for oil and natural gas production companies, including sending experienced people to work both onshore and offshore (Onshore & Offshore) both domestically and abroad. Country
Telephone (Head Office)	0-2322-0222 (Automatic)
Fax (Head Office)	0-2322-2970-1
Email address:	info@pae.co.th
Company Website	www.pae.co.th
Stock Registrar	
Office Name	Thailand Securities Depository Company Limited
Location	Stock Exchange of Thailand 93 Ratchadaphisek Road, Din Daeng Subdistrict, Din Daeng District, Bangkok 10400
Telephone, Fax	02-009-9000, 02-009-9991
Auditor's name	Mr. Kiatisak Vanithanont Certified Public Accountant No. 9922 and/or Ms. Susan Eiamvanicha Certified Public Accountant No. 4306 and/or Mr. Suchart Panitcharoen Certified Public Accountant No. 4475 and/or Ms. Chuenta Chommern Certified Public Accountant No. 7570 and/or Ms. Wandee Eiamvanicha Certified Public Accountant No. 8210
Office Name	S.P. Audit Company Limited (Office)
Location	
Address	Siriphanyo Building, 16th Floor, Unit 1601, Sri Ayutthaya Road, Thanon Phaya Thai Subdistrict, Ratchathewi District, Bangkok Telephone 662-642-6172-4 Fax (662) 642-6253



5.2 Other important information

- The Company has no policy to issue and offer debt instruments to the general public. –

5.3 Legal disputes

As of December 31, 2023, PAE (Thailand) Public Company Limited has several legal disputes and these are continuation cases from previous years. There are no new cases in 2023, with details about the cases as follows:

Civil breach of contract lawsuit

Case No. 1 **OGTHAI-HAI LECK ENGINEERING CO., LTD**

The litigant: Logthai-Hai Leck Engineering Company Limited, the plaintiff sued PAE (Thailand) Public Company Limited as the defendant.

Details of the case: Breach of contract, demanding installation costs and scaffolding rental, totaling 10,425,605.43 baht, is a disputed case in court. Case progress: The Court of First Instance ruled on March 18, 2015 that the defendant pay the amount 10,424,605.73 baht plus interest at the rate of 7.5 per year on the principal amount of 9,466,051.58 baht from the filing date on 23 July 2014 until payment is completed. Court fees in lieu of attorney's fees set at 10,000 baht. On September 1, 2022, the Court of Appeal ruled to amend the interest at the rate of 5 percent per year. The case had a dispute. The defendant filed an appeal against the court's judgment and requested a stay of execution. As of December 15, 2022, the case is under consideration by the Supreme Court.

Case No. 2 **Soilcrete Technology Co.,Ltd.**

The litigant: Soilcrete Technology Co., Ltd. - Plaintiff sues PAE (Thailand) Public Company Limited as the defendant.

Case details On the basis of breaching the employment contract, requesting damages and agreeing to approve entering into a compromise contract in the amount of 7,293,676.82 baht, payable in 36 monthly installments of not less than 150,000 baht, if any of the installments is defaulted, the plaintiff will submit a letter of demand, but if defaulted and in arrears Pay in 2 installments to enforce the case from the total outstanding amount including accrued interest of another 1,000,000 baht, with interest calculated at 7.5% of the outstanding principal. The fee is folded. The progress of the case has been to gradually repay debts according to the compromise agreement and make a memorandum of understanding to extend the payment period without legal enforcement.

Case No. 3 **ISLAMIC BANK ASSET MANAGEMENT COMPANY LIMITED**

The litigant: Islamic Bank Asset Management - Plaintiff sues PAE Company (Thailand) as the first defendant and Oasis Development Company Limited as the second defendant.

Details of the case: Breach of contract, mortgage, guarantee, claim for damages, capital 722,051,843.33.-baht. The case can be settled by compromise and is in the process of complying with the conditions of the compromise contract.

Other cases

The Company has no pending legal disputes in which the Company is a party or parties that have a negative impact on assets with an amount higher than 5 percent of shareholders' equity or more than 10 percent of current assets. And it is not a case that has a significant impact on the company's business operations, whether it is the workers whose contract ends according to the project or the commercial contractors. and there were no cases that did not arise from the Company's normal business operations at all.



PAE (Thailand) Public
Company Limited

2023

Section 2

Management and Corporate

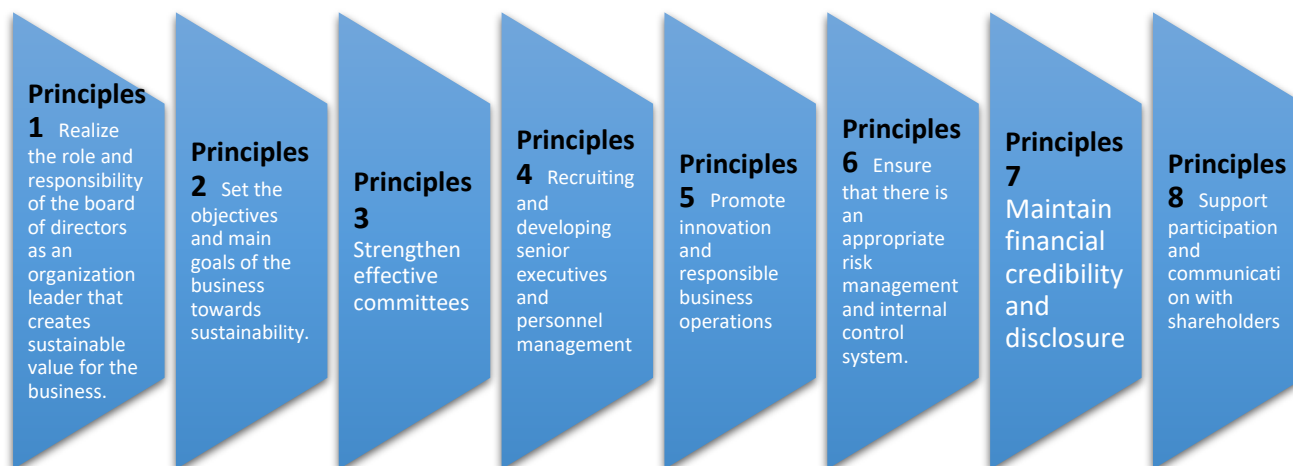


PAE (Thailand) Public Company Limited

6. Good corporate governance policy

The Company has complied with good practices in accordance with the principles of good corporate governance in accordance with the regulations of the Stock Exchange of Thailand as follows:

The Board has a process for reviewing the application of the principles of good corporate governance for listed companies in 2017 and is aware of the responsibility as a leader to supervise the organization's management as follows.



➤ **Principle 1: Recognize the role and responsibility of the board of directors as an organization leader that creates sustainable value for the business.**

The Board of Directors has set the main objectives and goals for conducting business, including creating an organizational culture that adheres to ethics and conducts itself as a model. The committee establishes a management framework for resource allocation, development and budgeting, personnel management policies and plans, and information technology policies.

➤ **Principle 2: Set the objectives and main goals of the business towards sustainability.**

The Board of Directors is responsible for ensuring that the business has clear objectives or main goals, appropriate and communicated to everyone in the organization to move in the same direction. The committee has created a shared vision and values for the organization, including the environment and changing factors, including the needs of customers and stakeholders. Including the Board of Directors has prepared, reviewed objectives and goals and strategies for the company to ensure that various factors may affect the achievement of the main goals of the business.

➤ **Principle 3: Strengthen effective committees**

The Board of Directors is responsible for determining and reviewing the committee structure. Regarding the size of the composition, the appropriate proportion of directors to perform their duties efficiently, with the board consisting of directors with various qualifications in terms of skills, experience, abilities, and specific characteristics. The committee has a ratio of 4 executive directors and 5 non-executive directors, appropriately balanced. The non-executive directors are able to freely express their opinions about the management's work.

The company has the qualifications of 3 independent directors according to the criteria of the Securities and Exchange Commission of Thailand. Including disclosing information about directors such as age, educational background, experience, shareholding percentage, number of years serving as a director and holding directorship positions in other listed companies in the annual report (One Report) through the company's website.

➤ **Principle 4: Recruit and develop senior executives and personnel management**

The Board of Directors is confident that the President and senior executives are recruited and developed to have the knowledge, skills, and experience with the necessary characteristics to drive the organization towards its goals. The company has determined an appropriate compensation structure and the company has a committee to monitor the management and development of personnel to have the appropriate amount of knowledge, skills, experience and motivation and in the part of employees. The company has established a provident fund to ensure that employees have sufficient savings for retirement, as well as supporting employees to have knowledge and understanding in money management, selecting policies that are consistent with their age and level of risk.

➤ **Principle 5 Promote innovation and responsible business operations.**

The committee monitors and ensures that the management conducts business in a responsible manner towards society and the environment. The guidelines cover the following matters:

1. Responsibility to employees and employees: The company complies with relevant laws and standards by treating employees and employees fairly and respecting human rights.
2. Responsibility to customers, the company has taken into account the satisfaction of customers or consumers by continuously implementing a quality management system to ensure that customers or consumers receive maximum satisfaction.
3. Responsibility to trading partners: The company has fair procurement processes and contract and agreement conditions. The company allows employees to develop knowledge, develop potential and raise the level of service ability to meet standards and be socially and environmentally responsible, including following up to develop sustainable business operations between them.
4. Responsibility for the community, applying business knowledge and experience to conduct business while participating in community and social development. Starting with the communities in the areas close to the company's offices and factories in every branch, including work on various projects received from customers, starting with revealing facts without concealing them and promoting appropriate community participation. From before, during construction and upon completion of the project, there is a process for evaluating and resolving impacts that may occur on the community. It also cooperates with community organizations and government agencies in implementing projects to continuously develop the quality of life of the community.
5. Environmental responsibility, the company provides preventive management, creates awareness and participation in preserving the environment and has established a policy to help reduce global warming through cooperation from employees in using energy efficiently. Help turn off electricity and unnecessary electrical appliances, including supporting the use of recycled paper, and the company has given importance to creating awareness of social responsibility and encouraging the company's personnel to participate as well as opening opportunities. Allow employees to use their knowledge and abilities and be a driving force in carrying out activities that are beneficial to society and the environment including compliance with standards ISO14001;2015.
6. Fair competition, the company conducts business openly and transparently, does not create unfair competitive advantages, and opposes fraud and corruption.

➤ **Principle 6: Ensure that there is an appropriate risk management and internal control system.**

The company is aware of the importance of an adequate and appropriate internal control system and has established an internal control system covering finance, operations, and operations in accordance with relevant laws, rules, and regulations. The Board of Directors has assessed the Company's internal control system by asking for information from management in 5 different areas: control environment, risk assessment, control activities, information and communication, and monitoring. In summary, the opinion is that the company has an adequate internal control system. Financial information is completely disclosed in the company's financial statements. The Company's business operations are in full compliance with the Securities and Exchange Act and other related laws.

➤ **Principle 7: Maintain financial credibility and disclosure of information.**

Company is responsible for preparing financial reports and disclosing important information in accordance with relevant rules, standards and guidelines. The Board of Directors considers the appropriateness of disclosing information in accordance with laws, Follow the code of ethics, anti-corruption policy, treatment of employees and stakeholders, including social and environmental responsibility.

➤ **Principle 8: Support participation and communication with shareholders.**

The Board of Directors is confident that the Company's shareholders are involved in decision-making on important matters of the Company.

- Securities and shareholder information, amount of registered capital and paid-up capital as of December 31, 2023 are as follows.

Registered capital	Total	24,938,007,894	Baht
Paid-up registered capital	Total	6,642,299,396	Baht
Common shares	Total	6,642,299,396	Share
Preferred shares	Total	-	Share
Face value	Total	1	Share
Common shares as of December 31, 2023	Total	6,642,299,396	Share

- The Company does not have preferred shares or any other types of shares that have rights or conditions that are different from ordinary shares.

List of the top 10 major shareholders of the company along with the number of shares held and shareholding proportion. As of December 28, 2023 (latest book closing date) as follows:

No.	List of shareholders	Number of shares held (Share)	Shareholding Proportion
1	Mr. Chinchai Leenabanchong	2,910,932,800	43.82 %
2	Mr. Atchada Kasemsuk	446,850,000	6.72 %
3	Miss Amporn Sriphothong	272,043,000	4.09 %
4	Mr. Korchok Saengthongaram	185,800,000	2.79 %
5	Mr. Khajonsak Dilokkalyakul	130,400,000	1.96 %
6	CORE PACIFIC-YAMAICHI INTERNATIONAL (H.K) LIMITED-CLIENT	129,600,000	1.95 %
7	Mr. Kritchapon Thamuang	106,650,000	1.60 %
8	Mr. Phisit Suchatlikitwong	100,000,000	1.50 %
9	Mr. Nat Wangmahaporn	83,197,400	1.25 %
10	Mr. Natthapat Panyathanakun	55,000,000	0.82 %

* Source: Thailand Securities Depository Co., Ltd. as of December 28, 2023 (latest book closing)

** The Company does not have a major shareholder group that significantly determines the management policy or operations of the Company.

- **Business operations by holding shares in other companies, shareholder information of subsidiaries in which the company conducts its main business.**
 - The company does not conduct business primarily by holding shares in other companies (holding companies). -
- **Agreement between major shareholders**
 - The Company does not have major shareholders who have agreements with each other on matters affecting the offering of securities or the management of the Company. –
- **Issuance of other securities**
 - None-

❄ **Company dividend policy**

The company has a policy of paying dividends of not less than 40 percent of net profits each year after deducting taxes and making legal reserves or as appropriate. This depends on any other necessary circumstances and the payment of dividends will not significantly affect the normal operations of the company. Under the Public Limited Companies Act, B.E. 2535, Section 116, the company must allocate a legal reserve of not less than 5 percent of each year's net profit after deducting accumulated losses brought forward (if any) until the reserve fund is not less than 10 percent of the registered capital.

❄ **Dividend payment policy of the Company's subsidiaries**

The dividend payment policy of other subsidiaries depends on the operating results and capital requirements and financial liquidity of the subsidiaries in that year.

For the years ended December 31, 2023, 2022 and 2021, the Company and all subsidiaries did not declare dividends due to operating losses.



7. Corporate governance structure and information about the board of directors, sub-committees, executives, employees and others.

7.1 Board of Directors

The Company's Board of Directors, according to the regulations, requires that there be a Board of Directors of not less than 5 people and not less than half of the total number of directors must reside in the Kingdom and must have qualifications as required by law.

The Company's Board of Directors as of December 31, 2023 consists of all directors as follows:

No.	Name	Position	Appointment date	Resignation date
1	Mr. Charlie Jangvijitkul	Chairman of the Board	25 October 2021	-
2	Mr. Anond Lekasthapon	Vice Chairman No. 1	16 June 2020	-
3	Mr.Uthai Klangpimai	Vice Chairman No. 2 and Executive committee	10 August 2021	-
4	Mr.Thitiporn Kaveevityavej	Chairman of the Audit Committee and Independent director and Company director	21 October 2021	-
5	Mr.Kitti Atinun ¹	Audit Committee and Independent director and Company director	1 November 2023	-
6	Mr. Nirun Hengboriboonpong	Audit Committee and Independent director and Company director	5 January 2022	-
7	Mr. Chaiwiwat Leenabanchong	Company Director and Executive Director	21 January 2022	-
8	Miss Panadda Boonprakob	Company Director and Executive Director	25 October 2021	-
9	Mr. Gumpon Kupadakvinij	Company Director and Executive Director	18 March 2022	-
10	Mr.Krissada Surawathanawises ²	Audit Committee and Independent director and Company director	21 October 2021	1 November 2023

Remarks:

1/ No. 5. Appointed on 1 November 2023 to replace Mr. Krissada Surawathanawises who resigned.

2/ No. 10. Directors resign effective from 1 November 2023.

Audit Committee of PAE (Thailand) Public Company Limited

As of December 31, 2023, there are the following names:

No.	Name	Position
1	Mr. Thitiporn Kaveevityavej	Chairman of the Audit Committee
2	Mr. Nirun Hengboriboonpong	Audit Committee
3	Mr. Kittin Atinun 1	Audit Committee

Remark*

1/ No. 3 The board meeting resolved to appoint him to the audit committee, effective on November 1, 2023.

Nomination and Remuneration Committee, PAE (Thailand) Public Company Limited

As of December 31, 2023, there are the following names:

No.	Name	Position
1	Mr. Thitiporn Kaveevityavej	Chairman of the Nomination and Remuneration Committee
2	Miss Panadda Boonprakob	Nomination and Remuneration Committee
3	Mr. Nirun Hengboriboonpong ₁	Nomination and Remuneration Committee

Remark:

1/ No. 3 The Board meeting resolved to appoint him to the Nomination and Remuneration Committee, effective on November 1, 2023.

Executive Committee of PAE (Thailand) Public Company Limited

As of December 31, 2023, there are the following names:

No.	Name	Position
1	Mr. Chaiwiwat Leenabanchong*	Executive Chairman
2	Mr. Gumpon Kupadakvinij**	Executive Vice Chairman No. 1
3	Mr. Uthai Klangpimai***	Vice Chairman of the Executive Committee No. 2
4	Miss Panadda Boonprakob	Executive committee

Remark *

* The board meeting resolved to appoint him as the chairman of the executive committee, effective January 21, 2022.

** The Board meeting resolved to appoint him as Executive Vice Chairman No. 1, effective January 21, 2022.

*** The Board meeting resolved to appoint him as the 2nd Vice Chairman of the Executive Committee, effective January 21, 2022.

Summary of meeting attendance of the directors of PAE (Thailand) Public Company Limited in 2023

List of directors and executives	Attending board meetings in 2023 (times)				
	* General meeting Shareholders Annual * Year 2023	Board of Directors meeting	Audit committee meeting	Executive Committee meeting	Meeting of the Nomination and Remuneration Committee
1. Mr. Charlie Jangvijitkul	1	4/4	-	-	-
2. Mr. Anond Lekasthapon	1	2/4	-	-	-
3. Mr.Uthai Klangpimai	1	4/4	-	1/1	-
4. Mr.Thitiporn Kaveevityavej	1	4/4	1/1	-	1/1
5. Mr. Nirun Hengboriboonpong ¹	1	4/4	1/1	-	-
6. Mr.Kitti Atinun ²	1	4/4	-	-	-
7. Mr. Chaiwiwat Leenabanchong	1	4/4	-	1/1	-
8. Miss Panadda Boonprakob	1	4/4	-	1/1	1/1
9. Mr. Gumpon Kupadakvinij	1	4/4	-	1/1	
10. Mr.Krissada Surawathanawises ³	1	4/4	1/1	-	1/1

Remarks:

1/ Name list 5. Resolution of the Board of Directors' meeting to appoint a member of the Nomination and Remuneration Committee on November 1, 2023 to replace Mr. Krissada Surawathanawises who resigned.

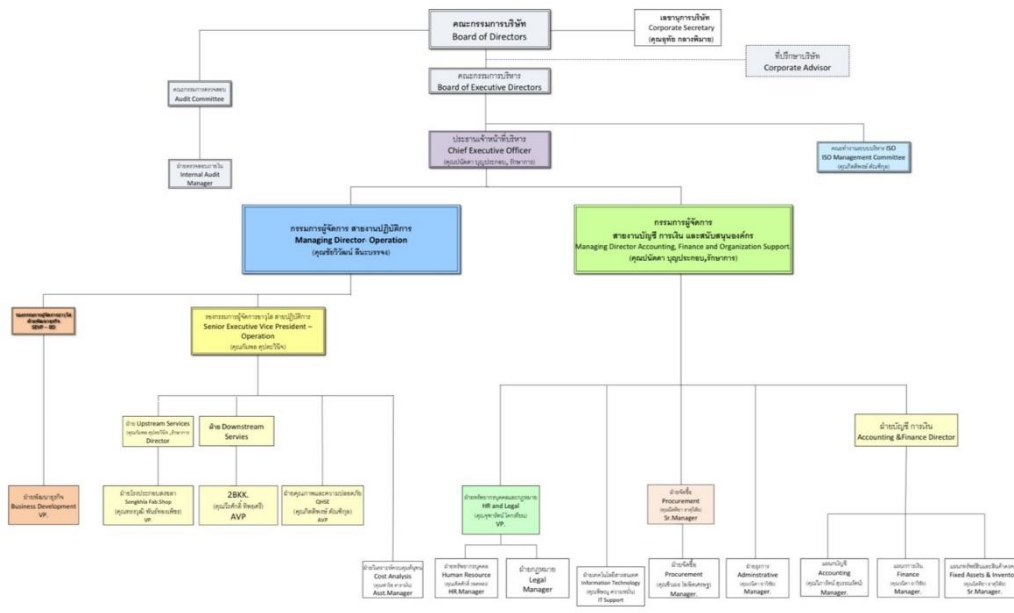
2/ Name list 6. Resolution of the Board of Directors' meeting to appoint a member of the Audit Committee on November 1, 2023 to replace Mr. Krissada Surawathanawises who resigned.

3/ List of 10. Directors who resigned effective 1 November 2023



7.2 Information about executives

Organizational management structure (Organization Chart) As of December 31, 2023



7.2.1 Executive

Executive means an employee of the company who holds an executive position and/or who has authority and duties in the management of the company and is an executive according to the definition of the Securities and Exchange Commission, namely a managing director or a person holding an executive position. The first four persons after the managing director are below (highest position holder of the company), every person holding a position equivalent to the fourth executive level holder and shall include person holding a management position in the accounting field Finance at the department manager level or above or equivalent.

The management team of PAE (Thailand) Public Company Limited as of 31 December 2023 is as follows:

No.	Name	Position
1	Miss Panadda Boonprakob	Chief Executive Officer (Acting)
2	Mr. Chaiwiwat Leenabanchong	Managing Director
3	Mr. Gumpon Kupadakvinij	Senior Deputy Managing Director of Operations/Director of Upstream Services
4	Mr. Jaruk Promsuwan	Director of Songkhla Assembly Plant
5	Mr. Songwut Panthongpetch	Acting Vice President of Songkhla Assembly Plant
6	Mr. Weerasak Thipayasri	Assistant Marketing Director
7	Mr. Kittipong Tandicul	AVP./QMR
8	Miss Chutarat Khokthian	Vice President of Human Resources and Legal Department

***Remarks** Mr. Jaruk Promsuwan Resigned from being the director of the department Effective from 17 April 2023

Mr. Songwut Panthongpetch Accepted the position of Acting Vice President of Songkhla Assembly Plant Effective on 5 April 2023

Miss Chutarat Khokthian Accepting the position of Director of Vice President of Human Resources and Legal Department Effective on 1 April 2023

7.3 Company secretary and those assigned to be directly responsible for supervising accounting

(1) Company Secretary

Name Mr.Uthai Klangpimai

Position Company Secretary

- **Education / Training**

- Barrister-at-Law, Thai Bar Association under the Royal Patronage of Thailand 2006

- Bachelor of Laws, Ramkhamhaeng University 2001

- **Work experience**

- Vice Chairman No. 2, Executive Director, PAE (Thailand) Public Company Limited

- Deputy Managing Director of Contract Management and Organization Development, EMC Public Company Limited

- **Work experience (5-year period)**

- Legal and Contract Manager, EMC Public Company Limited

- Independent lawyer

Scope, duties and responsibilities

- **Prepare and maintain important documents including: Director registration, meeting invitation letter, minutes of board and shareholder meetings, annual report (One Report).**
- **Support the work of directors and executives in accordance with relevant laws and regulations, coordinate between the chairman of the board of directors and executive directors, as well as between the company and shareholders.**
- **Organize meetings of the Board of Directors and shareholders in accordance with the law and company regulations, including coordinating to ensure compliance with the resolutions of the Board of Directors meeting and shareholder meeting, and promoting executive directors and subsidiaries, follow the principles of good corporate governance.**
- **Perform duties according to law or as assigned by the Board of Directors and perform other actions as specified by the Capital Market Supervisory Board.**

(2) Accounting Supervisor

Name Ms. Viparat Suwannarat

Position Account manager

● Education/Training Qualifications

- Bachelor's degree in Business Administration – Accounting, Rajabhat Rajanagarindra University
- Higher Vocational Certificate (High Vocational Certificate) in Business Administration -Accounting Attawit Commercial School
- AI Accounting Course: AI Technology and Accounting Applications
- Accounting caution course for closing accounts before submitting financial statements
- Effective Accounting & Financial Reporting and Presentation Technique

- Deeply analyzing problems in the practice of accountants according to the accounting standard, according to the financial reporting standard

- Techniques and points to be careful in closing financial statements for accountants
- Solving problems with accounting documents and related documents that affects the recognition of accounting items
- Focus on accounting for accountants according to the new revised standards
- 39 accounting problems and correct solutions for accountants Impact according to accounting standards
- Year 2021 Guidelines for recording accounts and adjusting transactions to be correct according to accounting standards No. 2 on inventories.
- Year 2021 accrual basis, accounting recording problems according to financial reporting standards of NPAsE businesses.
- Year 2022: Clear tax problems from the Revenue Code with a tax guru.
- Year 2022, problems with recording accounting transactions at the end of the year - beginning of the year for accountants.
- Year 2023, internal control and accounting system improvement, points that accountants must be careful of.
- Year 2023 Precautions for submitting financial statements for the year 2023 and preparation for submitting financial statements for 2024

● Work experience (5-year period)

2014 – present : Account manager
PAE (Thailand) Public Company Limited

2008 – 2013 : Accountant
PAE (Thailand) Public Company Limited

Scope, duties and responsibilities

- Prepare details of income and expenses separated by project, summarize financial statements and details of accounting entries.
- Verify all documents and accounting.
- Check tax forms such as PND.50, PND.51, PND.30, PND.1, PND.3, PND.53, etc.
- Prepare documents and provide details to request a corporate income tax refund.

