

**CAZ (Thailand) Public Company Limited  
and its Subsidiary**

Financial statements for the year ended  
31 December 2023  
and  
Independent Auditor's Report



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## Independent Auditor's Report

### To the shareholders of CAZ (Thailand) Public Company Limited

#### *Opinion*

I have audited the consolidated and separate financial statements of CAZ (Thailand) Public Company Limited and its subsidiary (the “Group”) and of CAZ (Thailand) Public Company Limited (the “Company”), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2023, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

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

#### *Basis for Opinion*

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



### *Key Audit Matters*

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

<b>Recognition of revenue from construction contracts</b>	
Refer to the notes 3(p), 6, 7 and 13 to the consolidated and separate financial statements.	
<b>The key audit matter</b>	<b>How the matter was addressed in the audit</b>
<p>The Group's major revenue is from various construction contracts such as EPC services, Structure Machanic and Piping (SMP) services and others, whereby the conditions of each contract are various and different. Revenue from construction contracts is recognised when the performance obligation is satisfied over time by reference the percentage of completion of each contract at the reporting date including consideration of provision for loss-making contracts.</p> <p>The recognition of revenue from construction contracts, provision for loss-making contracts, related receivables and contract assets is related to the following key factors:</p> <ul style="list-style-type: none"> <li>• Costs incurred;</li> <li>• Surveys of performance completed to date;</li> <li>• Total cost estimation of the contract; and</li> <li>• Revision for certain events or conditions that occur or expect to occur to complete the contract resulted in contract modification and revision of total cost estimation of the contract.</li> </ul> <p>I focused on this area as a key audit matter due to the recognition of revenue from construction contracts required judgement and estimates made by management.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> <li>• Inquiring the management to understand and assess the process of preparation of total cost estimation of the contracts, calculation of percentage of completion, recognition of revenue from construction contracts including the evaluation of controls designed and implemented and the test of the operating effectiveness of relevant controls;</li> <li>• Testing total cost estimation of the contracts which was approved by the management including changes in total cost estimation during the year, actual costs incurred, revenue from construction contracts, possible for loss-making contracts, related receivables and contract assets with contracts and supporting documents;</li> <li>• Assessing the reasonableness of changes in total cost estimation during the year;</li> <li>• Testing the data used in calculation of percentage of completion with supporting documents;</li> <li>• Analysing the gross profit, work progress and inquire the rationale for differences from the management;</li> <li>• Considering the adequacy of disclosures in accordance with the related Thai Financial Reporting Standards.</li> </ul>

### *Other Information*

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

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





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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

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

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company'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 and the Company or to cease operations, or has no realistic alternative but to do so.

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

*Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements*

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

I also provide those charged with governance with a statement that 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, actions taken to eliminate threats or safeguards applied.

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

(Vipavan Pattavanvivek)  
Certified Public Accountant  
Registration No. 4795

KPMG Phoomchai Audit Ltd.  
Bangkok  
26 February 2024

# CAZ (Thailand) Public Company Limited and its Subsidiary

## Statement of financial position

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2023	2022	2023	2022
		(in Baht)			
Current assets					
Cash and cash equivalents	5	173,723,933	116,411,833	170,760,890	115,772,683
Trade and other current receivables	6	305,409,368	452,418,247	312,477,501	467,444,970
Contract assets	7	1,010,807,256	589,247,429	1,010,807,256	589,247,429
Short-term loans to a related party	4	-	-	-	40,000,000
Inventories		17,586,507	46,968,865	17,504,137	46,936,458
Refundable withholding tax deducted at source		50,668,862	35,717,070	50,668,862	30,429,508
Other current assets		9,358,692	8,026,554	6,647,904	6,848,309
Total current assets		1,567,554,618	1,248,789,998	1,568,866,550	1,296,679,357
Non-current assets					
Restricted deposit at financial institution	10	7,761,964	7,726,076	7,761,964	7,726,076
Investment in a subsidiary	8	-	-	7,390,200	7,390,200
Property, plant and equipment	9, 10	554,697,464	536,922,639	528,770,543	526,787,942
Intangible assets		10,853,378	12,780,182	10,490,299	12,357,287
Retention receivables	7	102,354,260	220,292,848	102,354,260	220,292,848
Withholding tax deducted at source		55,980,565	57,978,877	36,193,208	50,311,682
Deposits		3,453,421	3,930,941	2,827,206	2,411,556
Deferred tax assets	16	3,988,550	2,938,191	3,779,614	2,855,763
Total non-current assets		739,089,602	842,569,754	699,567,294	830,133,354
Total assets		2,306,644,220	2,091,359,752	2,268,433,844	2,126,812,711