7.4 Policy on remuneration for directors and executives

The Company has paid directors' remuneration through approval from the Compensation Committee No. 1/2023 on 7 March 2023, through consideration by the Board of Directors No. 1/2023 on 7 March 2023, and approved by The 2023 Annual General Meeting of Shareholders on April 25, 2023 is a total amount of 1,200,000 baht, scheduled to be paid on a per-time basis by scrutinizing details for suitability in various respects and comparing with references from the same type of industry and economic conditions, including the appropriateness of the amount Board of Directors.

7.5 Remuneration for Directors and Executives

- a) **Monetary compensation in 2023** The Company has clearly established a policy on remuneration for directors. The Company has requested approval from the shareholders' meeting and has received approval from the shareholders. The remuneration of directors and executives is in accordance with the principles and policies set by the board as detailed in the attached table.

Director compensation rates for the year 2023 (Paid every time you attend a meeting)			
Board Meeting	Position	Meeting allowance	
		In the case of not receiving a regular	In the case of receiving a regular salary
Board of Directors meeting	Chairman	25,000	20,000
	Director	12,000	5,000
Executive Committee meeting	Chairman	12,000	Didn't receive the premium.
	Director	8,000	Didn't receive the premium.
Audit committee meeting	Chairman	20,000	-
	Director	12,000	-
Compensation committee meeting	Chairman	20,000	15,000
	Director	12,000	5,000

(b) Total remuneration and number of company directors and executives in 2023

List of Board of Directors	Compensation for directors of PAE (Thailand) Public Company Limited, ending in 2023.				
	Board of Directors Meeting	Audit Committee	Executive Committee	Compensation Committee	Total monthly and annual compensation (Baht)
1. Mr. Charlie Jangvijitkul	100,000.-	No	No	No	100,000.-
2. Mr. Anond Lekasthapon	24,000.-	No	No	No	24,000.-
3. Mr. Uthai Klangpimai	20,000.-	No	Be/receive a regular salary	No	20,000.-
4. Mr. Thitiporn Kaveevityavej	48,000.-	20,000.-	No	20,000.-	88,000.-
5. Mr. Nirun Hengboriboonpong ¹	48,000.-	12,000.-	No	Be/receive a regular salary	60,000.-
6. Mr. Kittit Atinun ²	48,000.-	to be/appointed On 1 November 2023	No	No	48,000.-
7. Mr. Chaiwiwat Leenabanchong	20,000.-	No	Be/receive a regular salary	No	20,000.-
8. Ms. Panadda Boonprakob	20,000.-	No	Be/receive a regular salary	5,000	25,000.-
9. Mr. Gumpon Kupadakvinij	20,000.-	No	Be/receive a regular salary	No	20,000.-
10. Mr. Krissada Surawathanawises ³	48,000.-	12,000.-	No	12,000.-	72,000.-
Total remuneration for company directors PAE (Thailand) Public Company Limited, year 2023					477,000 Baht

Remarks:

1/Name list 5. Resolution of the Board of Directors' meeting appointing him to be a member of the Nomination and Remuneration Committee on November 1, 2023 in place of Mr. Krissada Surawathanawises who resigned.

2/ Name list 6. Resolution of the Board of Directors' meeting to appoint a member of the Audit Committee on November 1, 2023 to replace Mr. Krissada Surawathanawises who resigned.

3/ List of 10. Directors who resigned from their positions as Company Directors, Audit Committee Members, and Nomination and Compensation Committee Members, effective November 1, 2023.

(c) Executive compensation The company has paid remuneration to 8 executives totaling approximately 9.10 million baht and for 2022, the company has paid remuneration to 12 executives totaling 9.37 million baht. Such remuneration is Compensation in the form of salary has the following details.

Compensation type	Year 2022		Year 2021	
	Number (people)	Amount (Thousand Baht)	Number (people)	Amount (Thousand Baht)
Salary	8	9,102	12	9,366

*** Non-monetary compensation - none –

Remark: * Executive means the manager or the first four people holding management positions after the manager, who hold positions equivalent to the fourth person holding management positions, and includes persons holding management positions in the accounting or finance fields who are department manager level or higher or equivalent.

7.5 Personnel

As of December 31, 2023, PAE (Thailand) Public Company Limited has a total number of employees.

Department	Number of employees in the company's main line of work	
	2022	2023
Regular monthly employee	85	73
Temporary contract employees	141	43
Daily employee	202	199
Total	428	315

** The company has provided other compensation/welfare to employees in the form of social security fund, provident fund, annual health examination, group health insurance, group life insurance, group accident insurance, and hospital treatment to employees both OPD and IPD according to the amount of the job position for which they are responsible. As for other compensation, the company provides employees in the form of overtime pay, living expenses and allowances, travel and accommodation expenses in cases where employees work outside of the country and abroad. The company has allocated according to the abilities and responsibilities of the assigned work and according to the job position for which it is responsible, and the company has established a provident fund under ONE ASSET MANAGEMENT LIMITED (One Asset Management) since 2014. There is a provident fund reserve at the rate based on the length of service of the employee and in the welfare section to help other employees for the year 2023, there is a fee to help with sick visit baskets, money to help in the event of the death of father, mother and employee. Total amount is 123,615 baht.

7.6 Personnel development policy

The company is committed to conducting business in accordance with good corporate governance, transparency, fairness, and social, cultural, and environmental responsibility. Along with creating and developing the potential of personnel to achieve excellence in every aspect, personnel are a valuable resource and an important force in driving the organization. The company has developed human resource work in various areas so that the company can operate efficiently as follows:

1. Executive development

Establish competencies for executives to use as a basis for developing executives to have skills, knowledge, and ability to work successfully. Encourage executives to share their work experiences with executives and employees in the company in order to Create an atmosphere for learning and development within the organization.

2. Personnel Management

The company will select, promote, and care for employees who have skills, knowledge, abilities, morality, ethics, and encourage employees to use their knowledge and abilities to work efficiently and effectively.

3. Personnel development

The company has a policy to develop employees' potential, skills, knowledge and ability to work appropriately and continuously so that employees have thinking skills, human skills and technical work skills. The employees will receive training according to the Training Plan. There will be external training and internal training and knowledge training.

4. Backup and succession

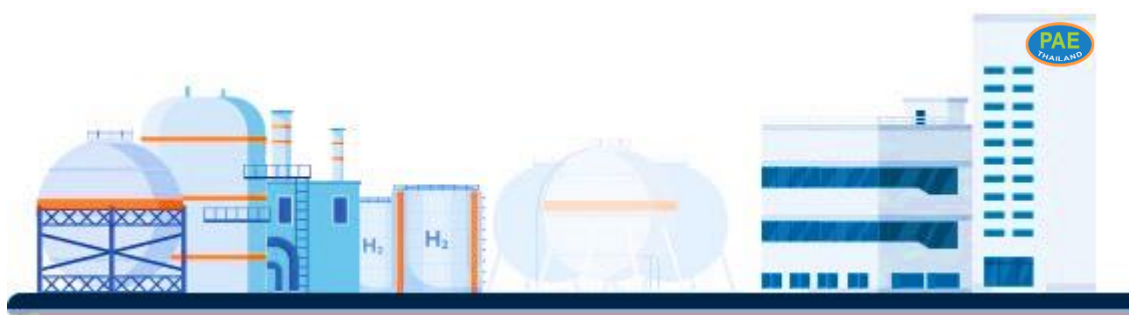
The company has a policy of preparing backup plans to accommodate various situations or changes that may occur in order to create stability and make the company's work. Still be able to achieve the set goals as well as reduce damage that may occur to a minimum by determining the competency of each job and using the evaluation results as a guideline for selecting reserve personnel to prepare for the succession in the future.

Annual training 2023

The company has organized 29 In-house courses, 35 Public courses, a total of 3 courses. There are 252 personnel who have received training, divided into 226 at the operational level, 26 at the supervisor level.

8. Report on key performance results in corporate governance

The Board is aware of the principles of good corporate governance and adheres to the principles of corporate governance, including the code of conduct for directors in accordance with the guidelines of the Stock Exchange of Thailand, which clearly defines duties and responsibilities with regular supervision and monitoring. Continuously, there is development and improvement of business operations as well as personnel development on a regular basis to provide maximum benefit to the company and maximum benefit to shareholders as well. PAE (Thailand) Public Company Limited has an ideology of conducting business with morality, honesty, transparency and in accordance with the principles of good corporate governance. The company is aware of the importance of anti-corruption and is committed to anti-corruption in all forms. To ensure that the company has policies to determine responsibilities, guidelines, and appropriate operational requirements to prevent fraud and corruption. The company has therefore prepared The "Anti-Corruption and Corruption Policy" is written as a clear guideline for conducting business as well as for personnel at all levels to adhere to as a norm in their work.



8.1 Sub-committees

In 2023, the company's management structure consists of 4 committees: the Board of Directors, the Audit Committee, the Executive Committee, and the Nomination and Remuneration Committee. The details are as follows:

The Company has appointed the Board of Directors to have authority to approve policies and approve amendments to the annual budget plan while the Executive Board has the authority to approve and amend business plans.

As for approval of investment and approval of the acquisition and disposal of assets related to the Company's business operations, approval must be obtained from the Executive Committee and the Board of Directors. But such approval authority depends on the size of the above transactions. The Board of Directors has the authority to approve transactions in the matter of overall budget management of the company. While the Executive Committee has the authority to approve the purchase of goods and services. In addition, the Company has established approval authority before entering into any transactions related to financial contracts. The Executive Committee has the authority to approve transactions in the matter of budgets, investments, approval of applications for purchases of goods and services with a limit of money and approval of purchase orders in the amount not exceeding 10 million baht, and requests for reimbursement of expenses such as entertainment expenses, travel expenses. , Monthly expenses including approval of withdrawal/clearance of trial funds. The various committees of the company have terms of office and the scope of authority and duties of each committee as follows:

8.2 Board of Directors of PAE (Thailand) Public Company Limited

As of December 31, 2023, PAE (Thailand) Public Company Limited has a list of 9 directors as follows:

No.	Name	Position	Appointment Date	Resignation date
1	Mr. Charlie Jangvijitkul	Chairman of the Board	Chairman of the Board	-
2	Mr. Anond Lekasthapon	Vice Chairman No. 1	16 June 2020	-
3	Mr. Uthai Klangpimai	Vice Chairman No. 2 and Executive committee	10 August 2021	-
4	Mr. Thitiporn Kaveevityavej	Chairman of the Audit Committee and Independent Director and Company Director	21 October 2021	-
5	Mr. Nirun Hengboriboonpong	Audit Committee Member and Independent Director and Company Director	5 January 2022	-
6	Mr. Kitti Atinun ¹	Audit Committee Member and Independent Director and Company Director	1 November 2023	-
7	Mr. Chaiwiwat Leenabanchong	Company Director and Executive Director	21 January 2022	-
8	Ms. Panadda Boonprakob	Company Director and Executive Director	25 October 2021	-
9	Mr. Gumpon Kupadakinij	Company Director and Executive Director	18 March 2022	-
A	Mr. Krissada Surawathanawises ²	Audit Committee Member and Independent Director and Company Director	21 October 2021	1 November 2023
**	Mr. Uthai Klangpimai	Being the Company Secretary		

Remarks:

1/ No. 6. Appointed on 1 November 2023 to replace Mr. Krissada Surawathanawises who resigned.

2/ No. A. Company Director and the Audit Committee resigned effective November 1, 2023.

➤ Powers and duties of the Board of Directors

According to the Company's regulations, the Board of Directors has the power and duty to perform and manage the Company in accordance with the law, the objectives and regulations of the Company, as well as the resolutions of the shareholder meeting, with honesty and care in protecting the interests of the Company. The Board of Directors may authorize one or more directors or any other person to perform any act on behalf of the Board of Directors, except for matters that are required by law to receive a resolution from a shareholder meeting before taking action. Such as selling or transferring all or important parts of the company's business to other people, increasing or decreasing the company's capital, etc.

The company's board of directors must meet at least once every three months. The meeting of the Board of Directors shall be held at the location of the Company's headquarters or a nearby province or any other place as determined by the Chairman of the Board or the person assigned by the Chairman of the Board of Directors.

➤ Scope of authority and responsibilities of the Board of Directors

1. Perform duties in accordance with the law, objectives, company regulations, resolutions of the board of directors and resolutions of shareholder meetings with responsibility, caution and honesty.

2. Consider and approve details, vision, and business strategies, business direction, business policy, goals, guidelines, operational plans and the company's budget.
3. Supervise the management and performance of the Executive Committee, Chairman of the Board, Managing Director, management team or any person assigned to perform such duties in order to be in accordance with the policies set by the Board of Directors.
4. Continuously follow up on the company's performance to ensure it meets the company's operating plan and budget.
5. Supervise and review to have a financial reporting system that is transparent, accurate, and adequate, including providing an internal control system and an internal audit system.
6. Arrange for the preparation of a statement of financial position and statement of comprehensive income at the end of the company's fiscal year and sign to certify such financial statements for presentation to the shareholders at the annual general meeting for consideration and approval.
7. Consider and approve the selection and appointment of auditors and consider appropriate compensation as presented by the Audit Committee before presenting it to the shareholders at the annual general meeting for consideration and approval.
8. Establish a written policy regarding corporate governance according to the principles of good governance and the effective application of such policy to ensure that the company is responsible towards all groups of stakeholders with fairness.
9. Consider and approve the appointment of persons who have qualifications and do not have prohibited qualifications as specified in the Public Limited Companies Act B.E. 2535 (including amendments) and the Securities and Exchange Act B.E. 2535 (including amendments). Including announcements, rules and/or regulations related to the position in the event that the position of director is vacant for reasons other than retirement by rotation and considering and approving the appointment of directors to replace those who retire by rotation and determination of remuneration for directors in order to propose to the shareholder meeting for approval.
10. Appoint sub-committees including the Audit Committee, Executive Committee, Nomination and Remuneration Committee or any other sub-committee and determine the authority and duties of such sub-committee to assist and support the performance of duties of the committee.
11. Consider specifying and amending the names of directors who are authorized to sign and bind the company.
12. Consider appointing executives according to the definitions set by the Securities and Exchange Commission or the Capital Market Supervisory Board and the company secretary. Including considering determining the remuneration of such executives as proposed by the Nomination and Remuneration Committee.
13. Seek professional opinions from outside organizations if necessary, to make appropriate decisions.
14. Encourage the directors and executives of the company to participate in various seminars of the Thai Institute of Directors Association in courses related to the duties and responsibilities of the directors and executives.
15. Oversee the operations of the company to be efficient and protect any interests related to all stakeholders.

➤ **Composition and election of the Board of Directors**

The company's board of directors must consist of not less than 5 people and not less than half of the total number of directors must reside in the Kingdom and must have qualifications as required by law.

By electing directors, shareholders will elect directors according to the following criteria and methods.

- (1) One shareholder has one vote equal to 1 share per 1 vote.
- (2) Each shareholder must use all of his or her votes. You can elect one person or many people to be directors, but you cannot divide your votes among anyone to any extent.
- (3) The persons who receive the highest number of votes in descending order are elected as directors equal to the number of directors that should be or will be elected at that time. In the event that the persons who are elected in descending order have the same number of votes, the number of directors that should be or will be selected at that time exceeds the number of directors. The chairman will have one additional deciding vote.

At every annual general meeting of shareholders, at least one-third of the directors must retire from office. If the number of directors cannot be divided exactly into three parts, then the number closest to one-third must retire. In addition, the directors those who retire by rotation may be re-elected to hold the position of director if the meeting elects them to hold the position again. Directors who must retire from office in the first and second years after registration of the company shall use the method of drawing lots to determine who will retire. As for the following years, the directors who have been in office the longest will be assigned is the person who leaves the position.

In the event that the director position is vacant for reasons other than retirement at the end of the term, the directors shall select a person who has qualifications and is not prohibited by law to be a replacement director at the next meeting of the board of directors, unless the director's term expires. With less than 2 months remaining, the person who becomes the replacement director will hold the position of director only for the remaining term of the director he or she replaces. The resolution of the directors must consist of votes of not less than three-fourths of the number of remaining directors.

8.3 Audit Committee of PAE (Thailand) Public Company Limited

As of December 31, 2023, it consists of 3 directors as follows:

	Name	Position	Appointment date	Resignation date
1	Mr. Thitiporn Kaveevityavej	Chairman of the Audit Committee (Being a director with knowledge of business, regulations)	21 October 2021, 25 October 2021	-
2	Mr. Nirun Hengboriboonpong	Audit Committee (Is a director with knowledge in accounting and finance)	5 January 2022	-
3	Mr. Kittin Atinun ¹	Audit Committee (Is a director with legal knowledge)	1 November 2023	-
-	Mr. Krissada Surawathanawises ²	Audit Committee	21 October 2021	1 November 2023

Remarks*

1/ Appointed as a member of the Audit Committee to replace Mr. Krissada Surawathanawises who resigned, effective November 1, 2023.

2/ The Audit Committee member resigned, effective November 1, 2023.

The Audit Committee has the same term of office as the Board of Directors. The Audit Committee Charter contains the objectives of setting up the Audit Committee, scope of duties and responsibilities, composition and qualifications, term of office.

➤ **Scope of duties and responsibilities and the report of the Audit Committee to the Board of Directors is as follows.**

1. Review to ensure that the company's financial reporting is accurate and adequate.
2. Review to ensure that the company has an appropriate and effective internal control system and internal audit system, and consider the independence of the internal audit department, as well as give approval in considering the appointment, transfer, and termination of unit heads. Internal audit work or any other agency responsible for internal auditing.
3. Review the company's compliance with the Securities and Exchange Act, the Stock Exchange's regulations, and laws related to the company's business.
4. Consider, select, and propose the appointment of an independent person to act as the company's auditor and propose compensation for such person, including attending meetings with the auditor without management attending at least once a year.
5. Consider connected transactions or transactions that may have conflicts of interest. To be in accordance with the law and regulations of the Stock Exchange. This is to ensure that the said transaction is reasonable and of maximum benefit to the company.
6. Prepare a report of the Audit Committee and disclose it in the company's annual report, which must be signed by the Chairman of the Audit Committee.
 - a. An opinion on the accuracy, completeness, and reliability of the company's financial reports.
 - b. Opinion on the adequacy of the company's internal control system
 - c. Opinions on compliance with the Securities and Exchange Act, Stock Exchange regulations or laws related to the company's business.
 - d. Opinion on the suitability of the auditor.
 - e. Opinions on items that may have conflicts of interest.
 - f. Number of Audit Committee meetings and attendance of each Audit Committee member.
 - g. Overall opinions or observations received by the Audit Committee from performing their duties in accordance with the charter.
 - h. Other items that shareholders and general investors should know within the scope of duties and responsibilities assigned by the Board of Directors.
7. Perform any other duties as assigned by the Company's Board of Directors with the approval of the Audit Committee.



8.4 Executive Committee of PAE (Thailand) Public Company Limited

As of December 31, 2023, it consists of 4 directors as follows:

	Name	Position	Appointment Date
1	Mr. Chaiwiwat Leenabanchong *	Executive Chairman (Is a director with engineering knowledge)	21 January 2022
2	Mr. Gumpon Kupadakvinij **	Company Director and Executive Director (Is a director with engineering knowledge)	18 March 2022
3	Mr. Uthai Klangpimai	Company Director and Executive Director (Being a director with legal knowledge)	10 August 2021
4	Ms. Panadda Boonprakob	Company Director and Executive Director (Is a director with knowledge in accounting and finance)	25 October 2021

Ms. Sarocha Khamparnonda

Being the secretary of the executive committee

Remarks *

* The Board meeting resolved to appoint the Executive Chairman to replace Mrs. Suwanna Maketohoonek who resigned, effective January 21, 2022.

** The Board meeting resolved to appoint an Executive Director to replace Mr. Somporn Mangmee who resigned, effective March 18, 2022.

➤ Scope of authority and duties of executives

1. Carry out goals and the direction of the company's operations to be in line with the policies set by the board of directors by applying the principles of good corporate governance, developing systems and applying them seriously.
2. Set regulations, criteria, and guidelines regarding the company's operations.
3. Set regulations regarding the work of employees.
4. Set criteria and consider selecting projects participating in the bidding to present to the senior management committee.
5. Consider and approve the appointment, transfer, and removal of employees at the command level, supervisors, and officials.
6. Consider and approve adjustments to wage rates, salaries, and various benefits.
7. Consider, approve and conduct bidding for work or contract work with various agencies or individuals.
8. Carry out various matters that have been authorized by the Company's Board of Directors to be carried out.

➤ Selection of directors and senior executives

In selecting a person to fill the position of Chairman of the Executive Committee/Managing Director/Executive Committee, the primary consideration will be to select individuals who are fully qualified, appropriate, have knowledge, ability, skills, and experience that will be beneficial to the Company's operations. company and understands the company's business very well Able to manage work to achieve the objectives and goals set by the Board of Directors and present them to the Board of Directors for further consideration and approval.

➤ Selection of directors and top executives

In selecting individuals to be appointed as directors, consideration will be given to the nature of business operations and future plans. The Company has therefore determined the qualifications of directors, who must have good knowledge of the Company's business. The Board of Directors has provided opportunities for directors and shareholders to participate in nominating qualified directors appropriate to achieve the Company's intentions and the appointment of directors has the following criteria and procedures.

(1) In voting to elect directors, it is considered that one shareholder has votes equal to 1 share per 1 vote.

(2) In voting to elect directors, each shareholder may use all of his/her votes according to (1) to elect one or more persons as directors. In the case of electing several persons as directors, the votes cannot be divided among any person to any extent.

(3) The persons who receive the highest number of votes in descending order are elected as directors, equal to the number of directors that should be or will be elected at that time. In the event that the persons elected in descending order have the same number of votes, exceeding the number of directors that should be or will be elected at that time, the chairman of the meeting shall have the deciding vote.

8.5 Nomination and Remuneration Committee, PAE (Thailand) Public Company Limited

As of December 31, 2023, it consists of 3 directors as follows:

	Name	Position	Appointment Date	Resignation Date
1	Mr. Thitiporn Kaveevityavej	Chairman of the Nomination and Remuneration Committee (Being a director with knowledge of business, regulations)	25 February 2022	
2	Miss Panadda Boonprakob	Nomination and Remuneration Committee (Is a director with accounting knowledge)	25 February 2022	
3	Mr. Nirun Hengboriboonpong *	Nomination and Remuneration Committee (Is a director with accounting knowledge)	1 November 2023	
-	Mr. Krissada Surawathanawises **	Nomination and Remuneration Committee (Is a director with engineering knowledge)	25 February 2022	1 November 2023

Remarks *

*/ The Company's Board of Directors Meeting No. 4/2023 resolved to appoint the Nomination and Remuneration Committee to replace Mr. Krissada Surawathanawises who resigned, effective on November 1, 2023.

**/ The Nomination and Compensation Committee member resigned, effective November 1, 2023.

➤ Scope, powers, duties and responsibilities of the Nomination and Remuneration Committee

According to the meeting of the Board of Directors, it was resolved to appoint a Nomination and Remuneration Committee consisting of at least 2 independent directors and 1 executive director and must not be a stakeholder in the compensation received by the scope of authority, duty and responsibility. The responsibilities of the Nomination and Remuneration Committee are as follows:

1. Recruitment

- (1) Set criteria and methods for selecting individuals to serve as company directors, members of various sub-committees to be appropriate to the specific characteristics of the company. Such as the criteria for considering existing directors

to be nominated for new positions, the criteria for announcing applications for company director positions, the criteria for using outside companies to recruit, the criteria for considering people from a list of professional directors, or the criteria for having each company director nominate an appropriate person. etc. and disclose policies, criteria and procedures for transparency.

- (2) Determine the qualifications of company directors, directors in various sub-committees to be recruited according to the structure, size, type, and suitability of the company in terms of skills, experience, and specific abilities related to the main business or industry in which the company operates.
- (3) Select and nominate individuals who have appropriate qualifications and are in line with the criteria and methods specified to serve as company directors, directors in various sub-committees to present to the board of directors meeting and/or shareholder meeting for consideration and appointment.

2. Remuneration determination

- (1) Review the appropriateness of the criteria currently in use.
- (2) Consider compensation data for other companies in the same industry as the company.
- (3) Set criteria for compensation to be appropriate in order to produce results as expected, be fair and reward those who help the company's work be successful.
- (4) Review the forms of remuneration for all types of directors by considering the amount and proportion of remuneration of each form to be appropriate.
- (5) Consider paying remuneration according to the criteria set by official agencies or related recommendations.
- (6) Consider and approve the criteria for evaluating the results and remuneration of the Managing Director for submission to the Board of Directors.
- (7) Determine the annual remuneration of directors and present the remuneration to the Board of Directors for the Board of Directors to present to the shareholder meeting for approval.
- (8) Consider paying any compensation as assigned by the Company's Board of Directors.