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

**CAZ (Thailand) Public Company Limited and its Subsidiary**
**Statement of financial position**

		Consolidated financial		Separate financial	
		statements		statements	
		31 December		31 December	
<b>Liabilities and equity</b>	<i>Note</i>	2023	2022	2023	2022
<i>(in Baht)</i>					
<b><i>Current liabilities</i></b>					
Short-term borrowings from financial institutions	10	100,000,000	175,300,000	100,000,000	175,300,000
Trade and other current payables		305,529,262	369,308,986	333,796,480	424,446,765
Contract liabilities	7	730,067,634	527,877,846	730,067,634	527,877,846
Current portion of long-term borrowings					
from financial institutions	10	8,620,000	77,760,000	8,620,000	77,760,000
Current portion of lease liabilities	10	30,197,106	22,701,591	24,382,743	19,061,533
Other current liabilities		52,691,198	43,009,452	44,852,159	39,287,377
<b>Total current liabilities</b>		<b>1,227,105,200</b>	<b>1,215,957,875</b>	<b>1,241,719,016</b>	<b>1,263,733,521</b>
<b><i>Non-current liabilities</i></b>					
Long-term borrowings from financial institutions	10	42,000,000	8,620,000	42,000,000	8,620,000
Lease liabilities	10	35,725,879	11,834,551	22,114,822	11,394,532
Retention payables		12,324,377	28,107,078	20,896,997	47,420,063
Non-current provisions for employee benefits		8,050,932	5,521,371	7,492,935	5,109,232
<b>Total non-current liabilities</b>		<b>98,101,188</b>	<b>54,083,000</b>	<b>92,504,754</b>	<b>72,543,827</b>
<b>Total liabilities</b>		<b>1,325,206,388</b>	<b>1,270,040,875</b>	<b>1,334,223,770</b>	<b>1,336,277,348</b>

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

# CAZ (Thailand) Public Company Limited and its Subsidiary

## Statement of financial position

		Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Liabilities and equity	Note	2023	2022	2023	2022
<i>(in Baht)</i>					
<b>Equity</b>					
Share capital:					
Authorised share capital					
<i>(294,000 thousand ordinary shares, par value at Baht 0.5 per share)</i>		<u>147,000,000</u>	<u>147,000,000</u>	<u>147,000,000</u>	<u>147,000,000</u>
Issued and paid-up share capital					
<i>(294,000 thousand ordinary shares, par value at Baht 0.5 per share)</i>		146,999,876	146,999,876	146,999,876	146,999,876
Share premium on ordinary shares	11	246,105,067	246,105,067	246,105,067	246,105,067
Retained earnings					
Appropriated					
Legal reserve	12	14,700,000	14,700,000	14,700,000	14,700,000
Unappropriated		549,768,926	394,000,432	520,035,131	376,360,420
Other components of equity		<u>8,452,827</u>	<u>8,452,827</u>	<u>6,370,000</u>	<u>6,370,000</u>
<b>Equity attributable to owners of the parent</b>		<b>966,026,696</b>	<b>810,258,202</b>	<b>934,210,074</b>	<b>790,535,363</b>
Non-controlling interests		<u>15,411,136</u>	<u>11,060,675</u>	<u>-</u>	<u>-</u>
<b>Total equity</b>		<b>981,437,832</b>	<b>821,318,877</b>	<b>934,210,074</b>	<b>790,535,363</b>
<b>Total liabilities and equity</b>		<b>2,306,644,220</b>	<b>2,091,359,752</b>	<b>2,268,433,844</b>	<b>2,126,812,711</b>