8.6 Supervision of operations of subsidiaries and associated companies

The Board of Directors has established a policy for supervising the operations of subsidiaries by instructing the management to take the following actions:

- The management has sent qualified executive directors to represent the company is Miss Panadda Boonprakob, Senior Deputy Managing Director Accounting and Finance Division Become a director in a subsidiary company in proportion to shareholding in order to supervise and control business operations.
- Supervising subsidiaries and associated companies to comply with authorizations and operations, including disclosing information and taking any actions in accordance with the law regarding compliance with regulations regarding Correct disclosure of information.
- There is a report summarizing the operating results of the subsidiaries and the company together with the Board of Directors every quarter and in the case of significant matters. such as increasing capital, reducing capital or dissolving subsidiaries. Always notify the meeting in advance in order to arrange a meeting of the Executive Committee and the Board of Directors to request approval before taking any other action.

8.7 Taking care of the use of inside information

Policies and methods for supervising executives in using the company's internal information. The Executive Committee is aware of the principles of good corporate governance and practices in accordance with the principles of corporate governance, including good practices for directors according to the guidelines of the Stock Exchange of Thailand, which has clearly defined duties and responsibilities with continuous supervision and monitoring. It also requires the development and improvement of business operations as well as personnel development on a regular basis in order to provide maximum benefit to the company which results in maximum benefit to shareholders as well and to comply with Section 59 of the Act. . Securities and Stock Exchange B.E. 1992. The Company also requires the Company's directors and executives, including their spouses and minor children, to prepare a report on their securities holdings and report changes in their securities holdings in accordance with the form and within the period specified in the regulations. Concerning reporting of securities holdings and submitting them to the Securities and Exchange Commission for supervision of the use of inside information. Employees can invest in securities without using insider trading and must not result in conflicts of interest and must comply with regulations governing the use of inside information. Employees who are aware of inside information that is significant or has an impact on the price of securities that has not yet been disclosed on the stock exchange are prohibited from using inside information to buy or sell securities before disclosure to the public in order to keep securities trading transparent and fair. Because inside information is considered an important factor that investors use in making investment decisions, such as information about buying or selling businesses, receiving work on various projects or other financial information, disclosure of inside information cannot be done. If there is no sufficient legal reason and without the consent of the company's authorized person and employees who know or have the opportunity to know the company's internal information, they may buy, sell, transfer or receive transfer of securities issued by the company only. During the specified period and the employee must report securities trading to the company.

The company has supervision over the use of inside information according to the principles of good corporate governance. It is set out in writing in the company's internal information use policy manual which will be given to directors, executives and employees upon first employment. In summary, important policies are as follows.

- The Company will provide knowledge to the Company's directors and executives regarding their duties in reporting the holdings of Company securities by themselves, their spouses and minor children to the SEC in accordance with Section 59 and the penalties in accordance with Section 59. 275 of the Securities Act, including reporting the acquisition or disposal of company securities by oneself, spouse and minor children to the SEC Office according to Section 246 and penalties according to Section 298 of the Securities Act. Securities Act.
- Directors and executives of the company, including their spouses and minor children, shall prepare and disclose a report on their securities holdings and report changes in their securities holdings to the SEC in accordance with Section 59. and penalties according to Section 275 of the Securities Act and send a copy of this report to the company on the same day as the date the report is submitted to the SEC.
- The Company requires that directors, executives, including those holding management positions in accounting or finance who are department manager level or equivalent, and related workers who are aware of material inside information which Effects on changes in securities prices: Trading in the company's securities must be suspended in the period before the release of financial statements or publications about the company's financial status and status until the company has disclosed the information to the public. The company will inform directors and executives. Including those holding management positions in the accounting or finance fields who are department managers or equivalent, refrain from trading in the Company's securities in writing for at least 30 days in advance of disclosing information to the public and should wait patiently. At least 24 hours after the information has been disclosed to the public, including prohibiting the disclosure of such material information to other persons. The Company imposes disciplinary penalties if there is a violation of using inside information for personal gain, which starts with a warning. in writing, deduction of wages, temporary suspension without pay or dismissal from work. The punishment will be determined by the intent of the act and the seriousness of the offense.

- Directors, executives and employees of the company are prohibited from using the company's internal information, that has or may have an effect on changes in the price of the Company's securities which has not yet been disclosed to the public, which he has knowledge of in such position or position, is used for the purpose of buying or selling or offering to buy or offering to sell or inviting other persons to buy or sell or offer to buy or offer to sell stocks or other securities ((if any) of the Company, whether directly or indirectly, in a manner that is likely to cause damage to the Company, whether directly or indirectly, and whether such action is done for the benefit of oneself or others or brings facts Therefore, it is revealed in order for others to do so. whether or not they receive benefits in return.
- Directors, executives and employees of the company or former directors, executives and employees who have resigned are prohibited from disclosing inside information or secrets of the company as well as the secret information of the company's trading partners that they have learned in the course of their duties. to third parties, even though the disclosure of such information will not cause damage to the company and its business partners.
- Directors, executives and employees of the company or former directors, executives and employees have a duty to keep the company's secrets and/or inside information and have a duty to use the company's inside information for the benefit of the company's business operations only. Let directors, executives and employees of the company keep secrets and/or the company's internal information to use for other companies in which they are shareholders, directors, executives, employees, and employees.
- In order to comply with good governance principles, the Company also has a policy for directors and executives to notify their own company stock trading including their spouses and minor children as well as related persons in accordance with Section 258 of the Securities and Exchange Act. Stock Exchange B.E. 2535 (1992) for the company to acknowledge and submit a copy of securities holdings (Form 59-2) which has been reported to the Securities and Exchange Commission to the Company Secretary to be stored as evidence and reported to the Board of Directors' meeting.

8.8 Applying the principles of good corporate governance for listed companies in 2017

The Company has complied with good practices in accordance with the principles of good corporate governance in accordance with the regulations of the Stock Exchange of Thailand as follows:

The Board has a process to review the application of the principles of good corporate governance for listed companies in 2017 and is aware of the responsibility as leaders to oversee the organization to have good management. The board of directors and executives have performed their duties with responsibility, caution and honesty towards the organization, including ensuring that the company's operations are in accordance with the regulations, board resolutions and shareholder meeting resolutions. The board has clearly defined the scope of assignment of duties and responsibilities to directors, the general manager and management, as well as monitoring and supervising the president and management to perform their duties as assigned.

Rights of various stakeholder groups

The board has overseen and established a management system that respects the rights and provides fairness to all groups involved in business operations, including customers, creditors, business partners, employees, and shareholders. Shareholders can become a part of the company's decision-making by attending shareholder meetings with the company or can contact to inquire or express opinions through the following channels.



8.9 Compliance with the principles of good corporate governance in other matters

The Stock Exchange has announced the delisting of common shares of PAE (Thailand) Public Company Limited from being a listed security on July 19, 2022, effective from August 10, 2022 onwards. The company still has the status of a public limited company. Customers and shareholders of the company can contact us to inquire or express their opinions through the following channels:

 Head office phone number 02-3220222  E-mail : info@pae.co.th  Investor Relations Topics website www.pae.co.th

8.10 Corporate Social Responsibilities: CSR

The company has taken into account that operating a business with growth, stability and sustainable success, and conducting business requires the cooperation of many parties to join in conducting business with morality, ethics, and responsibility towards society and the environment. The company has realized that to work together harmoniously, The Company must first have social responsibility within the organization to be strong, stable and sustainable. And when the organization is strong and stable internally, the company has another duty to support society and the environment, society, and external communities together under the principles of good governance, safety, and care for the environment for stable growth and continue to be sustainable.

1. Doing business with fairness

The company has emphasized management in order to adhere to the principles of good governance. Promote good governance to create transparent management which will be beneficial to the company, shareholders, employees, and stakeholders of the company.

2. Anti-corruption and corruption

PAE (Thailand) Public Company Limited has an ideology of conducting business with morality, honesty, transparency and in accordance with the principles of good corporate governance. The company is aware of the importance of anti-fraud and corruption and is committed to combating all forms of corruption and corruption.

To ensure that the company has policies to determine responsibilities, guidelines, and appropriate operational requirements to prevent fraud and corruption. The company has therefore prepared The "Anti-Corruption and Corruption Policy" is written to provide clear guidelines for conducting business as well as for personnel at all levels to adhere to as a norm in their work.

Fraud and corruption means performing or refraining from performing duties according to one's position or using authority according to one's position illegally in order to seek undue benefits by making promises, giving, promising, demanding or receive money, property, or any other benefits that are inappropriate for government officials, government agencies, private agencies, or persons with duties, whether directly or indirectly, to cause such persons to act or refrain from acting duty that is correct according to the principles that have been set out.

8.10.1 Anti-fraud and corruption policy

Directors, executives, and employees of the company are prohibited from doing anything related to corruption and all forms of corruption for direct or indirect benefits, covering business in every country and every relevant agency. The anti-fraud and corruption policy will be strictly followed.

Responsibilities

1. The Board of Directors has duties and responsibilities in setting policies and supervising the establishment of a system that supports effective anti-corruption and corruption to ensure that the management is aware of and gives importance to anti-corruption and instilling it into organizational culture.

2. Audit Committee Has duties and responsibilities for reviewing financial and accounting reporting systems, internal control systems, and internal audit systems to ensure that they meet international standards, are concise, appropriate, modern, and efficient.

3. The managing director and executives have duties and responsibilities for setting up a system. Promote and support anti-corruption and anti-corruption policies to communicate to employees and all involved parties, including reviewing the suitability of systems and various measures to be consistent with changes in business rules and regulations and legal requirements.

4. The internal audit department has duties and responsibilities to inspect and review operations to ensure that they are correct, consistent with policies, guidelines, authority, regulations and laws to ensure that the company has a control system that It is appropriate and sufficient for fraud and corruption risks that may occur and is reported to the Audit Committee.

Additional guidelines regarding prevention of involvement in corruption

1. Company directors, executives, and employees at all levels must operate according to standard procedures with transparency and auditability at every step, without being involved in any form of corruption, whether directly or indirectly.
2. Encourage company personnel to adhere to laws, work regulations, relevant announcements and have awareness of anti-fraud and corruption in their work by strictly adhering to the following.
 - Company employees should not be neglectful or neglectful. When you see an action that is considered fraud and corruption related to the company, you must notify your supervisor or responsible person and cooperate in investigating various facts.
 - Do not commit any behavior that shows intent to be dishonest, corruption, giving or receiving bribes to those who have interests related to the company in matters for which they are directly or indirectly responsible in order to gain Illegal benefits.
 - Providing support, whether in the form of money, objects, or assets, to any activity or project. The name of the company must be specified and the sponsorship must be for the purpose of promoting the business, good image of the company and must be carried out with transparency according to the company's established regulations and according to the law.
3. The company will be fair and protect employees who refuse or report corruption and corruption related to the company.
4. Those who commit dishonesty and corruption must be considered for disciplinary action according to the regulations set by the company. In addition, you may be punished by law if your actions are illegal.
5. Business relationships and procurement with the public or private sector, including contacts with the government or public or private officials. As well as those involved in the Company's business operations, they must be transparent, honest and must act in accordance with relevant laws.

6. The company has a policy of being politically neutral, with all personnel having political rights and freedoms according to the law, but they should be aware not to carry out or use any of the company's resources for political operations or activities. This will cause the group of companies to suffer damage from involvement and political assistance.
7. Directors and executives must be aware of the importance of disseminating, providing knowledge, and giving advice to create understanding for subordinates about anti-corruption and corruption so that employees can act accordingly. According to this Anti-Corruption and Corruption Policy, including being a good example in having honesty, ethics and code of conduct.

Persons who can report clues or complaints about fraud and corruption. It is every stakeholder group of the company, including shareholders, customers, business competitors, creditors, government sector, community, society, executives and employees of the company. Channel for receiving clues or complaints about fraud and corruption. Complainants must specify details of the matter to be reported or complaints along with name, address and telephone number where they can be contacted and send them to the receiving channel as follows:

- Notified through the company's internal audit department.
- Notify through the company secretary or email: info@pae.co.th
- Notified through the company's website www.pae.co.th

Measures to protect and maintain confidentiality

To protect the rights of claimants and those who provide information acting in good faith. The company will conceal the name, address or any information that can identify the complainant or information provider and keep the information of the complainant and information provider confidential. This information is limited to those responsible for investigating complaints. In the event of a complaint The Company will protect whistleblowers or complainants, witnesses, and persons who provide information in fact-finding investigations from suffering, any harm, or injustice resulting from reporting whistleblowing complaints. Testifying or giving information. In this regard, the person who received the information from performing duties related to the complaint, has a duty to keep information, complaints and documentary evidence of complainants and information providers secret. Do not disclose information to other people who do not have relevant duties unless it is disclosed in accordance with duties required by law.

Dissemination of anti-corruption and anti-corruption policies

- The company will post the anti-fraud and corruption policy in a prominent place and on the company intranet for everyone in the organization to know.
- The Company will publish its anti-fraud and corruption policy through the Company's communication channels such as the Company's website. Annual report, etc., for the public to know.

Respect for human rights

The company places importance on respecting human rights and the company does not do anything to support businesses that violate human rights.

The Company will not support any exclusion or discrimination on the basis of nationality, race, religion, language, age, gender, marital status, sexual orientation, disability, political party preference or any other personal ideology. Any other

The company does not limit independence or differences of opinion and will not obstruct activities or activities based on beliefs regarding race, national traditions, religion, or popularity in any other matters.

8.10.2 Policy for developing knowledge for personnel

The company focuses on continuous personnel development by developing personnel in accordance with policies and circumstances by developing knowledge and skills, including teaching, sharing knowledge, and training for personnel to apply knowledge. In performing work, especially delivering quality work that exceeds customer expectations, which will strengthen the organization and support sustainable business growth. The company has created a human resource development project covering all levels with the following details:

- **Developing employees who are the key force of the agency (Key Person Development)** The Company aims to develop and prepare for the development of personnel groups who are important forces of the organization or Key Person by selecting personnel with appropriate qualifications, knowledge and expertise in responsible work, personality and behavior to work with determination. Including having a good attitude towards work, the Human Resources Department has combined with the parent department to create an Individual Development Plan (IDP) with learning and development formats such as coaching, knowledge sharing, internal and external training, etc.
- **Training** The Company has given importance to training and developing personnel at all levels from the executive level, management level, and operational level as a guideline for personnel development, upgrading capabilities. Therefore, training has been organized for personnel at all levels. The key to training and human development is tracking and measuring the results of knowledge received, including transferring knowledge to those involved so that personnel can use what they have learned. Know how to use it to get the most benefit in your work along with improving and developing work to be more efficient
- **Knowledge management** the company places importance on sharing knowledge in the organization with employees at all levels, from executive, managerial and operational levels. The Quality, Health, Safety and Environment Department or QHSE has implemented the Knowledge Sharing project for personnel to continuously increase their knowledge every year in terms of knowledge of ISO9001, ISO14001, ISO45001 systems, and tools. Various management, knowledge about occupational health, safety and the environment, including related laws and other fields of knowledge appropriate to the current situation or situation, which employees can apply for maximum benefit to work as well as improve and develop work to be more efficient and applicable in daily life.

Responsibility towards consumers

The company has taken into account the satisfaction of customers or consumers by implementing Continuous quality management system to ensure that customers or consumers receive maximum satisfaction.

The company believes that in order for an organization to grow sustainably, it must give importance to and receive support from stakeholders in various parts involved in addition to the company's business management. The company has therefore given importance to the international standard management system in every system related to the company's operations. The company has already received certification as follows:

- **Quality management system or ISO 9001:2015**
Emphasis is placed on setting quality standards in operations, evaluating and managing organizational risks, document systems, and providing training for employees in service delivery.
- **Environmental management system or ISO14001:2015**
Emphasis is on environmental management, assessment and management of environmental impacts.
- **Safety, occupational health management system or ISO45001:2018**
The company has received 3 management system certifications according to international standards from SGS (Thailand) Company Limited, covering both the Bangkok head office and the Songkhla branch.

Environmental care

The company provides preventive management, creates awareness and participation in preserving the environment and has established a policy to help reduce global warming by cooperating with employees in using energy efficiently, helping to turn off the electricity and unnecessary electrical appliances, including supporting the use of recycled paper, and the company has placed importance on creating awareness of social responsibility and encouraging the participation of the company's personnel as well as providing opportunities for employees to use Know your abilities and be a driving force in carrying out activities that are beneficial to society and the environment and in line with standards ISO14001; 2015 as well.

Participating in community or social development

The company conducts business while participating in community and social development. Starting with the communities in the areas close to the company's offices and factories in every branch, including work on various projects received from customers, starting with revealing the facts without hiding them and promoting appropriate community participation from before. During construction and upon completion of the project, there is a process to continuously evaluate and resolve impacts that may occur on the community. It also cooperates with community organizations and government agencies in implementing projects to continuously develop the quality of life of the community.

Having innovation and disseminating innovation

The company is responsible for its workers and employees by complying with relevant laws and standards and treating employees and employees fairly and respecting human rights by setting fair remuneration with benefits not less than the rules. It is specified and includes health and safety care at work, knowledge training, potential development and advancement promotion. Including training to equip employees with skills to work in other areas. The company is responsible for the environment. The company is confident that it does not create or cause negative impacts on the environment, including the use of raw materials, the use of energy or the use of renewable resources. The company is responsible to customers by complying with relevant laws and standards, taking into account health, safety, fairness, after-sales service and tracking and measuring customer satisfaction in order to develop products and services. The company is responsible for the environment. The company ensures that it does not create or cause negative impacts on the environment, production, transportation, use of renewable resources and competes fairly by conducting business openly and transparently and do not create an unfair competitive advantage.

8.10.3 Overall policy for the company's business operations

1. Management system work according to international standards

The company has continuously taken into account the view of management systems according to international standards to help the company's business operations gain credibility and confidence in business operations, especially in the areas of quality, occupational health, and safety and the environment with guidelines for reducing and eliminating various risk factors that affect operations and promoting the company's employees to be healthy, mentally and physically ready for work.

The company has received management system certification according to international standards from SGS (Thailand) Company Limited for more than 10 years continuously, totaling 3 systems, covering both the Bangkok head office and the Songkhla branch.

1. Quality management system ISO9001:2015
2. Environmental management system ISO14001:2015
3. Occupational health and safety management system (ISO45001:2018)

Such a management system is very important to the organization because it is the first requirement that customers will consider when bidding on work to see that the company is trustworthy and confident in its management. Internal systems will be assessed. (Internal Audit) both documents and operations that must comply with the requirements of every department and every branch involved in the system at least once a year. In addition to the aforementioned management system, The Company also has performance indicators, both Corporate and Department KPIs, of every department and the company's projects in order to monitor

monthly operating data and summarize to the management the results of every department's performance for consideration. Consideration of improving or adding strategies to achieve results according to the organization's goals, with the QHSE department or the Quality, Occupational Health, Safety and Environment department taking care of managing the said system and also acts as a consultant to all agencies to be able to set KPIs that are appropriate for each department.

2. Quality, Health, Safety and Environment work

The company has assigned the QHSE department to take care of managing Health & Safety (occupational health and safety) and Environment management in every department and every branch of the company in order to ensure safety in operations, not Occupational diseases occur and the goal is to be zero accidents. In 2022, the company achieved its goal with no accidents. The company received the CEO SSHE Excellence Award from PTTEP for achieving safety results or SSHE Performance Excellence for 1 year with Total-man hours is greater than 50,000 hours in 2022, which is the 1year anniversary of working with PTTEP on this new project.

It also controls that the company's operations do not affect the environment and comply with laws regarding safety, occupational health and working environment and related environmental laws.

For the Quality section, in addition to the ISO9001:2015 quality management system, the company also has a QA/QC unit for each branch/project to ensure that operations related to operational quality meet the requirements of the ISO9001:2015 system and relevant international standards such as ASME or customer's to be systematic and efficient in operations, which has been continuously admired by customers for its high quality performance results.

3. In-House Training

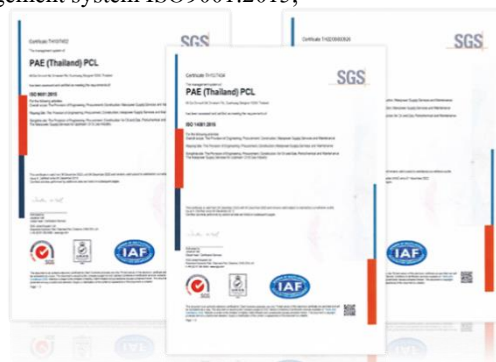
The company has provided training to provide knowledge and skills to employees in many courses, both from lecturers within the QHSE department and lecturers from outside agencies and affiliated companies or PAE Energy Solution Co.,Ltd. (PES Academy) such as training on management system requirements (ISO Requirement), environmental problem assessment (Environmental Aspect), hazard identification and risk assessment (Hazard Identification and Risk Assessment), safety in working according to the law, safety in working at height (Work at Height), safety in using scaffolding (Scaffolding), safety in using cranes, organizing annual firefighting and evacuation drills, 5S training, first aid and basic resuscitation (First Aid and CPR).

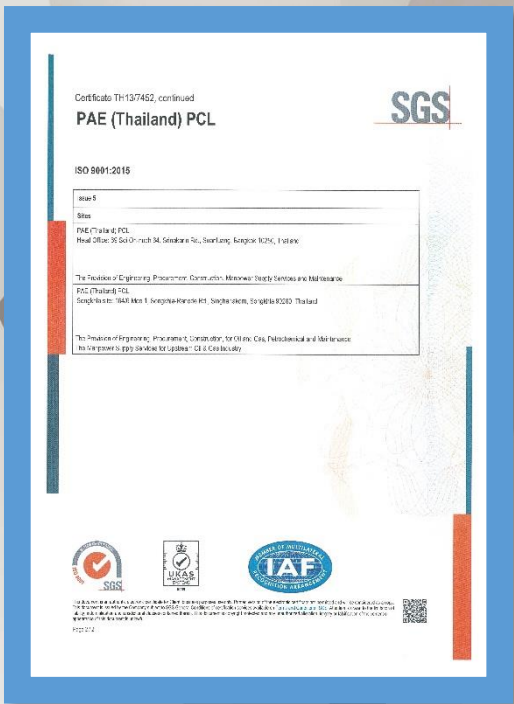
4. Information and documents for bidding on various projects

The company prepares documents and information regarding Quality Plan, HSE Plan and other documents related to QHSE as requested by the customer for use in bidding for work.

5. Training center management (PES Academy) (PES Academy)

PAE Energy Solution Company Limited or PES Academy (a subsidiary of PAE) which operates training and consulting services, creating ISO and HSE systems both inside and outside the organization, both in house and public. For example, courses for safety officers at the executive level (Administration Safety Officer), Safety Officers at the supervisory level (Safety Officer, Supervisor), Committee on Safety, Occupational Health and the Working Environment (SOC.) which is registered and licensed as a training center. All three courses above are from the Safety Division, Department of Labor Protection and Welfare, Ministry of Labor The company has been officially operating since 2018 until now. The company has courses related to work safety according to various laws, such as safety in working at heights, safety in using cranes, safety in working with electrical work, safety in working with chemicals, fire watcher.The company also has courses related to management systems ISO9001:2015, ISO14001:2015, ISO45001:2018 such as requirements and internal audit of the management system ISO9001:2015, ISO14001:2015, ISO45001:2018





9. Internal control and related transactions

PAE (Thailand) Public Company Limited has realized the importance of an adequate and appropriate internal control system and has established an internal control system covering finance, operations, and operations in accordance with the law, regulations, related regulations.

In the year 2023, the Audit Committee held one joint meeting, with the company's management attending every meeting. The Company's Board of Directors has assessed the Company's internal control system by asking for information from the management in 5 different areas: Control Environment, Risk Assessment, Risk Assessment, and Operational Activities. Control (Control Activities), Information and Communication, and Follow-Up (Monitoring). The conclusion is that the company has an adequate internal control system and has fully disclosed financial information in the company's financial statements, The company's business operations have fully complied with the law on securities and exchange and other related laws.

9.1 Report of the Audit Committee

The Audit Committee of PAE (Thailand) Public Company Limited consists of 3 independent directors: Mr. Thitiporn Kaveevityavej is the Chairman of the Audit Committee, Mr. Krissada Surawathanawises and Mr. Nirun Hengboriboonpong. All members of the Audit Committee have all qualifications according to the announcement of the Securities and Exchange Commission of Thailand.

The Audit Committee has performed its duties within the scope and responsibilities as assigned by the Board of Directors, which is in line with the regulations of the Stock Exchange of Thailand. In 2023, there was a total of 1 meeting, which was a joint meeting with executives, auditors, internal examination and auditor. The main points can be summarized as follows:

1. Review the financial statements for the year 2022 and the consolidated financial statements which have been reviewed and audited by the auditor before presenting them to the Board of Directors for consideration and approval. We inquired and listened to clarifications from the auditors and executives regarding the accuracy and completeness according to general financial reporting standards, the adequacy of information disclosure, and acknowledged the auditor's observations and recommendations.
2. Review the internal control system to assess its adequacy and appropriateness. The effectiveness of the internal control system based on the report of the internal audit results according to the approved work plan prepared using the criteria according to risk standards. and report important findings to management in order to correct them. Also attended to listen to clarification from the auditor regarding the internal control system.
3. Supervise the internal audit work to assess the effectiveness of the internal audit department by supervising the internal audit work to cover missions, scope of work, duties and responsibilities, independence, and consider approving the annual audit plan and acknowledge the results of the audit by having the internal audit department report the results directly to the Audit Committee.