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



**CAZ (Thailand) Public Company Limited and its Subsidiary**  
**Statement of comprehensive income**

	<b>Consolidated financial</b>		<b>Separate financial</b>	
	<b>statements</b>		<b>statements</b>	
	For the year ended 31 December		For the year ended 31 December	
<i>Note</i>	2023	2022	2023	2022
	<i>(in Baht)</i>			
<b>Revenue</b>				
Revenues from construction contracts	3,163,240,184	3,135,464,201	3,163,240,184	3,135,464,201
Costs of construction contracts	<u>(2,762,459,359)</u>	<u>(2,770,315,579)</u>	<u>(2,794,644,721)</u>	<u>(2,798,305,586)</u>
<b>Gross profit</b>	<b>400,780,825</b>	<b>365,148,622</b>	<b>368,595,463</b>	<b>337,158,615</b>
Other income	3,445,052	2,347,020	4,929,370	4,953,682
Administrative expenses	<u>(113,225,424)</u>	<u>(96,958,194)</u>	<u>(104,248,442)</u>	<u>(88,777,358)</u>
<b>Profit from operating activities</b>	<b>291,000,453</b>	<b>270,537,448</b>	<b>269,276,391</b>	<b>253,334,939</b>
Finance costs	<u>(16,116,654)</u>	<u>(14,997,232)</u>	<u>(15,029,470)</u>	<u>(14,579,323)</u>
<b>Profit before income tax expense</b>	<b>274,883,799</b>	<b>255,540,216</b>	<b>254,246,921</b>	<b>238,755,616</b>
Income tax expense	<u>16 (55,964,903)</u>	<u>(50,648,984)</u>	<u>(51,772,269)</u>	<u>(47,243,747)</u>
<b>Profit for the year</b>	<b>218,918,896</b>	<b>204,891,232</b>	<b>202,474,652</b>	<b>191,511,869</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Gain on remeasurements of defined benefit plans	-	2,703,441	-	1,150,828
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>16 -</u>	<u>(540,688)</u>	<u>-</u>	<u>(230,165)</u>
<b>Total items that will not be reclassified subsequently to profit or loss</b>	<b>-</b>	<b>2,162,753</b>	<b>-</b>	<b>920,663</b>
<b>Other comprehensive income for the year, net of tax</b>	<b>-</b>	<b>2,162,753</b>	<b>-</b>	<b>920,663</b>
<b>Total comprehensive income for the year</b>	<b>218,918,896</b>	<b>207,053,985</b>	<b>202,474,652</b>	<b>192,432,532</b>

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

**CAZ (Thailand) Public Company Limited and its Subsidiary**  
**Statement of comprehensive income**

	<i>Note</i>	<b>Consolidated financial</b>		<b>Separate financial</b>	
		<b>statements</b>		<b>statements</b>	
		For the year ended 31 December		For the year ended 31 December	
		2023	2022	2023	2022
		<i>(in Baht)</i>			
<b>Profit attributable to:</b>					
Owners of the parent		214,568,435	201,379,532	202,474,652	191,511,869
Non-controlling interests		4,350,461	3,511,700	-	-
		<u><b>218,918,896</b></u>	<u><b>204,891,232</b></u>	<u><b>202,474,652</b></u>	<u><b>191,511,869</b></u>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		214,568,435	203,209,036	202,474,652	192,432,532
Non-controlling interests		4,350,461	3,844,949	-	-
		<u><b>218,918,896</b></u>	<u><b>207,053,985</b></u>	<u><b>202,474,652</b></u>	<u><b>192,432,532</b></u>
<b>Basic earnings per share</b>	<i>17</i>	<u><b>0.73</b></u>	<u><b>0.68</b></u>	<u><b>0.69</b></u>	<u><b>0.65</b></u>