4. Review compliance with the Securities and Exchange Act, the Stock Exchange of Thailand's regulations and laws related to the Company's business, including compliance with the Company's regulations and obligations that the Company has with third parties.
5. Review and give opinions on connected transactions or transactions that may have conflicts of interest, including disclosing such information in accordance with the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission. The Audit Committee is of the opinion that significant items have been disclosed and presented in the financial statements and notes to the financial statements correctly and completely.
6. Consider selecting, proposing the appointment and remuneration of auditors. The Audit Committee has considered knowledge, ability, independence, performance and appropriateness of remuneration for auditing services to present to the Board of Directors.

In the year 2023, the Audit Committee performed assigned duties and responsibilities using their full knowledge and abilities and acted independently. and is of the opinion that the company has reported financial and operational information correctly in accordance with accounting standards, has an appropriate and adequate internal control system, and has complied with laws, regulations, and various obligations. Including the disclosure of related transactions correctly.

On behalf of the audit committee



(Mr. Thitiporn Kaveevityavej)

Chairman of the Audit Committee

PAE (Thailand) Public Company Limited

March 26, 2024

9.2 Company internal audit worker

Name Ms. Nittakan Changket

nationality Thai

Educational Background

- Master of Business Administration (Accounting) Ramkhamhaeng University
- Bachelor of Accounting Bangkok University

Work Experience

- Internal Audit Manager Pharam 2 Medical Group Company Limited
- Internal Audit Manager Lalin Property Public Company Limited
- Head of Internal Audit Department Central Pattana Public Company Limited
- Head of the branch inspection department Bank Thai Public Company Limited

Training Courses

- Easy chat about accounting transactions and example cases of errors: FAP
- Top Risk for Internal Audit 2022: Association of Internal Auditors of Thailand
- Are you ready for PDPA 2022: Thai Listed Companies Association?
- Top management's perspective on internal auditing: Association of Internal Auditors of Thailand
- Audit of general controls of operating systems: FAP
- Easy Listening Accounting tips that AC should not miss: SEC.

Responsibility

1. Prepare an action plan (Action Plan) including a budget plan (Budget Plan) for the internal audit department in accordance with the internal audit plan (Audit Plan) for approval within the specified time every year.
2. Supervise, manage, follow up and solve problems of the internal audit department in accordance with the internal audit plan (Audit Plan), action plan (Action Plan) and budget plan (Budget Plan).
3. Supervise, supervise and follow up on the operations of the internal audit department in accordance with regulations, rules, laws, the charter of the audit committee and various policies.
4. Propose work plans, audit guidelines (Audit Program) and oversee work to be appropriate.
5. Review the work of the internal audit staff.
6. Perform other duties as assigned by the supervisor and the Audit Committee to provide maximum benefit to the organization.

9.3 Related transactions

Disclose related transactions with persons who may have conflicts in the past year.

Related transactions that may occur in the future, directors must comply with various regulations that have been established and directors must not approve any transactions in which they or any person may have a conflict of interest in any other manner with the company and /or subsidiaries. Including not authorizing other people to act on behalf of the conflicting transactions and such transactions must be disclosed to the board of directors and/or subsidiaries for consideration by the company and/or subsidiaries. Subsidiaries must comply with the Securities and Exchange Act, regulations, announcements, orders or requirements of the Stock Exchange of Thailand, requirements regarding disclosure of information on related transactions and the acquisition or disposal of assets of the Company and/or its subsidiaries and in accordance with accounting standards regarding the disclosure of information about related persons or activities as determined by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King.

In the case of a normal transaction, the Company and/or its subsidiaries have established criteria and guidelines for compliance with the general nature of business. With reference to prices and conditions that are appropriate and fair, reasonable, verifiable, and presented to the Audit Committee to consider and approve the criteria and guidelines for such practice.

In addition, in the case where the Audit Committee has to give an opinion on the appropriateness of the said transaction and the Audit Committee does not have the expertise to consider the related transactions that have occurred, the company will provide knowledgeable people. Special expertise, such as independent auditors or property appraisers giving opinions on related party transactions, where the opinions of the audit committee or persons with special expertise will be used. The decision of the board of directors or shareholders, as the case may be, is to ensure that entering into the said transaction will not be a transfer or transfer of benefits between the company or persons who may have conflicts with the company. But it is a transaction that the company has taken into account the maximum benefit of every shareholder. Thus, Important inter-revenue and expenses incurred during 2023

Name of related person or business

Transactions with related persons or businesses

Related parties refer to businesses and/or persons who have control or are controlled, whether directly or indirectly, through the holding company, subsidiaries and businesses that are subsidiaries in the same group. In addition, related parties include associates and persons who have significant influence over the entity, whether directly or indirectly. Key executives who are directors or employees of the entity, as well as family members close to such persons who have influence or may be influenced to act on the persons and affairs related to the above persons.

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

Nature of relationships among related businesses

<u>Name of person or business</u>	<u>Nature of relationship</u>
Pacific Resources International Limited (BVI)	Hold shares directly
PAE Energy Solution Company Limited	Hold shares directly
Oasis Development Company Limited	Hold shares directly
PPS Energy and Marine Co., Ltd.	Hold shares directly
Capital Engineering Network Public Company Limited	Joint shareholders
EMC Public Company Limited	Joint shareholders
Related persons	Major shareholders
Key executives	Persons who have authority and responsibility for planning, commanding, and controlling various affairs of the business, whether directly or indirectly, including the directors of the company. (whether or not they serve at the management level)

Income and expenses between each other

		(Unit: Thousand baht)			
		Consolidated financial statements		Separate financial statements	
<u>Pricing policy</u>		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Interest income					
EMC Public Company Limited	Rate 6.50% per year	1,302	-	1,302	-
Service costs					
PAE Energy Solution Company Limited	According to the mutually agreed upon price	-	-	191	205
Consulting fee					
Company Director	According to the mutually agreed upon price	500	-	500	-
Commission					
Key executives	3 percent of the selling price of the property	4,800	-	4,800	-
Interest expense					
Major shareholders	Rate 8 percent per year	62	-	62	-

Measures for conducting related transactions

In the case that there are related transactions between the company and persons who may have conflicts of interest, have vested interests or may have conflicts of interest in the future. The Audit Committee will give opinions on the necessity of entering into the transaction and the appropriateness of the price of the transaction by considering various conditions in accordance with normal business operations in the industry and/or with Compare with the prices of third parties and/or have prices or conditions of such transactions at the same level as third parties and/or be able to demonstrate that such transactions have prices or conditions that are reasonable or fair If the Audit Committee does not have the expertise to consider related party transactions that may occur, the Company will arrange for an independent expert or the Company's auditor. Be the person to give opinions on the said related transactions to be used in the decision-making of the Board of Directors, Audit Committee and/or shareholders, as the case may be. There are guidelines for considering the necessity and reasonableness of entering into important related transactions as follows:

1. Service list: It is a normal business transaction or a normal business support transaction. Pricing and various trade conditions must have criteria for setting prices and conditions in the same way as all customers, both related and unrelated to the company (Arm's length basis).

2. Product purchases or service transactions: These are normal business transactions or normal business support transactions in which prices and various trade conditions are agreed upon between the company and its trading partners. It must be in the same

way that the trading partner has set for other people other than the company, including entering into such transactions must not cause the company to lose benefits.

3. Transactions related to borrowing money: These are transactions that may occur from time to time as necessary and appropriate, such as for use as working capital, to expand and expand the company's business. By making such transactions, the board of directors, audit committee and/or shareholders will evaluate and give opinions on the reasonableness of entering into the said transaction.

As for approving related transactions, those who may have conflicts of interest or have interests in the transactions will not have the right to vote in approving such related transactions in order to ensure that the transactions This will not be a transfer or transfer of benefits between the company or its shareholders, but it is a transaction in which the company has taken into account the best interests of every shareholder. The company will disclose related transactions in the notes to the financial statements which has been verified by the company's auditor in the annual report and the company's annual registration statement (Form 56-1).

9.4 Policy on related transactions

1. Directors and executives of the company prepare reports on their interests or those of related persons and notify the company to use as information for implementing the regulations related to related party transactions.

2. Avoid making related transactions that may cause conflicts of interest.

3. In the event that it is necessary to enter into related transactions, the Company will follow the procedures and proceed in accordance with relevant laws, including the criteria set by the SEC and the Stock Exchange.

4. Set prices and conditions for related transactions as if they were transactions with outsiders (Arm's length basis), which must be fair, reasonable and bring the greatest benefit to the company and all shareholders. In the absence of such a price, the Company will compare the price of the product or service with an external price under the same or similar conditions.

5. Those interested in related party transactions will not be able to approve or vote for resolutions on related matters.

6. considering related party transactions, the Company may appoint an independent appraiser to evaluate and compare prices for important related party transactions in order to ensure that such related party transactions are reasonable and in the best interest of the Company and every shareholder.

9. Trends in related party transactions with persons who may have conflicts of interest in the future

In the future, if related transactions are entered into, the company will comply with the law on securities and the stock exchange, regulations, announcements, orders or requirements of the Capital Market Supervisory Board, the SEC and the Stock Exchange. Entering into such a transaction must not be a transfer or transfer of benefits between the company or its shareholders, but it must be a transaction where the company has taken into account the maximum benefit of the company and all shareholders. In the case of a transaction that occurs normally and is expected to occur continuously in the future, the Company will proceed according to the rules and guidelines for compliance with general trade practices with reference to appropriate prices and conditions. and is fair, reasonable, verifiable and entering into such transactions will be in accordance with the principles regarding agreements with general commercial conditions as approved by the Board of Directors' meeting. In this regard, the management will Prepare a summary list of such transactions to report in the Audit Committee meeting every year and the disclosure of related transactions of the company will be in accordance with the laws and regulations of the SEC Office including the Stock Exchange as specified It also complies with accounting standards regarding related companies or persons of the Federation of Accounting Professions

Summary of related transactions between the PAE (Thailand) Public Company Limited group for the year 2022 ending 31 December 2023.

Persons who may have conflicts	Characteristics of the item	"Value of the item (baht)"		Necessity and Reasonableness
		31-Dec-23	31-Dec-22	
1.PPS Energy and Marine Company Limited (PPS) (Directly holds 67.77% of shares.) <i>(Business: Production and distribution of raw water/tap water)</i>	<u>Debtor</u>			- Overdue space rental and service fees since 3 August 2016 have not been paid. and an allowance for doubtful debts has been set in full. together with:- - Loan at the beginning of 2015 = 16.0 million baht (interest rate 8% per year) The entire amount has been reserved for allowance for doubtful accounts. 1/7/2022 Receive debt repayment from PPS. There was a single installment payment of interest on 25 Nov. 2015 = 16,438.36 baht. There are no installment payments after that. Therefore, an allowance for doubtful accounts has been set aside for the entire principal and interest.
	Outstanding balance at the beginning of the period	2,102,187.82	2,102,187.82	
	Increased during the period	-	-	
	Decreased during the period	-	-	
	Outstanding balance at the end of the period	2,102,187.82	2,102,187.82	
	<u>Subsidiary loans</u>			
	Outstanding balance at the beginning of the period	15,400,000.00	15,774,160.00	
	Increased during the period			
	Decreased during the period	-	(374,160.00)	
	Outstanding balance at the end of the period	15,400,000.00	15,400,000.00	
	<u>Interest income</u>			
	Outstanding balance at the beginning of the period	6,083,726.03	6,083,726.03	
	Increased during the period	-	-	
Receive payments during the period	-	-		
Outstanding balance at the end of the period	6,083,726.03	6,083,726.03		
2.PAE Energy Solution Company Limited (PES) (Directly holds 99.99% of shares) <i>(Business: Construction design Contractor for power plant assembly energy and environment-related businesses)</i>	<u>Subsidiary loans</u>			List of loans to Subsidiaries have been outstanding since the past. and an allowance for doubtful debts has been set in full.
	Outstanding balance at the beginning of the period	32,768,730.19	32,768,730.19	
	Increased during the period	-	-	
	Decreased during the period	-	-	
	Outstanding balance at the end of the period	32,768,730.19	32,768,730.19	
	<u>Trade accounts payable</u>			
	Outstanding balance at the beginning of the period	134,883.70	134,883.70	
	Increased during the period	-	-	
	Decreased during the period	-	-	
	Outstanding balance at the end of the period	134,883.70	134,883.70	
	Training and seminar fees	191,000.00	205,000.00	
			Training costs for PAE employees	

Summary of related transactions between the PAE (Thailand) Public Company Limited group for the year 2022 ending 31 December 2023.

Persons who may have conflicts	Characteristics of the item	"Value of the item (baht)"		Necessity and Reasonableness
		31-Dec-23	31-Dec-22	
3. Oasis Development Co., Ltd. (OASIS) (Directly holds 54.94% of shares) <i>(Business: Providing apartment rental services)</i>	<u>Subsidiary loans</u>			List of loans to The subsidiary has outstanding debts since the past and has set aside the entire amount for doubtful debts. At present, the subsidiary company is no longer operating. The account has not yet been liquidated.
	Outstanding balance at the beginning of the period	15,055,890.23	15,055,890.23	
	Increased during the period	-	-	
	Decreased during the period	-	-	
	Outstanding balance at the end of the period	15,055,890.23	15,055,890.23	
	<u>Trade accounts receivable</u>			
	Outstanding balance at the beginning of the period	90,000.00	90,000.00	
	Increased during the period	-	-	
	Decreased during the period	(90,000.00)	-	
	Outstanding balance at the end of the period	-	90,000.00	
	<u>Trade accounts payable</u>			
	Outstanding balance at the beginning of the period	374,300.00	374,300.00	
	Increased during the period	-	-	
Decreased during the period	-	-		
Outstanding balance at the end of the period	374,300.00	374,300.00		
4. Pacific Resources International Limited (BVI) (Direct shareholding 100.00%) (Business: Construction and personnel recruitment)	<u>Subsidiary loans</u>			List of loans to subsidiaries and trade receivables outstanding since the past and The entire amount of allowance for doubtful debts has been set up. At present, the subsidiary has ceased business operations. Since 2001, it is in the process of liquidation.
	Outstanding balance at the beginning of the period	-	34,169,402.93	
	Increased during the period	-	-	
	Decreased during the period/written off	-	(34,169,402.93)	
	Outstanding balance at the end of the period	-	-	
	<u>Trade accounts receivable</u>			
	Outstanding balance at the beginning of the period	-	10,798,314.67	
	Increased during the period	-	-	
	Decreased during the period/written off	-	(10,798,314.67)	
	Outstanding balance at the end of the period	-	-	



PAE (Thailand) Public
Company Limited

2023

Section 3

Financial statements



PAE (Thailand) Public Company Limited

10. Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of PAE (Thailand) Public Company Limited

Opinion

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

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

Basis for Opinion

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

Emphasis of matter

Hereby, my opinion is not modified in respect of this matter. I draw attention to the notes to financial statements as follows: -

- (1) As described in Note 33, the Group are significant uncertainties, which was sued in lawsuit in many cases. All cases are in process

- (2) As described in Note 35.1, the Group are significant uncertainties, which regarding potential claims arising from the Company received a notice to repay debt from a creditor. Due to breaching the contract and demanding that the company repay fines and damages from breaching the contract in the amount of Baht 658.92 million, including interest.

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

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

In preparing the financial statements, management is responsible for assessing the 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 Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 have required to draw attention in my auditor's report to the related disclosures in the consolidated and Separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group 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.

SP Audit Company Limited



(Miss Susan Eiamvanicha)

Certified Public Accountant (Thailand) No. 4306

Bangkok

26 March 2024

11. Financial Statements

PAE (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

(Unit : Baht)

	Note	Consolidated		
		31 December 2023	31 December 2022 (Restated)	1 January 2022 (Restated)
ASSETS				
Current Assets				
Cash and cash equivalents	25.1	6,422,255	81,743,052	127,065,660
Trade and other current receivables	7	49,978,281	22,107,940	60,416,385
Contract assets	29.2	24,566,049	22,521,119	40,025,516
Short-term loans to related parties	6.1	-	-	-
Inventories	8	4,417,120	2,399,798	2,397,677
Total current assets		85,383,705	128,771,909	229,905,238
Non-Current Assets				
Other non-current financial assets	9	8,490,649	8,650,400	8,650,400
Restricted bank deposits	10	16,628,221	13,165,006	168,218
Investments in subsidiaries	11	-	-	-
Long-term loans to related parties	6.1	-	-	-
Investment property	12	62,350,923	64,265,741	65,917,209
Property, plants and equipment	13	12,964,724	150,466,766	153,120,630
Right-of-use assets	14	3,413,478	169,908	1,749,674
Goodwill	15	-	-	-
Intangible assets	16	163,292	352,443	615,376
Withholding tax		14,124,455	21,584,764	14,457,501
Other non-current assets		802,695	1,143,090	1,143,090
Total non-current assets		118,938,437	259,798,118	245,822,098
Total assets		204,322,142	388,570,027	475,727,336

PAE (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

(Unit : Baht)

	Note	31 December 2023	Consolidated	
			31 December 2022 (Restated)	1 January 2022 (Restated)
<u>LIABILITIES AND EQUITY</u>				
Current liabilities				
Defaulted debts	17	65,497,520	836,389,405	799,684,645
Trade and other current payables	18	58,624,876	102,913,022	258,402,030
Contract liabilities	29.2	15,681,366	15,723,367	52,255,636
Retention payables		3,730,951	8,304,189	21,552,967
Current portion of long-term liabilities				
Lease liabilities	20	1,999,826	203,614	1,728,134
Short-term loan from third parties	19	35,845,417	63,434,303	63,434,303
Short-term loan from related person	6.1	15,000,000	-	2,625,000
Provision for late penalty		-	24,828,624	24,828,624
Current portion of liabilities under the compromise agreement	6.1	6,800,000	6,800,000	-
Other currents liabilities		-	-	50,000
Total current liabilities		203,179,956	1,058,596,524	1,224,561,339
Non-current liabilities				
Lease liabilities	20	2,014,183	-	203,614
Non-current provisions for employee benefits	21	27,563,995	28,094,401	24,741,412
Liabilities under the compromise agreement		-	-	6,800,000
Other non-currents liabilities		-	260,000	260,000
Total non-current liabilities		29,578,178	28,354,401	32,005,026
Total liabilities		232,758,134	1,086,950,925	1,256,566,365
Shareholders' equity				
Share capital	22			
Authorized share capital				
24,938,007,894 ordinary shares, at par value of Baht 1.00		24,938,007,894	24,938,007,894	24,938,007,894
Issued and paid up share capital				
6,642,299,396 ordinary shares, at par value of Baht 1.00		6,642,299,396	6,642,299,396	6,642,299,396
Premium on ordinary shares		128,893,569	128,893,569	128,893,569
Discount on ordinary shares		(4,754,936,075)	(4,754,936,075)	(4,754,936,075)
Deficits		(2,068,857,616)	(2,740,132,430)	(2,823,471,251)
Other components of shareholders' equity		67,244,887	67,244,887	67,244,887
Equity attributable to owners of the Company		14,644,161	(656,630,653)	(739,969,474)
Non-controlling interests of the subsidiaries		(43,080,153)	(41,750,245)	(40,869,555)
Total shareholders' equity		(28,435,992)	(698,380,898)	(780,839,029)
Total liabilities and shareholder's equity		204,322,142	388,570,027	475,727,336

PAE (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

(Unit : Baht)

	Note	Separate financial statements		
		31 December 2023	31 December 2022 (Restated)	1 January 2022 (Restated)
<u>ASSETS</u>				
Current Assets				
Cash and cash equivalents	25.1	5,751,918	80,972,489	126,932,046
Trade and other current receivables	7	49,812,849	22,043,189	60,344,051
Contract assets	29.2	24,566,049	22,521,119	40,025,516
Short-term loans to related parties	6.1	-	-	-
Inventories	8	4,417,120	2,399,798	2,397,677
Total current assets		84,547,936	127,936,595	229,699,290
Non-Current Assets				
Restricted bank deposits	10	16,628,221	13,165,006	168,218
Investments in subsidiaries	11	-	-	-
Long-term loans to related parties	6.1	-	-	-
Investment property	12	59,326,922	61,241,740	62,893,208
Property, plants and equipment	13	9,129,362	146,450,600	148,976,949
Right-of-use assets	14	3,413,478	169,908	1,749,674
Intangible assets	16	163,291	352,442	615,375
Withholding tax		14,104,688	21,559,948	14,440,185
Other non-current assets		800,695	1,141,090	1,141,090
Total non-current assets		103,566,657	244,080,734	229,984,699
Total assets		188,114,593	372,017,329	459,683,989

PAE (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

(Unit : Baht)

	Note	Separate financial statements		
		31 December 2023	31 December 2022 (Restated)	1 January 2022 (Restated)
<u>LIABILITIES AND EQUITY</u>				
Current liabilities				
Defaulted debts	17	-	773,429,323	739,261,701
Trade and other current payables	18	44,065,965	88,388,552	243,675,202
Contract liabilities	29.2	15,681,367	15,723,367	52,255,636
Retention payables		3,730,951	8,304,189	21,552,967
Current portion of long-term liabilities				
Lease liabilities	20	1,999,826	203,614	1,728,133
Short-term loan from third parties	19	-	27,588,886	27,588,886
Short-term loan from related person	6.1	15,000,000	-	2,625,000
Provision for late penalty		-	24,828,624	24,828,624
Other currents liabilities		-	-	50,000
Total current liabilities		80,478,109	938,466,555	1,113,566,149
Non-current liabilities				
Lease liabilities	20	2,014,183	-	203,614
Non-current provisions for employee benefits	21	27,563,995	28,094,401	24,741,412
Other non-currents liabilities		-	260,000	260,000
Total non-current liabilities		29,578,178	28,354,401	25,205,026
Total liabilities		110,056,287	966,820,956	1,138,771,175
Shareholders' equity				
Share capital	22			
Authorized share capital				
24,938,007,894 ordinary shares, at par value of Baht 1.00		24,938,007,894	24,938,007,894	24,938,007,894
Issued and paid up share capital				
6,642,299,396 ordinary shares, at par value of Baht 1.00		6,642,299,396	6,642,299,396	6,642,299,396
Premium on ordinary shares		128,893,569	128,893,569	128,893,569
Discount on ordinary shares		(4,754,936,075)	(4,754,936,075)	(4,754,936,075)
Deficits		(1,938,198,584)	(2,611,060,517)	(2,695,344,076)
Equity attributable to owners of the Company		78,058,306	(594,803,627)	(679,087,186)
Non-controlling interests of the subsidiaries		-	-	-
Total shareholders' equity		78,058,306	(594,803,627)	(679,087,186)
Total liabilities and shareholder's equity		188,114,593	372,017,329	459,683,989

PAE (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
			(Restated)		(Restated)
Revenue from services		234,588,507	198,861,472	234,588,507	198,816,472
Cost of services		(167,396,884)	(199,634,521)	(167,477,646)	(199,705,400)
Gross profit (loss)		<u>67,191,623</u>	<u>(773,049)</u>	<u>67,110,861</u>	<u>(888,928)</u>
Other income		10,660,284	6,302,634	10,656,854	4,880,744
Gain on sale of asset		97,381,350	2,979,544	97,361,610	2,979,544
Cost of distribution		(1,014,100)	(791,844)	(1,014,100)	(787,344)
Administrative expenses		(43,567,792)	(47,878,619)	(43,128,270)	(47,475,220)
Reversal loss on expected credit loss		1,386,610	11,022,470	1,386,610	11,396,630
Gain on write-off payable		6,274,007	130,297,297	6,274,007	130,297,297
Gain from debt restructuring	17	469,801,366	-	469,801,366	-
Gain from memorandum of rights and payment		81,174,524	20,735,897	81,174,523	20,735,897
Financial cost		(22,878,653)	(39,436,199)	(20,297,215)	(36,855,061)
Profit before income tax expenses		<u>666,409,219</u>	<u>82,458,131</u>	<u>669,326,246</u>	<u>84,283,559</u>
Income tax expense (income)	23	-	-	-	-
Profit for the year		<u>666,409,219</u>	<u>82,458,131</u>	<u>669,326,246</u>	<u>84,283,559</u>
Other comprehensive income (expense) for the year:					
Item that will not be reclassified subsequently to profit or loss					
Actuarial gain arising from defined benefit plan of employees		3,535,687	-	3,535,687	-
Total comprehensive income (expense) for the year		<u>669,944,906</u>	<u>82,458,131</u>	<u>672,861,933</u>	<u>84,283,559</u>
Loss attributable to :					
Equity holders of the Company		667,739,127	83,338,821	669,326,246	84,283,559
Non-controlling interests		(1,329,908)	(880,690)	-	-
		<u>666,409,219</u>	<u>82,458,131</u>	<u>669,326,246</u>	<u>84,283,559</u>
Total comprehensive income (expense) attributable to					
Equity holders of the Company		671,274,814	83,338,821	672,861,933	84,283,559
Non-controlling interests		(1,329,908)	(880,690)	-	-
		<u>669,944,906</u>	<u>82,458,131</u>	<u>672,861,933</u>	<u>84,283,559</u>
Basic earnings per share	24	0.10	0.01	0.10	0.01

PAE (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

(Unit : Baht)