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

**CAZ (Thailand) Public Company Limited and its Subsidiary**
**Statement of changes in equity**

		Consolidated financial statements								
			Retained earnings		Other components of equity					
	Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Unappropriated	Share-based payment	Changes in parent's ownership interest in subsidiary  (in Baht)	Total other components of equity	Equity attributable to owners of the parent	Non- controlling interests	Total equity
Note										
For the year ended 31 December 2022										
Balance at 1 January 2022	146,999,876	246,105,067	14,700,000	237,815,712	6,370,000	2,082,827	8,452,827	654,073,482	7,215,726	661,289,208
Transactions with owners, recorded directly in equity										
Distributions to owners of the parent										
Dividends to owners of the Company	18	-	-	(47,024,316)	-	-	-	(47,024,316)	-	(47,024,316)
Total distributions to owners of the parent		-	-	(47,024,316)	-	-	-	(47,024,316)	-	(47,024,316)
Comprehensive income for the year										
Profit for the year	-	-	-	201,379,532	-	-	-	201,379,532	3,511,700	204,891,232
Other comprehensive income	-	-	-	1,829,504	-	-	-	1,829,504	333,249	2,162,753
Total comprehensive income for the year	-	-	-	203,209,036	-	-	-	203,209,036	3,844,949	207,053,985
Balance at 31 December 2022	146,999,876	246,105,067	14,700,000	394,000,432	6,370,000	2,082,827	8,452,827	810,258,202	11,060,675	821,318,877

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

**CAZ (Thailand) Public Company Limited and its Subsidiary**
**Statement of changes in equity**

		Consolidated financial statements								
Note	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Other components of equity			Equity attributable to owners of the parent	Non-controlling interests	Total equity
			Legal reserve	Unappropriated	Share-based payment	Changes in parent's ownership interest in subsidiary (in Baht)	Total other components of equity			
For the year ended 31 December 2023										
Balance at 1 January 2023	146,999,876	246,105,067	14,700,000	394,000,432	6,370,000	2,082,827	8,452,827	810,258,202	11,060,675	821,318,877
Transactions with owners, recorded directly in equity										
Distributions to owners of the parent										
Dividends to owners of the Company	18	-	-	(58,799,941)	-	-	-	(58,799,941)	-	(58,799,941)
Total distributions to owners of the parent		-	-	(58,799,941)	-	-	-	(58,799,941)	-	(58,799,941)
Comprehensive income for the year										
Profit for the year		-	-	214,568,435	-	-	-	214,568,435	4,350,461	218,918,896
Total comprehensive income for the year		-	-	214,568,435	-	-	-	214,568,435	4,350,461	218,918,896
Balance at 31 December 2023	146,999,876	246,105,067	14,700,000	549,768,926	6,370,000	2,082,827	8,452,827	966,026,696	15,411,136	981,437,832

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

**CAZ (Thailand) Public Company Limited and its Subsidiary**
**Statement of changes in equity**

		Separate financial statements						
		Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Other components of equity		Total equity
Note	Legal reserve			Unappropriated  (in Baht)	Share-based payment	Total other components of equity		
For the year ended 31 December 2022								
Balance at 1 January 2022		146,999,876	246,105,067	14,700,000	230,952,204	6,370,000	6,370,000	645,127,147
Transactions with owners, recorded directly in equity								
Distributions to owners of the parent								
Dividends to owners of the Company	18	-	-	-	(47,024,316)	-	-	(47,024,316)
Total distributions to owners of the parent		-	-	-	(47,024,316)	-	-	(47,024,316)
Comprehensive income for the year								
Profit for the year		-	-	-	191,511,869	-	-	191,511,869
Other comprehensive income		-	-	-	920,663	-	-	920,663
Total comprehensive income for the year		-	-	-	192,432,532	-	-	192,432,532
Balance at 31 December 2022		146,999,876	246,105,067	14,700,000	376,360,420	6,370,000	6,370,000	790,535,363

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



**CAZ (Thailand) Public Company Limited and its Subsidiary**
**Statement of changes in equity**

		Separate financial statements							
		Note	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Other components of equity		Total equity
					Legal reserve	Unappropriated	Share-based payment	Total other components of equity	
					(in Baht)				
For the year ended 31 December 2023									
Balance at 1 January 2023			146,999,876	246,105,067	14,700,000	376,360,420	6,370,000	6,370,000	790,535,363
Transactions with owners, recorded directly in equity									
Distributions to owners of the parent									
Dividends to owners of the Company	18		-	-	-	(58,799,941)	-	-	(58,799,941)
Total distributions to owners of the parent			-	-	-	(58,799,941)	-	-	(58,799,941)
Comprehensive income for the year									
Profit for the year			-	-	-	202,474,652	-	-	202,474,652
Total comprehensive income for the year			-	-	-	202,474,652	-	-	202,474,652
Balance at 31 December 2023			146,999,876	246,105,067	14,700,000	520,035,131	6,370,000	6,370,000	934,210,074

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

**CAZ (Thailand) Public Company Limited and its Subsidiary**
**Statement of cash flows**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	For the year ended 31 December		For the year ended 31 December	
	2023	2022	2023	2022
	<i>(in Baht)</i>			
<b><i>Cash flows from operating activities</i></b>				
Profit for the year	218,918,896	204,891,232	202,474,652	191,511,869
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Finance costs	16,116,654	14,997,232	15,029,470	14,579,323
Depreciation and amortisation	80,601,941	75,146,144	71,936,730	67,806,719
Expected credit loss	301,194	-	301,194	-
Non-current provisions for employee benefits	2,529,561	1,052,183	2,383,703	526,895
(Gain) loss on disposal of equipment	234,628	(360,471)	503,627	(275,759)
Interest income	(159,859)	(65,182)	(1,487,500)	(2,185,072)
Tax expense	55,964,903	50,648,984	51,772,269	47,243,747
	374,507,918	346,310,122	342,914,145	319,207,722
<i>Changes in operating assets and liabilities</i>				
Trade and other current receivables	146,707,685	(128,273,316)	153,328,932	(95,844,194)
Contract assets	(421,559,827)	27,759,263	(421,559,827)	27,759,263
Inventories	29,382,358	(6,128,458)	29,432,321	(6,241,534)
Other current assets	(1,332,138)	2,776,706	200,405	1,974,238
Retention receivables	117,938,588	(123,315,442)	117,938,588	(123,315,442)
Deposits	477,520	478,829	(415,650)	(811,317)
Trade and other current payables	(69,125,615)	(7,510,345)	(95,996,175)	(12,166,130)
Contract liabilities	202,189,788	238,020,882	202,189,788	238,020,882
Other current liabilities	9,681,746	(1,387,094)	5,564,782	(2,131,314)
Retention payables	(15,782,701)	16,150,133	(26,523,066)	(3,204)
Employee benefits paid	-	(108,105)	-	-
Net cash generated from operations	373,085,322	364,773,175	307,074,243	346,448,970
Interest paid	(16,059,456)	(15,399,357)	(14,972,272)	(14,981,448)
Income tax paid	(69,968,742)	(109,758,920)	(58,817,000)	(98,604,353)
<b>Net cash from operating activities</b>	<b>287,057,124</b>	<b>239,614,898</b>	<b>233,284,971</b>	<b>232,863,169</b>