	Note	Parent's Shareholders' Equity								Total
		Issued and paid-up share capital	Premium on ordinary shares	Discount on ordinary shares	Deficits	Other components of shareholders' equity		Total shareholders' equity attribute to owners of the Parent	Non-controlling interests of the subsidiary	
						Exchange differences on translation of financial statements	Total other components of equity			
(Restated)										
Balance as at 1 January 2022 (as previously reported)		6,642,299,396	128,893,569	(4,754,936,075)	(2,815,324,429)	67,244,887	67,244,887	(731,822,652)	(40,869,555)	(772,692,207)
Cumulative Effects from Correction of Accounting Errors	5	-	-	-	(8,146,822)	-	-	(8,146,822)	-	(8,146,822)
Balance as at 1 January 2022 (as restated)		6,642,299,396	128,893,569	(4,754,936,075)	(2,823,471,251)	67,244,887	67,244,887	(739,969,474)	(40,869,555)	(780,839,029)
Change in shareholders' equity for the year										
Profit for the year		-	-	-	83,338,821	-	-	83,338,821	(880,690)	82,458,131
Total change in shareholder's equity for the year		-	-	-	83,338,821	-	-	83,338,821	(880,690)	82,458,131
Balance as at 31 December 2022		6,642,299,396	128,893,569	(4,754,936,075)	(2,740,132,430)	67,244,887	67,244,887	(656,630,653)	(41,750,245)	(698,380,898)
Balance as at 1 January 2023 (as previously reported)		6,642,299,396	128,893,569	(4,754,936,075)	(2,731,547,798)	67,244,887	67,244,887	(648,046,021)	(41,750,245)	(689,796,266)
Cumulative Effects from Correction of Accounting Errors	5	-	-	-	(8,584,632)	-	-	(8,584,632)	-	(8,584,632)
Balance as at 1 January 2023 (as restated)		6,642,299,396	128,893,569	(4,754,936,075)	(2,740,132,430)	67,244,887	67,244,887	(656,630,653)	(41,750,245)	(698,380,898)
Change in shareholders' equity for the year										
Profit for the year		-	-	-	667,739,127	-	-	667,739,127	(1,329,908)	666,409,219
Other comprehensive income (expense) for the year		-	-	-	3,535,687	-	-	3,535,687	-	3,535,687
Total change in shareholder's equity for the year		-	-	-	671,274,814	-	-	671,274,814	(1,329,908)	669,944,906
Balance as at 31 December 2023		6,642,299,396	128,893,569	(4,754,936,075)	(2,068,857,616)	67,244,887	67,244,887	14,644,161	(43,080,153)	(28,435,992)

PAE (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
SEPARATE STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

(Unit : Baht)

	Note	Issued and paid-up share capital	Premium on ordinary shares	Discount on ordinary shares	Deficits (Restated)	Total
Balance as at 1 January 2022 (as previously reported)		6,642,299,396	128,893,569	(4,754,936,075)	(2,687,197,254)	(670,940,364)
Cumulative Effects from Correction of Accounting Errors	5	-	-	-	(8,146,822)	(8,146,822)
Balance as at 1 January 2022 (as restated)		6,642,299,396	128,893,569	(4,754,936,075)	(2,695,344,076)	(679,087,186)
Change in shareholders'equity for the year						
Profit for the year		-	-	-	84,283,559	84,283,559
Other comprehensive income (expense) for the year		-	-	-	-	-
Total change in shareholder's equity for the year		-	-	-	84,283,559	84,283,559
Balance as at 31 December 2022		6,642,299,396	128,893,569	(4,754,936,075)	(2,611,060,517)	(594,803,627)
Balance as at 1 January 2023 (as previously reported)		6,642,299,396	128,893,569	(4,754,936,075)	(2,602,475,885)	(586,218,995)
Cumulative Effects from Correction of Accounting Errors	5	-	-	-	(8,584,632)	(8,584,632)
Balance as at 1 January 2023 (as restated)		6,642,299,396	128,893,569	(4,754,936,075)	(2,611,060,517)	(594,803,627)
Change in shareholders'equity for the year						
Profit for the year		-	-	-	669,326,246	669,326,246
Other comprehensive income (expense) for the year		-	-	-	3,535,687	3,535,687
Total change in shareholder's equity for the year		-	-	-	672,861,933	672,861,933
Balance as at 31 December 2023		6,642,299,396	128,893,569	(4,754,936,075)	(1,938,198,584)	78,058,306

PAE (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
Note	2023	2022	2023	2022
Cash flows from operating activities				
Profit before income tax expenses	666,409,219	82,458,131	669,326,246	84,283,559
Adjustments for				
(Reversal) loss on expected credit loss	(1,386,610)	(11,567,239)	(1,386,610)	(11,941,399)
Loss on decline in value of inventories (reversal)	103,241	(2,207,580)	103,241	(2,207,580)
Depreciation	9,448,238	10,486,888	9,267,483	10,359,373
Amortization of right-of-use assets	1,615,098	1,579,766	1,615,098	1,579,766
Amortization of intangible assets	189,151	262,933	189,151	262,933
Loss on impairment of asset	159,751	-	-	-
Gain on sale of property, plant and equipment	(97,381,350)	(2,979,544)	(97,361,610)	(2,979,544)
Gain from debt restructuring	(469,801,366)	-	(469,801,366)	-
Gain from memorandum of rights and payment	(81,174,524)	(20,735,897)	(81,174,524)	(20,735,897)
Gain from write-off payable	(6,274,007)	(130,297,297)	(6,274,007)	(130,297,297)
Non-current provisions for employee benefits	4,740,526	4,218,621	4,740,526	4,218,621
Interest income	(1,468,318)	(87,522)	(1,467,949)	(87,335)
Finance costs	22,878,653	39,436,199	20,297,215	36,855,061
Profit (loss) from operating activities before change in operating assets and liabilities	48,057,702	(29,432,541)	48,072,894	(30,689,739)
Operating assets (increase) decrease				
Trade and other current receivable	(26,483,867)	37,484,551	(26,383,186)	37,476,968
Contract assets	(2,044,930)	(6,426,871)	(2,044,930)	(6,426,871)
Inventories	(1,618,110)	2,205,459	(1,618,110)	2,205,459
Other non-current assets	340,395	-	340,395	-
Operating liabilities increase (decrease)				
Trade and other current payable	1,431,279	(2,231,243)	1,440,838	(1,984,885)
Contract liabilities	(42,001)	478	(42,000)	478
Retention payables	(47,623)	(762,006)	(47,623)	(762,006)
Other currents liabilities	-	(50,000)	-	(50,000)
Cash received (paid) from operations	19,592,845	787,827	19,718,278	(230,596)

PAE (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023

	(Unit : Baht)			
	Consolidated financial statements		Consolidated financial statements	
Note	2023	2022	2023	2022
Cash flows from operating activities (continued)				
Cash received (paid) from operations (continued)	19,592,845	787,827	19,718,278	(230,596)
Payment of liabilities under memorandum of rights and debt settlement	(17,100,000)	(20,816,163)	(17,100,000)	(20,816,163)
Payment of liabilities under debt restructuring	(311,328,027)	-	(311,328,027)	-
Cash paid for employee benefit	(1,735,245)	(865,632)	(1,735,245)	(865,632)
Interest received	1,468,318	87,306	1,467,949	87,119
Income tax refundable	14,450,965	-	14,440,186	-
Income tax paid	(6,990,656)	(7,127,263)	(6,984,926)	(7,119,763)
Net cash used in operating activities	(301,641,800)	(27,933,925)	(301,521,785)	(28,945,035)
Cash flow from investing activities				
Increase in restricted bank deposits	(3,463,215)	(12,996,572)	(3,463,215)	(12,996,572)
Cash paid for investments in subsidiaries	-	-	-	374,160
Cash received from short-term loans to related parties	76,000,000	-	76,000,000	-
Cash received from sales of investment properties	6,070,872	-	6,070,872	-
Cash received from sales of property, plant and equipment	230,345,691	2,980,390	230,325,902	2,980,390
Cash paid for short-term loan to related	(76,000,000)	-	(76,000,000)	-
Cash paid for purchases of property, plant and equipment	(9,685,911)	(5,508,900)	(9,685,911)	(5,508,900)
Net cash provided by (used in) investing activities	223,267,437	(15,525,082)	223,247,648	(15,150,922)
Cash flows from financing activities				
Cash received from short-term loans to related parties	15,000,000	-	15,000,000	-
Cash repaid for liabilities under leases	(1,048,273)	(1,728,134)	(1,048,273)	(1,728,133)
Interest paid	(10,898,161)	(135,467)	(10,898,161)	(135,467)
Net cash provided by (used in) financing activities	3,053,566	(1,863,601)	3,053,566	(1,863,600)
Net increase (decrease) in cash and cash equivalent	(75,320,797)	(45,322,608)	(75,220,571)	(45,959,557)
Cash and cash equivalent at the beginning of the year	81,743,052	127,065,660	80,972,489	126,932,046
Cash and cash equivalent at the ended of the year	6,422,255	81,743,052	5,751,918	80,972,489

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12. Notes to financial statements

PAE (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1. GENERAL INFORMATION

PAE (Thailand) Public Company Limited (“the Company”) is a public company and is incorporated in Thailand. The address of the Company’s registered office is 69 Soi On-Nuch 64 (Suksaman), Sinakharin Road, Suan Luang, Bangkok.

The principal business operations of the Company and subsidiaries (“the Group”) are the engineering production and construction of equipment systems in the oil and natural gas industry and the production and sale of tap water.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The consolidated and separate financial statements are presented in Thai language and Thai Baht, and in conformity with Thai Financial Reporting Standards under the Accounting Act, B.E. 2543 (or 2000). These are Thai Financial Reporting Standards under the Accounting Profession Act, B.E.2547 (or 2004), including guidelines promulgated by the Federation of Accounting Professions (TFAC), and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act, B.E. 2535 (or 1992).

The consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

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

The financial statements issued for Thai report purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The Federation of Accounting Profession (TFAC) has revised some following financial reporting standards to apply to the financial statements having an accounting period beginning on or after 1 January 2023.

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

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

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

	Effective date
TFRS No. 1 First-time Adoption of Thai Financial Reporting Standards	1 January 2024
TFRS No. 3 Business Combinations	1 January 2024
TFRS No. 5 Non-current Assets Held for Sale and Discontinued Operations	1 January 2024
TFRS No. 7 Financial Instruments: Disclosures	1 January 2024
TFRS No. 9 Financial Instruments	1 January 2024
TFRS No. 15 Revenue from Contracts with Customers	1 January 2024
TAS No. 1 Presentation of Financial Statements	1 January 2024
TAS No. 7 Statement of Cash Flows	1 January 2024
TAS No. 8 Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2024
TAS No. 12 Income Taxes	1 January 2024
TAS No. 16 Property, Plant and Equipment	1 January 2024
TAS No. 19 Employee Benefits	1 January 2024
TAS No. 26 Accounting and Reporting by Retirement Benefit Plans	1 January 2024
TAS No. 28 Investments in Associates and Joint Ventures	1 January 2024
TAS No. 32 Financial Instruments: Presentation	1 January 2024
TAS No. 34 Interim Financial Reporting	1 January 2024
TAS No. 36 Impairment of Assets	1 January 2024
TAS No. 37 Provisions, Contingent Liabilities and Contingent Assets	1 January 2024
TAS No. 38 Intangible Assets	1 January 2024
TAS No. 40 Investment Property	1 January 2024
Accounting Guidelines: Other Financial Reporting Standards relevant to the Implementation of TFRS No.4	1 January 2024
Insurance Contracts During the Period that TFRS No.17 Insurance Contracts not yet Effective for Insurance Business	

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

3. PRINCIPLES OF CONSOLIDATION FINANCIAL STATEMENTS

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Subsidiaries, which are those entities in which the Group has power to govern the financial and operating policies, are consolidated. The existence and effect of potential voting rights that are presently exercisable or presently convertible are considered when assessing whether the Group controls another entity. Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

Acquisitions of subsidiaries are accounted for using the acquisition method. The consideration transferred for acquisition is measured at the sum of the fair value of the assets given, the liabilities incurred, and equity instruments issued by the Group at the date of exchange. Acquisition-related costs are accounted as expenses in the period in which the costs are incurred. The excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the fair value of the net identifiable assets of the subsidiary acquired is recognized as goodwill and to be tested for impairment annually. If, after reassessment, the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) is less than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognized in profit or loss as a bargain purchase gain.

Related party transactions, balances and unrealized gains on transactions between group companies are eliminated; unrealized losses are also eliminated unless cost cannot be recovered. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

As at 31 December 2023 and 2022 have been prepared by including the financial statements of PAE (Thailand) Public Company Limited and its subsidiaries after eliminate the significant related party balances and transactions. The percentage directly and indirectly owned by the Company as follows:-

<u>Companies</u>	<u>Nature of business</u>	<u>Country of incorporation</u>	<u>Percentage of shareholding</u>	
			<u>2023</u>	<u>2022</u>
<u>Subsidiaries</u>				
PAE Energy Solution Company Limited	Providing training service on energy laws	Thailand	100.00	100.00
PPS Energy & Marine Company Limited	Production and sale of tap water *	Thailand	67.77	67.77
Oasis Development Company Limited	Apartment rental *	Thailand	54.94	54.94
Pacific Resources International Limited (BVI)	Construction and supply *	British Virgin Islands	100.00	100.00

* Currently, the business is stopped.

The financial statements of the subsidiaries are prepared for the same reporting periods as the Company and using consistent significant accounting policies.

Non-controlling interests measured at net asset value of the proportion of shares held by non-controlling interest in it.

4. ACCOUNTING POLICIES

4.1 Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows comprise cash on hand, saving deposits, current deposits and highly liquid short-term investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

4.2 Trade and other accounts receivable and contract assets

A receivable is recognised when the Group has an unconditional right to receive consideration. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

A receivable is measured at transaction price less allowance for expected credit loss which is determined based on an analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

Contract assets are measured at the amount of consideration that the Group is entitled to, less impairment losses.

4.3 Inventories

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

Cost of consumables and spare parts are calculated using the First-in, First-out (FIFO) method.

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

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

4.4 Investment in subsidiary

Investment in subsidiary is reported by using the cost method of accounting in the separate financial statements less allowance for impairment investment (if any).

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognized in profit or loss.

4.5 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation is measured initially at its costs, including transaction cost. Subsequent to initial recognition, investment property is measured at their historical cost less accumulated depreciation and accumulated impairment losses (if any).

The Group calculate depreciation on all asset, except for land and assets under construction and is calculated using the straight-line method over the estimated useful lives of the assets, which range from 20 years.

4.6 Property, plant and equipment

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

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

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

When the use of a property changes from owner-occupied to investment property, its carrying amount is recognized and reclassified as investment property.

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

	<u>Years</u>
Buildings and building improvements	8 – 20
Machinery and equipment	5 – 10
Furniture and office equipment	5
Vehicles	5 – 8

The residual values, the useful lives and the depreciation method of an asset will be reviewed at each financial year end.

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

4.7 Goodwill

The Group initially records goodwill at cost, which equals to the excess of the acquisition costs over the fair value of the net assets acquired, and carries out a test for impairment of goodwill at least once a year or when there are circumstances indicate that an investment might be impaired. Where the fair value of the net assets exceeds the cost of acquisition at the acquisition date, the excess is recognized as a gain in the statement of income.

To test for impairment, the Group allocates goodwill from business combinations to each cash-generating unit (or group of cash-generating units) that is expected to receive benefit from the synergies of the combination. The Group evaluates the recoverable amount of each cash-generating unit (or group of cash-generating units) and if it is lower than the carrying amount of the unit, the Group recognizes impairment losses in profit or loss. Impairment losses of goodwill will not be reversed.

4.8 Intangible assets

Intangible assets in type of computer softwares are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses (if any). Amortization is recognized in profit or loss on a straight-line basis to allocate the cost over their estimated useful lives 5 - 10 years.

4.9 Leases

Where the Group is the lessee

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

and the right to direct the use of the identified asset is treated as the contract conveys the right to control the use of an identified asset.

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

The cost of the right-of-use asset comprises of the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories (The obligation for those of costs are incurred either at the commencement date or as a consequence of having used the underlying asset during a particular period).

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

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

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

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

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

The Group re-measures the lease liability by discounting the revised lease payments using an unchanged discount rate when there is a change in the amounts expected to be payable under a residual value guarantee, and there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments (Unless the change in lease payments results from a change in floating interest rates. In that case a revised discount rate that reflects the change in the interest rate is used).

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

Where the Group is the lessor

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

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

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

4.10 Financial assets

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

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. The Group measures trade receivables at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer if the trade receivables do not contain a significant financing component or when the Group applies the practical expedient for consideration that includes a significant

financing component, but the Group expects, at the contract inception, the period between the Group transfers a promised good or service to a customer and the customer pays for that good or service will be one year or less.

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

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

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

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

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

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

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

4.11 Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on a financial asset that is measured at amortized cost or at fair value through other comprehensive income.

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

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

4.12 Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized in profit or loss.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing 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. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of goodwill is not reversed. Impairment losses recognized in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

4.13 Financial liabilities

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

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

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

The Group recognizes a substantial modification of the terms of an existing financial liability as an extinguishment of the original financial liability and as a recognition of a new financial liability and recognizes the difference between the carrying amount of the financial liability extinguished and the consideration paid or liabilities assumed in profit or loss.

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

4.14 Contract liabilities

A contract liability is the obligation to transfer goods or services to the customer. A contract liability is recognised when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognises the related revenue.

4.15 Retirement benefit costs

Defined contribution plan

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

Defined benefit plan

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

4.16 Provisions

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

4.17 Revenue recognition

The Group recognizes revenue from providing personnel with expertise to work in the oil and gas exploration and production industry identified as a single performance obligation satisfied over time according to the amount of the transaction price based on the progress towards complete satisfaction of that performance obligation with the input method on the basis of the human resources spent relative to the total expected human resource spent for the satisfaction of that performance obligation.

The Group recognizes revenue from the provision of maintenance services for machinery and equipment in the oil and gas exploration and production industry identified as a single performance obligation satisfied over time according to the amount of the transaction price based on the progress towards complete satisfaction of that performance obligation with the input method on the basis of the costs incurred relative to the total expected costs for the satisfaction of that performance obligation.

The Group recognizes revenue from the manufacture of equipment and spare-parts used in the oil and gas exploration and production industry when the customers has accepted the promised goods delivered by the Group identified as a performance obligation satisfied at a point in time according to the amount of the transaction price.

In a case where the Group can not be able to reasonably measure the outcome of a performance obligation, but the Group expects to recover the costs incurred in satisfying the performance obligation. The Group will recognise revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

The Group determines the transaction price, which is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer for that performance obligation, which includes the fixed amounts and the estimate variable amounts by using the expected value method only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

4.18 Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method.

4.19 Foreign currency transactions

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

4.20 Income tax

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

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

The Group recognizes a deferred tax liability for all taxable temporary differences associated with investments in subsidiaries and associates, except to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. And the Group recognizes a deferred tax asset for all deductible temporary differences arising from investment in subsidiaries and associates, to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized.

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

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

4.21 Critical accounting estimates, assumption and judgments

Estimates, assumption and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Allowances for expected credit loss on receivables

Allowances for expected credit loss on receivables are intended to adjust the value of receivables for probable credit losses. The management uses judgment to establish reserves for estimated losses allowances for expected credit loss by taking into account collection risk and the value of the security used as collateral. However, the use of different estimates and assumptions could affect the amounts of allowances for expected credit loss and adjustments to the allowances may therefore be required in the future.

Allowance for impairment on investments

The Company and its subsidiaries treat investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgment of the management.

Plant and equipment

Management determines the estimated useful lives and residual values for the Group’s plant and equipment. Management will revise the depreciation charge where useful lives and residual values are different to previously estimated, or it will write off or write down technically obsolete or assets that have been abandoned or sold.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and other 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.

Employee benefits

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

Litigation

The Company and its subsidiaries have contingent liabilities as a result of litigation. The management has used judgment to assess of the results of the litigation cases and recorded provision for contingent liabilities as of the end of reporting period. In case where they believe that there will be no loss, they will not provide contingent liabilities as at the end of reporting period. However, actual results could differ from estimates.

5. CORRECTION OF ERROR

During the year 2023, The Company has corrected adjustment for unrecord Empowerment for Person with Disabilities Fund for year 2003 -2021. The Company's has corrected above errors by adjusting consolidated and separate financial statements as at 31 December 2022 and consolidated and separate statement of financial position as at 31 December 2022 and 1 January 2022, presented herein as comparative information, as if the errors have been corrected in accounting period in which they occur.

The effects of the correction of errors to the consolidated and separate financial statements as follows:-

	(Unit : Thousand Baht)
	Consolidated / Separate financial statements
<u>Statement of financial position as at 31 December 2022</u>	
Increase in trade and other current payables	8,585
Increase in deficits	8,585
<u>Statement of financial position as at 1 January 2022</u>	
Increase in trade and other current payables	8,147
Increase in deficits	8,147
<u>Statement of Comprehensive Income for the year ended 31 December 2022</u>	
Increase in administrative expenses	438
Decrease in profit for the year	438
Decrease in basic earnings per share (Baht)	0.00007

6. RELATED PARTY TRANSACTIONS

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

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

The Company has transactions with related parties for the year ended 31 December 2023 and 2022 as follows:-

6.1 Inter-assets and liabilities

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Other receivable				
Oasis Development Company Limited	-	-	-	90
PPS Energy & Marine Company Limited	-	-	2,102	2,102
Total	-	-	2,102	2,192
<u>Less</u> Allowance for expected credit loss	-	-	(2,102)	(2,102)
Net	-	-	-	90
Accrued interest income				
PPS Energy & Marine Company Limited	-	-	6,084	6,084
<u>Less</u> Allowance for expected credit loss	-	-	(6,084)	(6,084)
Net	-	-	-	-
Retention receivables				
EMC Public Company Limited	60	60	60	60
Total	60	60	60	60
Short-term loans				
EMC Public Company Limited				
Beginning balance	-	-	-	-
Increase during the year	76,000	-	76,000	-
Repayment during the year	(76,000)	-	(76,000)	-
Ending balance	-	-	-	-

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Allowance for expected credit loss				
Beginning balance	-	-	-	-
Increase (decreased) during the year	-	-	-	-
Ending balance	-	-	-	-
Net	-	-	-	-
PAE Energy Solution Company Limited				
Beginning balance	-	-	32,769	32,769
Increase (decreased) during the year	-	-	-	-
Ending balance	-	-	32,769	32,769
Allowance for expected credit loss				
Beginning balance	-	-	(32,769)	(32,769)
(Increase) decreased during the year	-	-	-	-
Ending balance	-	-	(32,769)	(32,769)
Net	-	-	-	-
Pacific Resources International Limited (BVI)				
Beginning balance	-	-	-	34,169
Write-off during the year	-	-	-	(34,169)
Ending balance	-	-	-	-
Allowance for expected credit loss				
Beginning balance	-	-	-	(34,169)
Write-off during the year	-	-	-	34,169
Ending balance	-	-	-	-
Net	-	-	-	-
Oasis Development Company Limited				
Beginning balance	-	-	15,056	15,056
Increase (decreased) during the year	-	-	-	-
Ending balance	-	-	15,056	15,056
Allowance for expected credit loss				
Beginning balance	-	-	(15,056)	(15,056)
(Increase) decreased during the year	-	-	-	-
Ending balance	-	-	(15,056)	(15,056)
Net	-	-	-	-
Total	-	-	-	-

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Long-term loans				
PPS Energy & Marine Company Limited				
Beginning balance	-	-	15,400	15,774
Decreased during the year	-	-	-	(374)
Ending balance	-	-	15,400	15,400
Allowance for expected credit loss				
Beginning balance	-	-	(15,400)	(15,774)
Decreased during the year	-	-	-	374
Ending balance	-	-	(15,400)	(15,400)
Net	-	-	-	-
Total	-	-	-	-

As at 31 December 2023, short-term loans to related parties are unsecured loans, no inter-contracts and interest was not inter-charge (31 December 2022: interest was not inter-charge).

As at 31 December 2023, long-term loans to related parties are unsecured loan contract and period of loan contract are 18 month from the date of issue. Interest was charged at the rates of 8.00% per annum (31 December 2022 : 8.00% per annum). Presently, the Company has stop recognize interest income.

During the period 2023, the Company has short-term loans to EMC Public Company Limited are unsecured loan contract and period of loan contract are 1-3 month from the date of issue. Interest was charged at the rates of 6.50% per annum. As at 31 December 2023, The company has received full repayment of principal and interest.

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade payable				
PAE Energy Solution Company Limited	-	-	135	135
Oasis Development Company Limited	-	-	374	374
Total	-	-	509	509
Advance received				
Warba National Contracting Company Limited	8,636	8,636	-	-

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term loans				
Major shareholder				
Beginning balance	-	-	-	-
Increase during the year	15,000	-	15,000	-
Paid during the year	-	-	-	-
Ending balance	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ex-shareholder				
Beginning balance	-	2,625	-	2,625
Paid during the year	-	(749)	-	(749)
Decrease from on debt relief	-	(1,876)	-	(1,876)
Ending balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>15,000</u>	<u>-</u>	<u>15,000</u>	<u>-</u>
Liabilities under the compromise agreement				
Capital Engineering Network Public Company Limited				
Beginning balance	6,800	6,800	-	-
Paid during the year	-	-	-	-
Ending balance	<u>6,800</u>	<u>6,800</u>	<u>-</u>	<u>-</u>

On 5 October 2020, PPS Energy & Marine Company Limited (the subsidiary) entered into the compromise agreement with the Court between Capital Engineering Network Public Company Limited in amount of Baht 6.80 million in the consolidated financial statement. The subsidiary agreed to pay the principal of Baht 10.80 million without interest. The subsidiary had paid installation at Baht 4.00 million in October 2020 and payment all outstanding amount within 5 October 2023. As at 31 December 2023, the subsidiary defaulted payment liabilities under the compromise agreement. As a result, the subsidiary may be subject to legal enforcement against the assets of the subsidiary.

During the period 2023, the Company entered into loan agreement from major shareholder in the amount of Baht 15 million, due on 12 June 2024. with interest rate 8.00% per annum, secured by the collateral the investment property machinery and vehicles, total amount is 38.07 million baht.

6.2 Inter-revenue and expenses

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Interest income				
EMC Public Company Limited	1,302	-	1,302	-
Cost of services				
PAE Energy Solution Company Limited	-	-	191	205
Consulting fee				
Director	500	-	500	-
Commission expense				
Key management personnels	4,800	-	4,800	-
Interest expenses				
Major shareholder	62	-	62	-

The Board of Directors of the Company has pass resolution to pay commission fee to Key management personnels in the amount of Baht 4.80 million in the consolidated and separate financial statement.

6.3 Management benefit expenses

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	8,218	9,255	8,218	9,255
Post-employment benefits	884	111	884	111
Total	<u>9,102</u>	<u>9,366</u>	<u>9,102</u>	<u>9,366</u>

6.4 Pricing policies

<u>Trading transactions</u>	<u>Policy of pricing</u>
Interest income	6.50 % per annum
Cost of services	Mutual agreed price
Commission expense	3.00 % of proceed price
Consulting fee	Baht 50,000 per month
Interest expenses	8.00 % per annum

6.5 Nature of relationship

<u>Name</u>	<u>Relationship</u>
<u>Subsidiary</u>	
Pacific Resources International Limited (BVI)	Direct shareholder
PAE Energy Solution Company Limited	Direct shareholder
Oasis Development Company Limited	Direct shareholder
PPS Energy & Marine Company Limited	Direct shareholder
<u>Related company</u>	
Capital Engineering Network Public Company Limited	Common shareholders
EMC Public Company Limited	Common shareholders
Related person	Major shareholder
Key management personnel	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the Company (whether executive or otherwise)

6.6 Commitment with related parties

As at 31 December 2023, the Company have commitment payment under legal advisory agreement with a director for 1 year ending on 31 August 2024. The Company had to pay compensation for rental in the amount of Baht 50,000.00 per month.

7. TRADE AND OTHER CURRENT RECEIVABLE

Consisted of :-

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade accounts receivables	62,379	64,292	44,656	46,569
<u>Less</u> Allowance for expected credit loss	(20,702)	(45,547)	(2,979)	(27,824)
Net	<u>41,677</u>	<u>18,745</u>	<u>41,677</u>	<u>18,745</u>
Other current receivable				
Other accounts receivables				
- Related parties	-	-	2,102	2,192
- Third parties	6,146	4,450	5,941	4,245
Accrued interest receivable - Related parties	-	-	6,084	6,084
Prepaid expenses	1,715	12,015	1,691	12,003
Advance	451	5,050	444	5,042
Retention receivables	60	18,627	60	18,627
Deposits	147	17,903	-	17,756
Total	<u>8,519</u>	<u>58,045</u>	<u>16,322</u>	<u>65,949</u>
<u>Less</u> Allowance for expected credit loss	(218)	(54,682)	(8,186)	(62,651)
Net	<u>8,301</u>	<u>3,363</u>	<u>8,136</u>	<u>3,298</u>
Total trade and other current receivable	<u><u>49,978</u></u>	<u><u>22,108</u></u>	<u><u>49,813</u></u>	<u><u>22,043</u></u>

As at 31 December 2023 and 2022, the Company had outstanding balances of aging trade receivable as follows:

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade accounts receivables				
Within credit term	21,561	17,323	21,561	17,322
Overdue 1 - 3 Months	20,000	1,422	20,000	1,422
Overdue 3 - 6 Months	116	-	116	-
Overdue 6 - 12 Months	-	-	-	-
Overdue over 12 Months	20,702	45,547	2,979	27,825
Total	<u>62,379</u>	<u>64,292</u>	<u>44,656</u>	<u>46,569</u>
Less Allowance for expected credit loss	(20,702)	(45,547)	(2,979)	(27,824)
Net	<u><u>41,677</u></u>	<u><u>18,745</u></u>	<u><u>41,677</u></u>	<u><u>18,745</u></u>

The movement of allowance for expected credit loss of trade receivable for the year ended 31 December 2023 and 2022 is as follows :-

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Beginning balance	45,547	78,022	27,824	60,300
Reversal during the year	(1,386)	(7,539)	(1,386)	(7,538)
Write-off	(23,459)	(24,937)	(23,459)	(24,937)
Ending balance	<u><u>20,702</u></u>	<u><u>45,547</u></u>	<u><u>2,979</u></u>	<u><u>27,824</u></u>

The movement of allowance for expected credit loss of other current receivable for the year ended 31 December 2023 and 2022 is as follows :-

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Beginning balance	54,682	54,682	62,651	73,450
Additional during the year	-	-	-	-
Write-off during the year	(54,464)	-	(54,465)	(10,798)
Ending balance	<u><u>218</u></u>	<u><u>54,682</u></u>	<u><u>8,186</u></u>	<u><u>62,651</u></u>

8. INVENTORIES

Consisted of:-

	(Unit : Thousand Baht)	
	Consolidated / Separate financial statements	
	<u>2023</u>	<u>2022</u>
Supplies	3,119	5,008
Work in progress	1,313	-
Used equipment	502	-
<u>Less</u> Allowance for decline in value of inventories	(517)	(2,608)
Net	4,417	2,400

The movement of allowance for decline in value of inventories for the year ended 31 December 2023 and 2022 is as follows :-

	(Unit : Thousand Baht)	
	Consolidated / Separate financial statements	
	<u>2023</u>	<u>2022</u>
Beginning balance	2,608	4,816
Write-down to net realisable value	-	-
Reversal of write-down	(2,091)	(2,208)
Ending balance	517	2,608

For the year ended 31 December 2023, the costs of inventories recognized as expenses are Baht 14.90 million in the consolidated and separate financial statement (For the year ended 31 December 2022, the costs of inventories recognized as expenses are Baht 14.53 million in the consolidated and separate financial statement).

9. OTHER NON-CURRENT FINANCIAL ASSETS

Consisted of:-

	(Unit : Thousand Baht)	
	Consolidated financial statements	
	<u>2023</u>	<u>2022</u>
Financial assets measure at fair value through profit or loss		
Investment in equity instruments (non-listed)	8,491	8,650
Total	8,491	8,650

As at 31 December 2023 and 2022, one subsidiary has an investment in equity instruments (non-listed) as follow :-

		(Unit : Thousand Baht)					
		Consolidated					
		financial statements					
<u>Name of Company</u>	<u>Type of Business</u>	<u>Paid-up share capital</u>		<u>Investment proportion (%)</u>		<u>Cost value</u>	
		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Super Water PPS Co., Ltd.	Production and sale of tap water	88,000	88,000	10.00	10.00	8,800	8,800
<u>Less</u> Allowance for impairment						(309)	(150)
Total						<u>8,491</u>	<u>8,650</u>

The movement of investment in equity instruments (non-listed) for the year ended 31 December 2023 and 2022 is as follows :-

		(Unit : Thousand Baht)	
		Consolidated financial statements	
		<u>2023</u>	<u>2022</u>
Opening net book value		8,650	8,650
<u>Less</u> Impairment Loss during the year		159	-
Ending net book value		<u>8,491</u>	<u>8,650</u>

10. RESTRICTED BANK DEPOSITS

As at 31 December 2023 and 2022, the Group has pledged the saving bank deposit, as collateral against letters of guarantee with financial institutions.

11. INVESTMENT IN SUBSIDIARIES

As at 31 December 2023 and 2022, the composition of the Group in the consolidated financial statements and the carrying value of investment in subsidiaries in the separate financial statement can be summarized as follows:-

<u>Name of Company</u>	Paid-up capital (Million Baht)		Investment portion (Percentage)		Cost Method (Thousand Baht)		Dividend (Thousand Baht)	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Subsidiaries don't having non-controlling interests								
PAE Energy Solution Company Limited	5.00	5.00	100.00	100.00	4,999	4,999	-	-
Pacific Resources International Limited (BVI)	86.68	86.68	100.00	100.00	86,681	86,681	-	-
Subsidiaries having material non-controlling interests								
PPS Energy & Marine Company Limited	150.00	150.00	67.77	67.77	82,137	82,137	-	-
Subsidiaries having immaterial non-controlling interests								
Oasis Development Company Limited	1.00	1.00	54.94	54.94	549	549	-	-
Total					174,366	174,366		
<u>Less Allowance for impairment</u>					(174,366)	(174,366)		
Net					-	-		

Financial information before inter-company eliminations of the subsidiaries having non-controlling interests that are material can be summarized as follows:

	(Unit : Thousand Baht)	
	PPS Energy & Marine Company Limited	
	<u>2023</u>	<u>2022</u>
Current assets	788	800
Non-current assets	12,328	12,669
Current liabilities	(89,304)	(85,530)
Non-current liabilities	(15,400)	(15,400)
Owners of the parent	(62,069)	(59,272)
Non-controlling interest	(29,519)	(28,189)
Revenues	-	-
Profit (loss) from continuing operations	(4,126)	(2,733)
Other comprehensive income (expense)	-	-
Total comprehensive income (expense)	(4,126)	(2,733)
Total comprehensive income (expense) allocated to non-controlling interest	(1,330)	(881)
Dividend paid to non-controlling interest	-	-

12. INVESTMENT PROPERTY

Consisted of:-

(Unit : Thousand Baht)

	Consolidated financial statements		
	<u>Land</u>	<u>Building</u>	<u>Total</u>
Cost :			
As at 1 January 2022	43,710	96,871	140,581
Transfer in	-	-	-
As at 31 December 2022	43,710	96,871	140,581
Transfer out	(3)	-	(3)
Disposal	(260)	(409)	(669)
As at 31 December 2023	43,447	96,462	139,909
Accumulated depreciation :			
As at 1 January 2022	-	(34,807)	(34,807)
Depreciation for the year	-	(1,651)	(1,651)
As at 31 December 2022	-	(36,458)	(36,458)
Depreciation for the year	-	(1,651)	(1,651)
Disposal	-	409	409
As at 31 December 2023	-	(37,701)	(37,701)
Accumulated impairment losses :			
As at 1 January 2022	(290)	(39,567)	(39,857)
Transfer in	-	-	-
As at 31 December 2022	(290)	(39,567)	(39,857)
Transfer in	-	-	-
As at 31 December 2023	(290)	(39,567)	(39,857)
Net book value :			
As at 31 December 2022	43,420	20,846	64,266
As at 31 December 2023	43,157	19,194	62,351

(Unit : Thousand Baht)

Separate financial statement

	<u>Land</u>	<u>Building</u>	<u>Total</u>
Cost :			
As at 1 January 2022	40,686	83,397	124,083
Transfer in	-	-	-
As at 31 December 2022	40,686	83,397	124,083
Transfer out	(3)	-	(3)
Disposal	(260)	(409)	(669)
As at 31 December 2023	40,423	82,988	123,411
Accumulated depreciation :			
As at 1 January 2022	-	(21,333)	(21,333)
Depreciation for the year	-	(1,651)	(1,651)
As at 31 December 2022	-	(22,984)	(22,984)
Depreciation for the year	-	(1,652)	(1,652)
Disposal	-	409	409
As at 31 December 2023	-	(24,227)	(24,227)
Accumulated impairment losses :			
As at 1 January 2022	(290)	(39,567)	(39,857)
Transfer in	-	-	-
As at 31 December 2022	(290)	(39,567)	(39,857)
Transfer in	-	-	-
As at 31 December 2023	(290)	(39,567)	(39,857)
Net book value :			
As at 31 December 2022	40,396	20,846	61,242
As at 31 December 2023	40,133	19,194	59,327

Amounts recognised in profit and loss that are related to investments property for the year ended 31 December 2023 and 2022 are as follows:

	(Unit : Thousand Baht)	
	Consolidated / Separate financial statements	
	<u>2023</u>	<u>2022</u>
Rental income	1,704	1,560
Direct operating expense that		
- Generated rental income	38	43
- Not generated rental income	154	461

As at 31 December 2023, the Group has mortgaged land with construction, carrying amount of Baht 38.13 million (2022: Baht 38.13 million) in the consolidated and Baht 35.11 million (2022: Baht 35.11 million) in separate financial statement, as collateral against the credit facility from the financial institutions as mentioned in Note 17.

As at 31 December 2023, the Group has mortgaged land with construction, carrying amount of Baht 24.22 million in the consolidated and separate financial statement, as collateral against the credit facility from major shareholder as mentioned in Note 6.

As at 31 December 2023, the fair value of investment properties in consolidated financial statements amount Baht 122.37 million (2022: Baht 122.37 million) and Baht 122.37 million (2022: Baht 111.80 million) in separate financial statement which determined fair value by an independent valuer. The fair value of the land has been determined based on market approach, and the fair value of buildings and building improvements has been determined based on cost approach.

The fair value measurement for investment property has been categorized as a Level 3 fair value based on the inputs to the valuation technique use.

As at 31 December 2023 and 2022, the amount to be receive in the future according to the maturity of operating leases without discount are as follow :-

	(Unit : Thousand Baht)	
	Consolidated / Separate financial statements	
	<u>2023</u>	<u>2022</u>
1 st Year	1,444	1,452
2 nd Year	12	144
3 rd Year	-	12
Total	<u>1,456</u>	<u>1,608</u>

13. PROPERTY, PLANT AND EQUIPMENT

Consisted of:-

(Unit : Thousand Baht)

	Consolidated financial statements						Total
	Land and improvement	Building and improvement	Machinery and equipment	Furniture and equipment	Vehicles	Construction progress	
Cost:							
As at 1 January 2023	204,495	170,194	121,399	46,151	8,932	-	551,171
Additions	-	-	334	1,535	-	7,700	9,569
Transfer in /Transfer out	3	7,700	-	-	-	(7,700)	3
Disposal/Write-off	(203,098)	(121,036)	(18,815)	(14,273)	(813)	-	(358,035)
As at 31 December 2023	1,400	56,858	102,918	33,413	8,119	-	202,708
Accumulated depreciation:							
As at 1 January 2023	(36,670)	(133,042)	(112,146)	(39,480)	(8,932)	-	(330,270)
Depreciation for the year	-	(1,747)	(3,608)	(2,441)	-	-	(7,796)
Transfer in /Transfer out	-	-	-	-	-	-	-
Disposal/Write-off	36,670	103,158	17,656	13,791	813	-	172,088
As at 31 December 2023	-	(31,631)	(98,098)	(28,130)	(8,119)	-	(165,978)

(Unit : Thousand Baht)

	Consolidated financial statements						Total
	Land and improvement	Building and improvement	Machinery and equipment	Furniture and equipment	Vehicles	Construction progress	
Accumulated impairment loss:							
As at 1 January 2023	(46,669)	(21,693)	(2,036)	(36)	-	-	(70,434)
Transfer in /Transfer out	-	-	-	-	-	-	-
Disposal/Write-off	46,669	-	-	-	-	-	46,669
As at 31 December 2023	-	(21,693)	(2,036)	(36)	-	-	(23,765)
Net book value:							
As at 31 December 2023	1,400	3,534	2,784	5,247	-	-	12,965
Depreciation is included in the statement of comprehensive income for the year 2023							<u>7,796</u>

(Unit : Thousand Baht)

	Consolidated financial statements						Total
	Land and improvement	Building and improvement	Machinery and equipment	Furniture and equipment	Vehicles	Construction progress	
Cost:							
As at 1 January 2022	204,495	168,888	134,595	53,280	10,002	-	571,260
Additions	-	-	1,077	3,799	-	1,306	6,182
Transfer in /Transfer out	-	1,306	-	-	-	(1,306)	-
Disposal/Write-off	-	-	(14,273)	(10,928)	(1,070)	-	(26,271)
As at 31 December 2022	204,495	170,194	121,399	46,151	8,932	-	551,171
Accumulated depreciation:							
As at 1 January 2022	(36,670)	(130,855)	(121,943)	(48,235)	(10,002)	-	(347,705)
Depreciation for the year	-	(2,187)	(4,476)	(2,173)	-	-	(8,836)
Transfer in /Transfer out	-	-	-	-	-	-	-
Disposal/Write-off	-	-	14,273	10,928	1,070	-	26,271
As at 31 December 2022	(36,670)	(133,042)	(112,146)	(39,480)	(8,932)	-	(330,270)

(Unit : Thousand Baht)

	Consolidated financial statements						Total
	Land and improvement	Building and improvement	Machinery and equipment	Furniture and equipment	Vehicles	Construction progress	
Accumulated impairment loss:							
As at 1 January 2022	(46,669)	(21,693)	(2,036)	(36)	-	-	(70,434)
Transfer in /Transfer out	-	-	-	-	-	-	-
Disposal/Write-off	-	-	-	-	-	-	-
As at 31 December 2022	(46,669)	(21,693)	(2,036)	(36)	-	-	(70,434)
Net book value:							
As at 31 December 2022	121,156	15,459	7,217	6,635	-	-	150,467
Depreciation is included in the statement of comprehensive income for the year 2022							8,836

(Unit : Thousand Baht)

	Separate financial statement						Total
	Land and improvement	Building and improvement	Machinery and equipment	Furniture and equipment	Vehicles	Construction progress	
Cost:							
As at 1 January 2023	203,094	137,458	75,864	44,144	9,582	-	470,142
Additions	-	-	334	1,535	-	7,700	9,569
Transfer in /Transfer out	3	7,700	-	-	-	(7,700)	3
Disposal/Write-off	(203,097)	(121,036)	(18,814)	(13,783)	(813)	-	(357,543)
As at 31 December 2023	-	24,122	57,384	31,896	8,769	-	122,171
Accumulated depreciation:							
As at 1 January 2023	(36,669)	(124,606)	(68,647)	(37,518)	(9,582)	-	(277,022)
Depreciation for the year	-	(1,573)	(3,608)	(2,434)	-	-	(7,615)
Disposal/Write-off	36,669	103,158	17,655	13,300	813	-	171,595
As at 31 December 2023	-	(23,021)	(54,600)	(26,652)	(8,769)	-	(113,042)
Accumulated impairment loss:							
As at 1 January 2023	(46,669)	-	-	-	-	-	(46,669)
Disposal/Write-off	46,669	-	-	-	-	-	46,669
As at 31 December 2023	-	-	-	-	-	-	-
Net book value:							
As at 31 December 2023	-	1,101	2,784	5,244	-	-	9,129
Depreciation is included in the statement of comprehensive income for the year 2023							7,615

(Unit : Thousand Baht)

	Separate financial statement						Total
	Land and improvement	Building and improvement	Machinery and equipment	Furniture and equipment	Vehicles	Construction progress	
Cost:							
As at 1 January 2022	203,094	136,152	89,060	51,273	10,652	-	490,231
Additions	-	-	1,077	3,799	-	1,306	6,182
Transfer in /Transfer out	-	1,306	-	-	-	(1,306)	-
Disposal/Write-off	-	-	(14,273)	(10,928)	(1,070)	-	(26,271)
As at 31 December 2022	203,094	137,458	75,864	44,144	9,582	-	470,142
Accumulated depreciation:							
As at 1 January 2022	(36,669)	(122,593)	(78,444)	(46,281)	(10,598)	-	(294,585)
Depreciation for the year	-	(2,013)	(4,476)	(2,165)	(54)	-	(8,708)
Disposal/Write-off	-	-	14,273	10,928	1,070	-	26,271
As at 31 December 2022	(36,669)	(124,606)	(68,647)	(37,518)	(9,582)	-	(277,022)
Accumulated impairment loss:							
As at 1 January 2022	(46,669)	-	-	-	-	-	(46,669)
Increase	-	-	-	-	-	-	-
As at 31 December 2022	(46,669)	-	-	-	-	-	(46,669)
Net book value:							
As at 31 December 2022	119,756	12,852	7,217	6,626	-	-	146,451
Depreciation is included in the statement of comprehensive income for the year 2022							8,708

As at 31 December 2023, certain equipment items of the Group have been fully depreciated but are still in use. The original cost, before deducting accumulated depreciation, of those assets amounted to Baht 153.68 million in the consolidated and Baht 89.66 million in separate financial statement (31 December 2022: Baht 300.41 million in the consolidated and Baht 220.13 million in separate financial statement).

As at 31 December 2023, the Group have not mortgaged land with construction as collateral against the credit facility from the financial institutions (31 December 2022: Baht 136.63 million in the consolidated and Baht 132.61 million in separate financial statement) as mentioned in Notes 17 and 32.1.

As at 31 December 2023, the Group have mortgaged machinery and equipment and vehicles in carrying amount of Baht 0.02 million in the consolidated and separate financial statement as collateral against the credit facility from major shareholder as mentioned in Note 6.

As at 31 December 2023, the subsidiary have unused assets these are land with construction and water supply plant in carrying amount of Baht 3.84 million in the consolidated financial statement (31 December 2022: Baht 4.01 million in the consolidated financial statement).

As at 31 December 2023, the subsidiary has buildings and water supply plant located on land owned by third-party in carrying amount of Baht 0.01 million in the consolidated financial statement (31 December 2022 : Baht 0.01 million in the consolidated financial statement).

As at 31 December 2023, land together construction of the subsidiary company's ownership (Assets not used in operation) the carrying amount of Baht 3.84 million in the consolidated financial statement is an asset that is in the process of public auction as mentioned in the Note 17 (31 December 2022 : Baht 4.01 million in the consolidated financial statement).

14. RIGHT-OF-USE ASSETS

Consisted of:-

	(Unit : Thousand Baht)		
	Consolidated / Separate financial statement		
	<u>Building</u>	<u>Vehicle</u>	<u>Total</u>
As at 1 January 2022	1,221	529	1,750
Depreciation during the year	(1,051)	(529)	(1,580)
As at 31 December 2022	170	-	170
Increase during the year	3,212	1,647	4,859
Depreciation during the year	(1,067)	(549)	(1,616)
As at 31 December 2023	<u>2,315</u>	<u>1,098</u>	<u>3,413</u>

Expenses relating to leases for the year ended 31 December 2023 and 2022 is as follows :-

	(Unit : Thousand Baht)	
	Consolidated /	
	Separate financial statement	
	<u>2023</u>	<u>2022</u>
Interest expense on lease liabilities	423	135
Expense relating to short-term lease and low-value asset	579	529

Total cash outflow for leases of the Group and the Company were Baht 1.47 million in the consolidated and separate financial statement (2022: Baht 1.86 million in the consolidated and separate financial statement).

15. GOODWILL

Consisted of:

	(Unit : Thousand Baht)	
	<u>Consolidated financial statements</u>	
	<u>2023</u>	<u>2022</u>
Cost:		
As at 1 January	34,804	34,804
Additions	-	-
As at 31 December	<u>34,804</u>	<u>34,804</u>
Accumulated impairment loss:		
As at 1 January	(34,804)	(34,804)
Additions	-	-
As at 31 December	<u>(34,804)</u>	<u>(34,804)</u>
Net book value:		
As at 31 December	<u>-</u>	<u>-</u>

The management had evaluated the recoverable amount of cash generating unit assets used in tap water production of PPS (Currently, the business is stopped). After testing, the Company's management has determined that the recoverable amount is lower than the carrying amount. As a result, the management is realizing whole amount of loss of impairment of goodwill.

16. INTANGIBLE ASSETS

Consisted of:

(Unit : Thousand Baht)

	Consolidated financial statements		
	Software computer	Software computer during installation	Total
Cost:-			
As at 1 January 2022	16,381	-	16,381
Additions	-	-	-
As at 31 December 2022	16,381	-	16,381
Additions	-	-	-
As at 31 December 2023	16,381	-	16,381
Accumulated amortization:-			
As at 1 January 2022	(15,692)	-	(15,692)
Amortisation for the year	(263)	-	(263)
As at 31 December 2022	(15,955)	-	(15,955)
Amortisation for the year	(189)	-	(189)
As at 31 December 2023	(16,144)	-	(16,144)
Allowance for impairment loss:-			
As at 1 January 2022	(74)	-	(74)
Additions	-	-	-
As at 31 December 2022	(74)	-	(74)
Additions	-	-	-
As at 31 December 2023	(74)	-	(74)
Net book value:-			
As at 31 December 2022	352	-	352
As at 31 December 2023	163	-	163
Amortization is included in the statement of comprehensive income			
For the year ended 31 December 2022			263
For the year ended 31 December 2023			189

	(Unit : Thousand Baht)
	Separate financial statement
	<u>Software computer</u>
Cost:-	
As at 1 January 2022	16,348
Additions	-
As at 31 December 2022	16,348
Additions	-
As at 31 December 2023	16,348
Accumulated amortization:-	
As at 1 January 2022	(15,659)
Amortisation for the year	(263)
As at 31 December 2022	(15,922)
Amortisation for the year	(189)
As at 31 December 2023	(16,111)
Allowance for impairment loss:-	
As at 1 January 2022	(74)
Additions	-
As at 31 December 2022	(74)
Additions	-
As at 31 December 2023	(74)
Net book value:-	
As at 31 December 2022	352
As at 31 December 2023	163
Amortization is included in the statement of comprehensive income	
For the year ended 31 December 2022	263
For the year ended 31 December 2023	189

17. DEFAULTED DEBTS

Consisted of:-

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Liabilities under sale and lease-back contracts	15,902	15,902	-	-
Bank overdraft	-	30,000	-	30,000
Short-term loans - promissory note	-	20,141	-	20,141
Long-term loans	18,903	352,109	-	333,207
Total principal	34,805	418,152	-	383,348
Accrued fee and interest expenses	30,693	418,237	-	390,081
Total principal and accrued interest expenses	65,498	836,389	-	773,429

The movements of defaulted debts for the year ended 31 December 2023 and 2022, are as follows:-

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Opening defaulted debts balance	836,389	799,685	773,429	739,262
Interest during the year	10,238	36,704	7,700	34,167
Repayment during the year	(311,328)	-	(311,328)	-
Gain from debt restructuring	(469,801)	-	(469,801)	-
Ending defaulted debts balance	65,498	836,389	-	773,429

Defaulted debts of the Company

In October 2021, a asset management company filed a lawsuit against the Company to repay the principal of loans with interest in a total amount of Baht 722.05 million. On 16 March 2023, the Company entered into a Debt Restructuring Agreements in order to compromise with the Court. The Company agreed to repay the debt in the total amount of Baht 310.00 million with interest at SPRL - 1.20% per annum from the date of approval. And released some mortgage to sold for repayment of defaulted debts.

On 15 December 2023, the Company fully paid the principal and accrued interest expenses under the debt restructuring agreement and recorded a reduction of the principal and accrued interest expenses as the gain from debt restructuring. For the year ended 31 December 2023, gain from debt restructuring recognized are Baht 469.80 million in the consolidated and Baht 469.80 million in separate financial statement.

On 11 July 2023, the Company entered into a debt acknowledgment letter with a financial institution for obligation of 30 letters of guarantee, totaling 159.54 million baht and the outstanding accrued letter of guaranteed fee in the amount of Baht 21.95 million. The company have to return some of the letters of guarantee within November 2023 and pay fee in the amount Baht 5.10 million and use the collateral as a mortgage in the amount of Baht 90 million. If the Company is unable to return the letter of guarantee, the Company have to pay the fee according to the specific in the contract. During the year 2023, the Company paid the outstanding fees and mortgaged the collateral as specific in the contract. For the year ended 31 December 2023, gain from memorandum of rights and payment recognized are Baht 16.59 million in the consolidated and Baht 16.59 million in separate financial statement.

Defaulted debts of a subsidiary

A subsidiary has defaulted payment liabilities under sale and lease back for water supply plant 2 contacts in the amount of Baht 15.90 million with a financial institution. On 30 May 2018, the court issued a judgment for the subsidiary to repay the debt to the creditors totaling Baht 17.10 million with interest at 7.50% per annum. But a subsidiary cannot comply with judgment.

A subsidiary has defaulted payment liabilities under long-term loan for 3 contacts in the amount of Baht 10.71 million with a financial institution. A subsidiary has entered into a compromise agreement to pay in the amount of Baht 14.46 million with interest at 18.00% per annum of the principal amount of Baht 10.68 million until the repayment is completed. Payment by monthly installments not less than Baht 0.17 million but a subsidiary cannot comply with the terms of the compromise agreement. The creditor had execute seized of the property comprise of land and buildings proceed to public auction.

A subsidiary has defaulted payment liabilities under debt acceptance letter to agree to pay the debt to the Thai Credit Guarantee Corporation (TCG) in the amount of Baht 8.19 million with interest at 7.50% per annum.

The defaulted debt for the entire amount of the guarantee by land together construction, ownership of the Company and subsidiary and well water supply plant are owned by the subsidiary.

18. TRADE AND OTHER CURRENT PAYABLE

Consisted of:-

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade payables				
- Related parties	-	-	509	509
- Third parties	20,639	19,869	20,639	20,381
Post-date cheque	77	120	77	120
Total	<u>20,716</u>	<u>19,989</u>	<u>21,225</u>	<u>21,010</u>
Other current payables				
Other Payables	786	2,472	486	2,173
Payable for purchase of assets	3,445	3,561	557	674
Accrued expenses	20,041	41,185	18,572	39,194
Accrued interest expenses	625	23,051	-	22,469
Undue output vat	4,086	4,019	2,936	2,869
Deposit	290	-	290	-
Advance to related parties	8,636	8,636	-	-
Total	<u>37,909</u>	<u>82,924</u>	<u>22,841</u>	<u>67,379</u>
Trade and other current payables	<u>58,625</u>	<u>102,913</u>	<u>44,066</u>	<u>88,389</u>

19. SHORT-TERM LOANS FROM THIRD PARTY

Consisted of:-

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term loan from third parties	35,405	62,994	-	27,589
Short-term loan from other persons	440	440	-	-
Total	<u>35,845</u>	<u>63,434</u>	<u>-</u>	<u>27,589</u>

The movements of short-term loan from third parties for the year ended 31 December 2023 and 2022, are as follows:-

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Opening balance	63,434	63,434	27,589	27,589
Repayment	(12,000)	-	(12,000)	-
Gain from memorandum of rights and payment	(15,589)	-	(15,589)	-
Ending balance	<u>35,845</u>	<u>63,434</u>	<u>-</u>	<u>27,589</u>

As at 31 December 2022, short-term loan from third parties in amount of Baht 27.59 million stated on consolidated and separate financial statements, with the loan contract, and carried the interest rate of 9.25% per annum and without collateral. In September 2023, the Company entered into a memorandum of understanding to repay certain debts. The creditor has agreed to reduce the debt from the breach of the contract and default on loan payments. The creditor will not have any claims against each other, and the company has agreed to pay a total of 12.00 million baht. The Company recognized the difference between the carrying amount of the financial liability derecognized and the consideration paid. Therefore, the Company has recorded result from above in gain from memorandum of rights and payment.

As at 31 December 2023 and 2022, short-term loan from third parties in amount of Baht 35.40 million stated on consolidated financial statements, was liabilities of a subsidiary with WNSR Pacific Company Limited without contract and interest.

As at 31 December 2023 and 2022, short-term loan from other person in amount of Baht 0.44 million stated on consolidated financial statements which is borrowed for using in a subsidiary's business operation as a loan agreement and promissory note with an interest rate at 10.00% per annum.

20. LEASE LIABILITIES

The movements of lease liabilities for the year ended 31 December 2023 and 2022, are as follows:-

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statement	
	2023	2022	2023	2022
Opening lease liabilities balance	204	1,932	204	1,932
Increase	4,858	-	4,858	-
Repayment during the year	(1,048)	(1,728)	(1,048)	(1,728)
Ending balance	4,014	204	4,014	204
<u>Less</u> Current portion of lease liabilities	(2,000)	(204)	(2,000)	(204)
Total lease liabilities - net from current portion of lease liabilities	2,014	-	2,014	-

The maturity analysis of lease liabilities is as follows:-

(Unit : Thousand Baht)

	Consolidated financial statements			Separate financial statement		
	2023					
	Lease liabilities	Deferred finance lease charges	Net	Lease liabilities	Deferred finance lease charges	Net
Less than 1 year	2,358	(358)	2,000	2,358	(358)	2,000
More than 1 year but less than 5 years	2,168	(154)	2,014	2,168	(154)	2,014
Total	4,526	(512)	4,014	4,526	(512)	4,014

(Unit : Thousand Baht)

	Consolidated financial statements			Separate financial statement		
	2022					
	Lease liabilities	Deferred finance lease charges	Net	Lease liabilities	Deferred finance lease charges	Net
Less than 1 year	207	(3)	204	207	(3)	204
More than 1 year but less than 5 years	-	-	-	-	-	-
Total	207	(3)	204	207	(3)	204

As at 31 December 2023, the Group has entered into the contract of leases with several lessor companies so as to lease property, plant and vehicles by number of 3 contracts (2022: 3 contracts). The leased contracts determine leased fee repayment as monthly installment from Baht 26,750.00 – 108,417.00 per month (2022: 26,000.00 - 103,300.00 Baht). The leased period is carried 1-4 years.

21. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS

Changes in the present value of the non-current provisions for employee benefit for the year ended 31 December 2023 and 2022, are as follows:-

	(Unit : Thousand Baht)	
	Consolidated / Separate financial statement	
	<u>2023</u>	<u>2022</u>
As at 1 January	28,094	24,741
Included in profit or loss:		
Current service cost and interest cost	4,473	4,171
Past service cost and gain and losses on settlement	267	48
Included in other comprehensive income:		
Actuarial (gain) losses arising from change		
Experience adjustments	(945)	-
Demographic assumptions changes	(731)	-
Financial assumptions changes	(1,859)	-
Benefits paid during the year	(1,735)	(866)
As at 31 December	<u>27,564</u>	<u>28,094</u>

Principal actuarial assumptions as at 31 December 2023 and 2022 are as follows:-

	Consolidated / Separate financial statement	
	<u>2023</u>	<u>2022</u>
Discount rate at end of year	2.70%	1.95%
Salary increase rate	1.00% - 5.60%	1.00% - 5.00%
Employee turnover rate	0.00% - 24.00%	0.00% - 23.00%

Changes in the actuarial assumption as at 31 December 2022 and 2021 are will affect to the non-current provisions for employee benefits as follows:-

	(Unit : Thousand Baht)	
	Consolidated / Separate financial statement	
	Employee benefit obligation	
	increase (decrease)	
	<u>2023</u>	<u>2022</u>
Discount rate increase 1%	(1,808)	(2,197)
Discount rate decrease 1%	2,041	2,510
Salary increase rate increase 1%	2,176	2,935
Salary increase rate decrease 1%	(1,958)	(2,595)
Employee turnover rate increase 10%	(647)	(796)
Employee turnover rate decrease 10%	700	862

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

	(Unit : Thousand Baht)	
	Consolidated / Separate	
	financial statement	
	<u>2023</u>	<u>2022</u>
Not later than 1 year	1,718	1,372
2 - 5 years	16,684	9,990
More than 5 years	42,263	49,624
Total	<u>1,718</u>	<u>60,986</u>

As at 31 December 2023, the weighted average duration of the defined employee benefit obligation of the Group are 10 years on consolidated and separate financial statements (2022: 11 years).

22. SHARE CAPITAL

	Number of shares (Unit : Share)	Amount (Unit : Thousand Baht)
Registered share capital (Baht 1.00 per share)		
As at 1 January 2022	24,938,007,894	24,938,007
Increment of capital	-	-
As at 31 December 2022	24,938,007,894	24,938,007
Increment of capital	-	-
As at 31 December 2023	24,938,007,894	24,938,007

	Number of shares (Unit : Shares)	Ordinary shares (Unit : Thousand Baht)	Premium on ordinary share (Unit : Thousand Baht)	Discount on ordinary share (Unit : Thousand Baht)	Total (Unit : Thousand Baht)
Paid-up capital (Baht 1.00 per share)					
As at January 1, 2022	6,642,299,396	6,642,299	128,894	(4,754,936)	2,016,257
Increment of capital	-	-	-	-	-
As at December 31, 2022	6,642,299,396	6,642,299	128,894	(4,754,936)	2,016,257
Increment of capital	-	-	-	-	-
As at December 31, 2023	6,642,299,396	6,642,299	128,894	(4,754,936)	2,016,257

The capital management

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

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

23. INCOME TAX (INCOME) EXPENSE

The income tax (income) expenses recognized in profit or loss for the year ended 31 December 2023 and 2022, are as follows:-

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current tax expense	-	-	-	-
Deferred tax expense relating to the origination and reversal of temporary differences	-	-	-	-
Total income tax (income) expense	-	-	-	-

The relationship between tax expense and accounting loss for the year ended 31 December 2023 and 2022, are as follows:-

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Accounting profit (loss)	666,409	82,458	669,326	84,284
Tax rate used	20%	20%	20%	20%
Tax at the applicable tax rate	133,282	16,492	133,865	16,857
The effect of income that isn't required to be calculated for taxation profits	(104,309)	-	(104,309)	-
Expenses that are not deductible in determining taxation profit	78	783	78	783
Expenses that are deductible at greater amount in taxation profit	(391)	(6,923)	(391)	(6,923)
Income that are be taxable	1,012	2,830	1,012	2,830
Effect of unrecognised deferred tax assets	924	-	924	-
Temporary difference before the periods aren't recognized as deferred tax assets	(31,179)	(13,747)	(31,179)	(13,547)
Effect of income tax rates of subsidiaries	5	2	-	-
Loss from operations not recognized as a deferred tax asset	578	563	-	-
Income tax expense (income)	-	-	-	-

Applicable tax rate	<u>2023</u>	<u>2022</u>
The Company and subsidiaries	20%	20%
The company with capital less than Baht 5 million and revenue less than Baht 30 million		
- Net profit between 1-300,000 Baht	-	-
- Net profit between 300,000-1,000,000 Baht	15%	15%
- Net profit from 1,000,001 Baht	20%	20%

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

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Unused tax losses	6,466	-	3,206	-
- Expire in next 1 year	27,027	2,425	19,159	-
- Expire in next 2 - 5 years	18,370	59,554	13,624	48,972
Temporary differences				
- Allowance for decline in value of inventories	103	522	103	522
- Allowance for impairment loss of investment properties	7,971	7,971	7,971	7,971
- Allowance for impairment loss for property, plant and equipment	4,746	14,080	-	9,334
- Lease liabilities	-	7	-	7
- Provision for long-term employee benefits	36	5,619	36	5,619
Total	<u>51,863</u>	<u>90,178</u>	<u>35,989</u>	<u>72,425</u>

The deferred tax assets and liabilities, which are not recognized in the statement of financial position, arises from undistributed profits associated with investments in subsidiaries and associate; consisted of:-

(Unit : Thousand Baht)

	Consolidated financial statements	
	<u>2023</u>	<u>2022</u>
Deferred tax assets		
- Subsidiaries	34,873	34,873

24. BASIS EARNINGS (LOSS) PER SHARE

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

25. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

25.1 Cash and cash equivalents consisted of :-

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash on hand	153	159	150	153
Cash at bank	6,269	81,584	5,602	80,819
Total	<u>6,422</u>	<u>81,743</u>	<u>5,752</u>	<u>80,972</u>

25.2 Non-cash items is as follows :-

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Payable for purchase of assets	520	674	-	-
Reclassified liabilities under the compromise agreement to current portion	-	6,800	-	-
Gain from memorandum of rights and payment				
- Trade accounts receivables	-	(37,211)	-	(37,211)
- Trade and other current payables	40,757	22,318	40,757	22,318
- Contract liabilities	-	23,266	-	23,266
- Retention payables	-	10,487	-	10,487
- Short-term loan from related persons	-	1,876	-	1,876
- Short-term loan from third parties	15,589	-	15,589	-
- Provision for late penalty	24,829	-	24,829	-
	<u>81,175</u>	<u>20,736</u>	<u>81,175</u>	<u>20,736</u>
Gain on write-off payables				
- Trade accounts receivables	-	(419)	-	(419)
- Trade and other current payables	1,748	129,152	1,748	129,152
- Retention payables	4,526	1,564	4,526	1,564
	<u>6,274</u>	<u>130,297</u>	<u>6,274</u>	<u>130,297</u>

During the year 2023 and 2022, the Group has entered into a memorandum of rights and debt settlement/ memorandum of understanding. The creditors agreed to reduce the debt arising from the result of the lawsuit. The Group recognized the difference between the carrying amount of the financial liability derecognized and the consideration paid. Therefore, the Company has recorded result from above in gain from memorandum of rights and payment.

During the year 2023 and 2022, the Group has written off debt that the Group's legal department deems prescription, and the creditor has no right to claim from the group. The Group derecognized of a financial liability. Therefore, the Group recorded the result of the above transaction in the gain on write-off payable.

25.3 Liabilities arising from financing activities :-

The movements of liabilities arising from financing activities the year ended 31 December 2023 and 2022 is as follows:-

(Unit : Thousand Baht)

	Consolidated statements of financial position					
			Non-cash changes			31 December
	1 January	Cash flows	New leases	Increase	Gain on	
2023	(decrease)			written off debt	2023	
				during the year		
Defaulted debts	836,389	(311,328)	-	10,238	(469,801)	65,498
Short-term loan from third parties	63,434	-	-	-	(27,589)	35,845
Short-term loan from related person	-	15,000	-	-	-	15,000
Lease liabilities	204	(1,048)	4,858	-	-	4,014
Total	900,027	(324,376)	4,858	10,238	(485,390)	105,357

(Unit : Thousand Baht)

	Consolidated statements of financial position					
			Non-cash changes			31 December
	1 January	Cash flows	New leases	Increase	Gain on	
2022	(decrease)			written off debt	2022	
				during the year		
Defaulted debts	799,684	-	-	36,705	-	836,389
Short-term loan from third parties	63,434	-	-	-	-	63,434
Short-term loan from related person	2,625	(749)	-	-	(1,876)	-
Lease liabilities	1,932	(1,728)	-	-	-	204
Total	867,675	(2,477)	-	36,705	(1,876)	900,027

(Unit : Thousand Baht)

	Separate statements of financial position					
	Non-cash changes					
			Increase			
	1 January			(decrease)	Gain on	31 December
2023	Cash flows	New leases	during the year	written off debt	2023	
Defaulted debts	773,429	(311,328)	-	7,700	(469,801)	-
Short-term loan from third parties	27,589	-	-	-	(27,589)	-
Short-term loan from related person	-	15,000	-	-	-	15,000
Lease liabilities	204	(1,048)	4,858	-	-	4,014
Total	801,222	(324,376)	4,858	7,700	(485,390)	4,014

(Unit : Thousand Baht)

	Separate statements of financial position					
	Non-cash changes					
			Increase			
	1 January			(decrease)	Gain on	31 December
2023	Cash flows	New leases	during the year	written off debt	2023	
Defaulted debts	739,262	-	-	34,167	-	773,429
Short-term loan from third parties	27,589	-	-	-	-	27,589
Short-term loan from related person	2,625	(749)	-	-	(1,876)	-
Lease liabilities	1,932	(1,728)	-	-	-	204
Total	771,408	(2,477)	-	34,167	(1,876)	801,222

26. EMPLOYEE BENEFIT

26.1 Provident fund

For the year ended 31 December 2023, the Group recognizes as the employee benefit expense for the payment of contribution into the provident fund at the amount of Baht 1.85 million (2022 : Baht 2.03 million) and Baht 1.85 million (2022 : Baht 2.03 million) in consolidated financial statements and separate financial statement, respectively.

26.2 Retirement termination employee benefit

For the year ended 31 December 2023 and 2022, the Group recognizes the employee benefit expense in case of retirement or termination under the labor law, as follows:-

	(Unit : Thousand Baht)	
	Consolidated / Separate financial statement	
	<u>2023</u>	<u>2022</u>
Amounts recognized in profit or loss		
Current service cost and interest	4,473	4,171
Past service cost and losses on settlement	267	48
Total amounts recognized in profit or loss	<u>4,740</u>	<u>4,219</u>
Amounts recognized in other comprehensive income		
Actuarial gains arising from change in experience adjustment	(945)	-
Actuarial gain arising from change in demographic assumption	(731)	-
Actuarial loss arising from change in financial assumption	(1,859)	-
Total amounts recognized in other comprehensive income (expense)	<u>(3,535)</u>	<u>-</u>
Total	<u>1,205</u>	<u>4,219</u>

An item of the employee benefit expense in case of retirement or termination under the labor law recognized in profit or loss for the year ended 31 December 2023 and 2022 are inclusively presented in the line items, as follows:-

	(Unit : Thousand Baht)	
	Consolidated / Separate financial statement	
	<u>2023</u>	<u>2022</u>
Cost of services	3,857	3,470
Administrative expenses	883	749
Total	<u>4,740</u>	<u>4,219</u>

27. EXPENSES BY NATURE

The following expenditure items of expense have been classified by nature for the year ended 31 December 2023 and 2022 are as follows:-

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Raw materials and consumables used	14,980	22,901	14,980	22,898
Transportation	263	-	263	-
Outsourcing	-	117	-	-
Rental equipment	2,782	3,734	2,782	3,734
Allowance for declining in value of inventories (reversal)	103	(2,208)	103	(2,208)
Employee expenses	139,438	170,399	139,438	170,604
Management's remuneration	9,486	7,431	9,486	7,431
Depreciation and amortization	11,252	12,330	11,072	12,202
Loss on impairment of assets	160	-	-	-
Consultant fee	8,166	747	8,166	606

28. OPERATING SEGMENTS

The Group identifies the operating segments on the basis of internal reports that are regularly reviewed by the Group's chief operating decision maker for the purpose of allocating resources to the segment and assessing its performance.

The Group classifies the operating segment from the category of service. The Group has 4 operating segments which are consists of the construction service segment, engineering service segment, production and sale of tap water segment and other segments.

The Group measures the profit or loss for each segment from the gross profit excluding the items of other income, interest revenue, gain or loss on exchange rate, other central expenses, finance cost and shares of profit or loss in associates.

The segment operation for the year ended 31 December 2023 and 2022 are as follows:-

(Unit : Thousand Baht)

	Consolidated financial statements									
	Construction		Engineering service		Production and sale of tap water		Other		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues from external customers	-	-	234,588	197,441	-	-	-	1,420	234,588	198,861
Gross margin (loss)	-	-	67,192	(734)	-	-	-	(39)	67,192	(773)
Other income									10,660	6,303
Gain on sale of asset									97,381	2,980
Cost of distribution									(1,014)	(792)
Administrative expenses									(43,568)	(47,879)
Reversal of loss on expected credit loss									1,387	11,022
Gain on write-off payables									6,274	130,297
Gain from debt restructuring									469,801	-
Gain from memorandum of rights and payment									81,175	20,736
Financial cost									(22,879)	(39,436)
Profit before income tax expenses									666,409	82,458

The reconciliations of each segment total assets to the Group's assets and other material items.

(Unit : Thousand Baht)

	Consolidated financial statements											
	Construction		Engineering service		Production and sale of tap water		Other segments		Central		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Assets	-	-	36,886	115,474	-	-	-	-	42,006	273,096	78,892	388,570
Depreciation	-	-	7,458	7,344	-	-	-	-	3,605	4,723	11,063	12,067
Amortization	-	-	-	-	-	-	-	-	189	263	189	263

The Group has the revenue from sale of goods and rendering services to 1 major customers in the amount of Baht 183.31 million earned by engineering service segment (31 December 2022 : The Group has the revenue from sale of goods to 3 major customers in the amount of Baht 175.40 million earned by engineering service segment).

29. REVENUE FROM CONTRACTS WITH CUSTOMERS

29.1 Disaggregation of revenue from contracts with customers

The relationship between the revenue information disclosed for each reportable segment for the year ended on 31 December 2023 and 2022, are as follows:-

(Unit : Thousand Baht)

	Consolidated financial statements									
	Construction		Engineering service		Production and sale of tap water		Other		รวม	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue from external customers	-	-	234,588	197,441	-	-	-	1,420	234,588	198,861
Revenue recognized when a performance obligation										
- satisfied at a point in time	-	-	33,048	12,527	-	-	-	-	33,048	12,527
- satisfied over time	-	-	201,540	184,914	-	-	-	1,420	201,540	186,334
Total	-	-	234,588	197,441	-	-	-	1,420	234,588	198,861

29.2 Contract balances

Contract assets

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Unbilled receivable	24,561	151,773	24,566	151,773
<u>Less Allowance for expected credit loss</u>	<u>-</u>	<u>(129,252)</u>	<u>-</u>	<u>(129,252)</u>
Net	<u>24,561</u>	<u>22,521</u>	<u>24,566</u>	<u>22,521</u>

Contract assets are unbilled revenue from customers. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer within 1 year.

The movement of allowance for expected credit loss of contract assets for the year ended 31 December 2023 and 2022 is as follows :-

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Opening balance	129,252	149,522	129,252	149,522
Reversal during the year	-	(3,484)	-	(3,484)
Write-off during the year	(129,252)	(16,786)	(129,252)	(16,786)
Ending balance	<u>-</u>	<u>129,252</u>	<u>-</u>	<u>129,252</u>

Contract Liabilities

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Advance receive	15,681	15,723	15,681	15,723
Total	<u>15,681</u>	<u>15,723</u>	<u>15,681</u>	<u>15,723</u>

Revenue recognition related to contract Liabilities

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statement	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Recognised as revenue during the year that was included in the opening balance of advance received	12	12	12	12
Write-off during the year	-	23,266	-	23,266

29.3 Remaining performance obligations

The amount of the transaction price allocated to the performance obligations that are unsatisfied as at 31 December 2023 and 2022, are as follows:-

(Unit : Million Baht)

	Consolidated financial statements	
	<u>2023</u>	<u>2022</u>
Engineering service	34.77	158.83

The Group expects to recognize the amount of the transaction price allocated to the performance obligations that is unsatisfied as at 31 December 2023, as revenue in the future periods, as follow :-

(Unit : Million Baht)

	Consolidated financial statements			
	<u>2024</u>	<u>2025</u>	<u>2026 up to</u>	<u>Total</u>
Engineering service	23.05	11.72	-	34.77

30. FINANCIAL INSTRUMENT

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

Market risk

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

Currency risk

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

The Group has no significant financial assets or financial liabilities denominated in foreign currencies. Therefore, there is no foreign exchange risk.

Interest rate risk

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

All interest-bearing liabilities of the Group are fixed rate, therefore the Group is not exposed to the risk of being affected by changes in market interest rates.

Credit risk

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

As at 31 December 2023 and 2022, the gross carrying amount of trade receivables and contract assets and the lifetime expected credit losses calculated by using a provision matrix, which specifies a fixed provision rates depending on the number of days that a trade receivable is past due based on historical credit loss experience are as follows:-

31 December 2023 (Unit : Thousand Baht)

	Consolidated financial statements					Total
	Days past due					
	Within credit term	Overdue 1 - 3 Months	Overdue 3 - 6 Months	Overdue 6 - 12 Months	Overdue over 12 Months	
Expected loss rate	0.00%	0.00%	0.00%	0.00%	100.00%	
Gross carrying amount – trade receivables	21,561	20,000	116	-	20,702	62,379
Gross carrying amount – contract assets	24,566	-	-	-	-	24,566
Expected credit loss	-	-	-	-	20,702	20,702

31 December 2023 (Unit : Thousand Baht)

	Separate financial statement					Total
	Days past due					
	Within credit term	Overdue 1 - 3 Months	Overdue 3 - 6 Months	Overdue 6 - 12 Months	Overdue over 12 Months	
Expected loss rate	0.00%	0.00%	0.00%	0.00%	100.00%	
Gross carrying amount – trade receivables	21,561	20,000	116	-	2,979	44,656
Gross carrying amount – contract assets	24,566	-	-	-	-	24,566
Expected credit loss	-	-	-	-	2,979	2,979

31 December 2022 (Unit : Thousand Baht)

	Consolidated financial statements					Total
	Days past due					
	Within credit term	Overdue 1 - 3 Months	Overdue 3 - 6 Months	Overdue 6 - 12 Months	Overdue over 12 Months	
Expected loss rate	0.00%	0.00%	0.00%	0.00%	100.00%	
Gross carrying amount – trade receivables	17,323	1,422	-	-	45,547	64,292
Gross carrying amount – contract assets	22,581	-	-	-	147,819	170,400
Expected credit loss	-	-	-	-	(193,366)	(193,366)

31 December 2022 (Unit : Thousand Baht)

	Separate financial statement					Total
	Days past due					
	Within credit term	Overdue 1 - 3 Months	Overdue 3 - 6 Months	Overdue 6 - 12 Months	Overdue over 12 Months	
Expected loss rate	0.00%	0.00%	0.00%	0.00%	100.00%	
Gross carrying amount – trade receivables	17,323	1,422	-	-	27,824	46,569
Gross carrying amount – contract assets	22,581	-	-	-	147,819	170,400
Expected credit loss	-	-	-	-	(175,644)	(175,644)

Liquidity risk

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

Maturity for the Group's financial liabilities as at 31 December 2023 and 2022 based on the contractual undiscounted cash flow is as follows:-

31 December 2023 (Unit : Thousand Baht)

	Consolidated financial statements				Carrying amount
	Less than	1 – 5 years	Over 5 years	Total	
	1 year				
Defaulted debts	65,498	-	-	65,498	65,498
Trade and other current payables	55,783	-	-	55,783	55,783
Retention payables	3,731	-	-	3,731	3,731
Short-term loan from third parties	35,845	-	-	35,845	35,845
Short-term loan from related person	15,000	-	-	15,000	15,000
Lease liabilities	4,526	-	-	4,526	4,014
Liabilities under the compromise agreement	6,800	-	-	6,800	6,800

31 December 2023 (Unit : Thousand Baht)

	Separate financial statement				Carrying amount
	Less than	1 – 5 years	Over 5 years	Total	
	1 year				
Trade and other current payables	40,036	-	-	40,036	40,036
Retention payables	3,731	-	-	3,731	3,731
Short-term loan from third parties	15,000	-	-	15,000	15,000
Lease liabilities	4,526	-	-	4,526	4,014

31 December 2022 (Unit : Thousand Baht)

	Consolidated financial statements				Carrying amount
	Less than	1 – 5 years	Over 5 years	Total	
	1 year				
Defaulted debts	836,389	-	-	836,389	836,389
Trade and other current payables	81,703	-	-	81,703	81,703
Retention payables	8,304	-	-	8,304	8,304
Short-term loan from third parties	63,434	-	-	63,434	63,434
Lease liabilities	207	-	-	207	204
Liabilities under the compromise agreement	6,800	-	-	6,800	6,800
Other non-currents liabilities	260	-	-	260	260

31 December 2022

(Unit : Thousand Baht)

	Separate financial statement				Carrying amount
	Less than 1 year	1 – 5 years	Over 5 years	Total	
Defaulted debts	773,429	-	-	773,429	773,429
Trade and other current payables	76,935	-	-	76,935	76,935
Retention payables	8,304	-	-	8,304	8,304
Short-term loan from third parties	27,589	-	-	27,589	27,589
Lease liabilities	207	-	-	207	204
Other non-currents liabilities	260	-	-	260	260

31. FAIR VALUE MEASUREMENT

TFRS No.13 “Fair Value Measurement” defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.

The TFRS requires the Group shall disclose about fair value measurement for financial asset and liability in which the other related TFRSs requires or permits fair value measurement or disclosure about fair value.

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

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

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

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

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

(Unit : Thousand Baht)

Assets and liabilities	31 December 2023				Fair value hierarchy
	Consolidated financial statements		Separate financial statement		
	Book value	Fair value	Book value	Fair value	
<i>Financial assets</i>					
Other current receivables	5,551	5,551	5,548	5,548	Level 2
Restricted bank deposits	16,628	16,628	16,628	16,628	Level 2
<i>Financial liabilities</i>					
Defaulted debts	65,498	65,498	-	-	Level 2
Other current payables	42,847	42,847	18,572	18,572	Level 2
Retention payables	3,731	3,731	3,731	3,731	Level 2
Short-term loan from third parties	35,845	35,845	-	-	Level 2
Short-term loan from related person	15,000	15,000	15,000	15,000	Level 2
Liabilities under the compromise agreement	6,800	6,800	-	-	Level 2

(Unit : Thousand Baht)

Assets and liabilities	31 December 2022				Fair value hierarchy
	Consolidated financial statements		Separate financial statement		
	Book value	Fair value	Book value	Fair value	
<i>Financial assets</i>					
Other current receivables	1,223	1,223	1,221	1,221	Level 2
Restricted bank deposits	13,165	13,165	13,165	13,165	Level 2
<i>Financial liabilities</i>					
Defaulted debts	836,389	836,389	733,429	733,429	Level 2
Other current payables	61,804	61,804	56,557	56,557	Level 2
Retention payables	8,304	8,304	8,304	8,304	Level 2
Short-term loan from third parties	63,434	63,434	27,589	27,589	Level 2
Liabilities under the compromise agreement	6,800	6,800	-	-	Level 2

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

The fair value of other current receivables and restricted bank deposits are determined by using the discounted cash flow method. The contractual future cash inflows are discounted at the current market interest rate for similar financial instruments adjusted by counterparty risk.

The fair value of defaulted debts, other current payables, retention payables, short-term loan, long-term loans from financial institutions and liabilities under the compromise agreement are determined by using the discounted cash flow method. The contractual future cash outflows are discounted at the current market interest rate for similar financial instruments enhanced by the Company's credit risk.

32. OBLIGATION AND CONTINGENT LIABILITIES WITH NON-RELATED PARTIES

As at 31 December 2023 the Group has obligation and contingent liabilities as follows:-

32.1 The Group had commitments with financial institution relating to letters of guarantee as follows:

	(Unit : Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statement</u>
Letter of Guarantee	78,202	78,202

32.2 The Group have commitments under low value lease agreement as follows :-

	(Unit : Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statement</u>
Within 1 year	481	481
More than 1 year but less than 5 years	90	90
Total	<u>571</u>	<u>571</u>

32.3 The Company have commitment for payment under the service agreements are as follows:

	(Unit : Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statement</u>
Within 1 year	1,861	1,861
More than 1 year but less than 5 years	-	-
Total	<u>1,861</u>	<u>1,861</u>

32.4 The Group has commitment payment under purchase order in the amount of Baht 0.99 million.

33. LITIGATION

The Company was sued in lawsuit 7 cases by parties totaling Baht 5.38 million. All cases are in process but the Civil Court order to suspend the trial and dismiss the case due from the Company had into rehabilitation process. However, after the Supreme Court has judged to dismiss the petition for the rehabilitation plan and the Plaintiff still has not filed to hearing.

The Company was sued in lawsuit 2 cases by parties totaling Baht 10.69 million. The Civil Court order to the Company to pay a total of 9.73 million baht, which is in the process of being appealed.

The company was sued for unfair dismissal in the amount of Baht 4.52 million. The Special Court of Appeal ordered the company to pay compensation, and let the civil court reconsider and adjudicate according to the case. The company has assigned lawyers to use their legal rights to appeal at the Supreme Court.

34. RECLASSIFICATION OF ACCOUNTING TRANSACTIONS

Some transactions in consolidated and separate statement of financial position as at 31 December 2022 and 1 January 2022 are newly reclassified so as to comply with reflection in consolidated and separate statement of financial position as at 31 December 2023 which can be summarized as follows:

		(Unit : Thousand Baht)	
<u>Transactions which formerly presented</u>	<u>Reclassified</u>	<u>Consolidated</u> <u>financial statements</u>	<u>Separate</u> <u>financial statement</u>
<i>Statement of financial position as at 31 December 2022</i>			
Contract assets	Trade and other current receivable	59	59
<i>Statement of financial position as at 1 January 2022</i>			
Contract assets	Trade and other current receivable	46	46

35. EVENT AFTER THE REPORTING PERIOD

35.1 On 19 February 2024, the Company received a notice to repay debt from a company. Due to breaching the construction contract and demanding that the company repay fines and damages for breaching the contract in the amount of Baht 658.92 million, including interest. The outstanding balance of that company is recorded advance received in the amount of 15.68 million baht. The Company's management team and the Company's legal department has consideration has opinion that the debt claimed by the creditor according to the right in the employment contract that has been properly terminated since 2012, which has already set the statute of limitations. The Company's management therefore deems that the debt burden recorded by the Company in its accounts is sufficient and appropriate.

35.2 In February 2024, the Company entered into a loan agreement with EMC Public Company Limited, totaling Baht 6.00 million baht, without collateral. Interest is calculated at the rate of 8.00 percent per year. In March 2024, the Company has received full repayment of principal and interest.

36. APPROVAL OF FINANCIAL STATEMENTS

These consolidated and separated financial statements were authorized for issue by the Company's board of directors on 26 March 2024.

13. Auditor's remuneration

Audit fee for the year 2023, SP Audit Company Limited (Office)

(Baht)

Company name list and its subsidiaries	Total Audit Fee	
	2023	2022
PAE (Thailand) Public Company Limited	1,050,000	1,550,000
PPS Energy and Marine Company Limited	30,000	50,000
Oasis Development Company Limited	20,000	40,000
PAE Energy Solution Company Limited	30,000	50,000
Pacific Resources International Limited	15,000	25,000
Total Audit Fee	1,145,000	1,715,000
Non Audit Fee	20,000	19,900



PAE (Thailand) Public
Company Limited

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Section 4

Data Authentication



PAE (Thailand) Public Company Limited

Data Authentication

The Company has carefully reviewed the information in this Annual Registration Statement. The company hereby certifies that such information is correct, complete, not false, not misleading or lacking material information that should be disclosed. In addition, the company certifies that

- (1) The financial statements and financial information summarized in the annual information disclosure form show accurate and complete information in all material respects to the financial position, performance and cash flow of the Company and its subsidiaries.
- (2) The Company has set up a good information disclosure system to ensure that the Company discloses material information of both the Company and its subsidiaries correctly and completely, as well as supervising to ensure compliance with such system.
- (3) The company has set up a good internal control system and supervised to ensure compliance with such system. And the company has informed the assessment of the internal control system as of December 31, 2023 to the auditor and audit committee of the company which covers deficiencies and significant changes in the internal control system as well as misconduct that may affect the preparation of the Company's financial reports and its subsidiaries.

In this regard, as evidence that all documents are the same set of documents that the Company has certified for accuracy. The Company has assigned Ms. Panadda Boonprakob to sign every page of this document. If any document does not have the signature of Ms. Panadda Boonprakob, the company shall consider that it is not the information that the company has certified the accuracy of the aforementioned information.

<u>Name - Surname</u>	<u>Position</u>	<u>Signature</u>
1. Mr. Uthai Klangpimai	Company Director/ Authorized Director	- Uthai Klangpimai -
2. Ms. Panadda Boonprakob	Company Director/ Authorized Director	- Panadda Boonprakob -
<u>Attorney</u>	<u>Position</u>	<u>Signature</u>
1. Ms. Panadda Boonprakob	Company Director	- Panadda Boonprakob -

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Attachment 1

**Details about Executive
Directors, Controlling person
and Company Secretary as of December 31, 2023**



PAE (Thailand) Public Company Limited

Mr. Charlie Jangvijitkul

Chairman of the Board of Directors

Age 65 years old (Appointed on October 25, 2021)

1

Education / Training

- Doctor of Philosophy in Strategic Management Bangkok University in Cooperate with University of Nebraska, Lincoln, USA.
- MBA of Marketing Indiana University of Pennsylvania, USA.
- Bachelor's degree, Faculty of Law Ramkhamhaeng University
- Bachelor of Science in BA, Kasetsart University
- Mahanakorn course 5, Institute Of Metropolitan Development
- Advanced Security Management Course 7, National Defence College
- (TepCot8) Thai Chamber of Commerce
- Executive Management Program (Capital Market Academy Program 15) Capital Market Academy
- Excise Tax Seminar course, Excise Department
- IFRS workshop course, Federation of Accounting Professions
- Director Certification Program (DCP 2005), Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DCP 2005), Thai Institute of Directors Association (IOD)

Work experience and holding the position of other directors at present

- Chairman and independent director of PAE (Thailand) Public Company Limited
- Chairman, Sugarcane Ecoware Co., Ltd

Experience holding any position in other activities or organizations in the past year

-None-

Work experience (past 5 years)

- Director TCMC Co., Ltd.
- Director Alston Furniture Co., Ltd
- Director T.C.H. Suminoe Co., Ltd.

History of breaking the law in the past 10

years: -None-

Proportion of shareholding in the company:

-None-

Family relationship among other directors, executives, major shareholders or subsidiaries: -None-

Mr. Anond Lekasthapon

Vice Chairman No. 1

Age 65 years old (Appointed on 16 June 2020)

2

Education / Training

- Bachelor of Engineering, Chulalongkorn University
- Director Accreditation Program (DAP 79/2009), Thai Institute of Directors Association (IOD)

Work experience and holding the position of other directors at present

- Vice Chairman No. 1 of PAE (Thailand) Public Company Limited

Experience holding any position in other activities or organizations in the past year

-None-

Work experience (past 5 years)

- Chairman of the Board, Chairman of Executive Committee, Managing Director of PAE Technical Service Public Company Limited
- Managing Director, Pillar Contractor Co., Ltd.
- Director, PAE Energy Solution Company Limited
- Director, Oasis Development Company Limited
- Director, PAE Federal International Company Limited

History of breaking the law in the past 10 years:

-None-

Proportion of shareholding in the company:

-None-

Family relationship among other directors, executives, major shareholders or subsidiaries: -None-

Mr. Uthai Klangpimai

Vice Chairman No. 2 Executive Director and Company Secretary

Age 44 years old (Appointed on August 10, 2021)

3

Education / Training

- Bachelor of Laws, Ramkhamhaeng University
- Barrister-at-Law, Thai Bar Association under the Royal Patronage of Thailand
- Director Accreditation Program (DAP 2022), Thai Institute of Directors Association (IOD)

Work experience and holding the position of other directors at present

- Vice Chairman No. 2, Executive Director, PAE (Thailand) Public Company Limited
- Deputy Managing Director of Contract Management and Organization Development, EMC Public Company Limited

Work experience and holding the position of other directors at present

-None-

Work experience (past 5 years)

- Legal and Contract Manager, EMC Public Company Limited
- Independent lawyer

History of breaking the law in the past 10 years:

-None-

Proportion of shareholding in the company:

-None-

Family relationship among other directors, executives, major shareholders or subsidiaries: -None-

Mr. Thitiporn Kaveevityavej

4

Chairman of the Audit Committee and independent director

Age 46 years old (Appointed on October 21, 2021, appointed as Chairman of the Audit Committee on October 25, 2021)

Education / Training

- UNIVERSITY OF WOLLONGONG Master Degree
- ASSUMPTION UNIVERSITY Bachelor Degree
- Director Accreditation Program (DAP 196/ 2022) Thai Institute of Directors Association (IOD)

Work experience and holding the position of other directors at present

- Chairman of the Audit Committee and Independent Director, PAE (Thailand) Public Company Limited
- Vice President Business Development KT RESTAURANT COMPANY LIMITED
- Business Director, SN Service Solutions Co., LTD.
- Shareholders / GM HASHMETA CO., LTD.

Work experience (past 5 years)

- General Manager, SIAM MUSIC YAMAHA CO., LTD.
- Marketing Manager, Rosso Co., LTD.
- Director of Sales and Marketing, EIGHT | ELECTRONICS (THAILAND) CO., LTD.

History of breaking the law in the past 10 years:

-None-

Proportion of shareholding in the company:

-None-

Family relationship among other directors, executives, major shareholders or subsidiaries: -None-

Mr. Nirun Hengboriboonpong

5

Audit Committee and Independent director

Age 46 years old (Appointed on January 5, 2022)

Education / Training

- Bachelor of Accountancy in Financial Accounting First Class Honors, University of the Thai Chamber of Commerce
- Master of Business Administration, Ramkhamhaeng University
- Director Accreditation Program (DAP 196/2022), Thai Institute of Directors Association (IOD)

Work experience and holding the position of other directors at present

- Audit Committee and Independent Director, PAE (Thailand) Public Company Limited

Work experience (past 5 years)

- Accounting Manager, EMC Public Company Limited
- Account Manager, Nation Multimedia Group Public Company Limited

History of breaking the law in the past 10

years: -None-

Proportion of shareholding in the company: -

None-

Family relationship among other directors, executives, major shareholders or subsidiaries: -None-

Mr. Kitti Atinun

Audit Committee and Independent director

Age 70 years old (Appointed on November 1, 2023)

6

Education / Training

- Bachelor's degree in Law Ramkhamhaeng University
- Director Certification Program (DCP 1996)
- Director Accreditation Program (DAP 1996)
- Audit Committee Program (ACP 1996)
- The Role of Chairman Program (RCP 1996)
- Finance for Non-Finance Director (FN 1996)
- Understanding the Fundamental of Financial Statements (UFS 2539)
- Role of the Compensation Committee (RCC 1996)
- Improving the Quality of Financial Reporting (QFR 2539)
- DCP Refresher Course (1996)
Thai Institute of Directors Association (IOD)

Work experience and holding the position of other directors at present

- Company Director and Independent Director, PAE (Thailand) Public Company Limited
- Owner of the Law Office lawyer legal advisor

Work experience (past 5 years)

- Independent Director, Audit Committee, Dimet (Siam) Public Company Limited
- Deputy President, Lawyers Association of Thailand Policy and Planning Department
- Legal Advisory Committee and Attorney, Narinpong Jinapuck International Law Firm
- Legal advisor and Lawyer, GP Motor (Thailand) Co., LTD.
- Legal advisor and Lawyer, SIAMVARIN NITIKARN CO., LTD.
- Senior Lawyer, Government Housing Bank Legal Department
- Attorney, Emperor's Office

History of breaking the law in the past 10 years:

-None-

Proportion of shareholding in the company: -

None-

Family relationship among other directors, executives, major shareholders or subsidiaries: -None-

Ms. Panadda Boonprakob

7

Company Director and Executive Director and CEO (Acting)

Age 41 years old (Appointed on October 25, 2021)

Education / Training

- Bachelor's degree, Faculty of Business Administration, Accounting, Auditing Rajamangala University of Technology Krungthep
- Director Accreditation Program (DAP 2022), Thai Institute of Directors Association (IOD)

Work experience and holding the position of other directors at present

- Company Director and Executive Director, PAE (Thailand) Public Company Limited

Work experience (past 5 years)

- Accounting and Finance Manager Dimet Siam Plc.
- Accounting Director, Sky Tower Plc.
- Deputy Finance Manager, Bangkok PVC Group
- Accounting Manager, Office Pipat & Associates Co., Lte.

History of breaking the law in the past 10 years:

-None-

Proportion of shareholding in the company:

-None-

Family relationship among other directors, executives, major shareholders or subsidiaries: -None-

Mr. Chaiwivat Leenabanchong

8

Executive Chairman, Managing Director and Company director

Age 59 years old (Appointed on January 21, 2022)

Education / Training

- Bachelor of Engineering Khon Kaen University
- Master of Business Administration (MBA), Northrop University, USA
- Director Certification Program DCP 2013), Thai Institute of Directors Association (IOD)

Work experience and holding the position of other directors at present

- Executive Chairman, Managing Director and Company Director of PAE (Thailand) Public Company Limited

Work experience (past 5 years)

- Advisor, PAE (Thailand) Public Company Limited
- Managing Director, Office of the President, EMC Public Company Limited
- Deputy Project Director, Sinothai Engineering and Construction Co., Ltd

History of breaking the law in the past 10 years:

-None-

Proportion of shareholding in the company:

-None-

Family relationship among other directors, executives, major shareholders or subsidiaries: -None-

Mr. Gumpon Kupadakvinij

Company Director and Executive Director

Age 74 years old (Appointed on March 18, 2022)

9

Education / Training

- Master of Business Administration,
Asian Institute of Management Manila
Philippines
- Bachelor's Degree Industrial Engineering
California Polytechnic State University San
Luis Obispo, California, USA
- Director Accreditation Program (DAP 196/2022),
Thai Institute of Directors Association (IOD)

History of breaking the law in the past 10 years:

-None-

Proportion of shareholding in the company:

-None-

Family relationship among other directors, executives, major shareholders or subsidiaries: -None-

Work experience and holding the position of other directors at present

- Company Director and Executive Director, PAE
(Thailand) Public Company Limited

Work experience (past 5 years)

- Operation Director, PAE (Thailand) Public Company
Limited
- Vice President Mitsui Engineering Thailand Co.,
LTD.
- Deputy Director of Oil and Gas Services, PAE
(Thailand) Public Company Limited



PAE (Thailand) Public
Company Limited

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Attachment 2

Details about

Director of subsidiary company

As of December 31, 2023



PAE (Thailand) Public Company Limited

Attachment 2: Details of directors of subsidiaries as of 31 December 2023

The details are as follows.

Name	PAE (Thailand) Public Company Limited	PAE Energy Solution Co., Ltd.	Oasis Development Company Ltd.	PPS. Energy and Marine Company Limited
	PAE	PES	OASIS	PPS
Ms. Panadda Boonprakob*	C:E:F	C:E:F	C:E:F	-

Remark* PAE (Thailand) Public Company Limited had a meeting of the Board of Directors No. 6/2021 on October 25, 2021. It was resolved to appoint Ms. Panadda Boonprakob in the position of Company Director and Executive Director of PAE (Thailand) Public Company Limited, effective from 25 October 2021 onwards.

A: = Chairman

B: = Executive Chairman

C: = Company Director

D: = Managing Director

E: = Executive committee

F: = Authorized director to sign



PAE (Thailand) Public
Company Limited

2023

Attachment 3

**Details about
Head of Internal Audit
As of December 31, 2023**



PAE (Thailand) Public Company Limited

Attachment 3: Details about the head of internal audit as of December 31, 2023

9.2. Company internal audit worker

Name Ms. Nittakan Changket

Nationality Thai

Educational Background

- Master of Business Administration (Accounting) Ramkhamhaeng University
- Bachelor of Accounting Bangkok University

Work Experience

- Internal Audit Manager Pharam 2 Medical Group Company Limited
- Internal Audit Manager Lalin Property Public Company Limited
- Head of Internal Audit Department Central Pattana Public Company Limited
- Head of the branch inspection department Bank Thai Public Company Limited

Training Courses

- Easy talk, list of accounts and examples of mistakes: Federation of Accounting Professions
- Top Risk for Internal Audit 2022: Association of Internal Auditors of Thailand
- Are you ready for PDPA 2022?: Thai Listed Companies Association
- Senior Executive Perspectives and Internal Auditing: The Institute of Internal Auditors of Thailand
- OS General Control Audit: FAP
- Easy Listening, accounting tips that AC should not miss: SEC



PAE (THAILAND) PUBLIC COMPANY LIMITED

➤ Attachment 4

Details about the property appraisal transaction as of December 31, 2023

-None-

PAE (THAILAND) PUBLIC COMPANY LIMITED

➤ Attachment 5

OTHER

-None-



PAE (THAILAND) PUBLIC COMPANY LIMITED

No. 69 Soi On Nut 64 (Suksaman), Srinakarin Road
Suan Luang Subdistrict, Suan Luang District, Bangkok 10250

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