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

**CAZ (Thailand) Public Company Limited and its Subsidiary**
**Statement of cash flows**

	<b>Consolidated financial</b>		<b>Separate financial</b>	
	<b>statements</b>		<b>statements</b>	
	For the year ended 31 December		For the year ended 31 December	
	2023	2022	2023	2022
	<i>(in Baht)</i>			
<b><i>Cash flows from investing activities</i></b>				
Increase in restricted deposit at financial institution	(35,888)	(38,102)	(35,888)	(38,102)
Proceeds from short-term loans to a subsidiary	-	-	40,000,000	25,000,000
Short-term loans to a subsidiary	-	-	-	(25,000,000)
Acquisition of property, plant and equipment	(32,250,570)	(46,951,109)	(31,361,885)	(45,042,610)
Acquisition of intangible assets	(108,230)	(2,345,540)	(108,230)	(2,345,540)
Proceeds from disposal of equipment	730,172	978,317	440,452	772,710
Interest received	159,859	65,182	2,824,842	1,788,661
<b>Net cash from (used in) investing activities</b>	<b>(31,504,657)</b>	<b>(48,291,252)</b>	<b>11,759,291</b>	<b>(44,864,881)</b>
<b><i>Cash flows from financing activities</i></b>				
Proceeds from short-term borrowings from financial institutions	1,227,791,386	520,641,000	1,227,791,386	520,641,000
Repayment of short-term borrowings from financial institutions	(1,303,091,386)	(718,843,000)	(1,303,091,386)	(718,843,000)
Repayment of lease liabilities	(28,380,426)	(32,216,719)	(20,196,114)	(28,707,036)
Proceeds from long-term borrowings from financial institutions	42,000,000	-	42,000,000	-
Repayment of long-term borrowings from financial institutions	(77,760,000)	(39,920,000)	(77,760,000)	(39,920,000)
Proceeds from short-term borrowings from related parties	75,000,000	100,000,000	75,000,000	100,000,000
Repayment of short-term borrowings from related parties	(75,000,000)	(100,000,000)	(75,000,000)	(100,000,000)
Repayment of short-term borrowings from other party	-	(20,000,000)	-	(20,000,000)
Dividends paid to owners of the Company	(58,799,941)	(47,024,316)	(58,799,941)	(47,024,316)
<b>Net cash used in financing activities</b>	<b>(198,240,367)</b>	<b>(337,363,035)</b>	<b>(190,056,055)</b>	<b>(333,853,352)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>57,312,100</b>	<b>(146,039,389)</b>	<b>54,988,207</b>	<b>(145,855,064)</b>
Cash and cash equivalents at 1 January	116,411,833	262,451,222	115,772,683	261,627,747
<b>Cash and cash equivalents at 31 December</b>	<b>173,723,933</b>	<b>116,411,833</b>	<b>170,760,890</b>	<b>115,772,683</b>
<b><i>Supplement disclosures of cash flows information</i></b>				
<b>Non-cash transactions</b>				
Acquisitions of property, plant and equipment for which payments have not yet made	5,630,759	342,066	5,630,759	342,066
Acquisitions of right-of-use assets under leases	63,267,268	8,140,229	39,737,614	8,140,229

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

**CAZ (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

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# CAZ (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

For the year ended 31 December 2023

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 26 February 2024.

### 1 General information

CAZ (Thailand) Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand on 3 May 2018. The Company’s registered office at 239 Huaipong-Nongbon Road, Tambol Huaipong, Amphur Muang-rayong, Rayong.

The immediate and ultimate parent companies were Takuni (Thailand) Company Limited and Takuni Group Public Company Limited. Both were incorporated in Thailand.

The principal activities of the Group are as follow:

EPC service	Engineering, Procurement, Construction, Construction management including pre-commissioning and commissioning for Industrial, Energy and Petrochemical/ Chemical Business
Structure Mechanic and Piping (SMP) services	Structure Erection, Piping fabrication & Erection, Equipment Erection, Electric and Instrument work including pre-commissioning and commissioning for Industrial, Energy and Petrochemical/ Chemical Business
Civil & Building services	Civil and Building construction works including engineering work for Industrial, Energy Petrochemical/ Chemical Business, and Infrastructure Business
General Construction services	Comprehensive of civil engineering and structural services which are provide work of foundation, infrastructure, and building. Including, steel structure works, piping erection, mechanical and equipment installation for Industry, Energy and Petrochemical/ Chemical Business.
Fabrication and other services	Mechanical Fabrication work (Structure, Vessel, Heat Exchanger, Tanks) including procurement of materials for Energy and Petrochemical/ Chemical Business

Details of the Company’s subsidiary as at 31 December 2023 and 2022 are given in note 8.

### 2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies have been applied consistently to all periods presented in these financial statements.



# CAZ (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

For the year ended 31 December 2023

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group's accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions that described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

### 3 Significant accounting policies

#### (a) *Basis of consolidation*

The consolidated financial statements relate to the Company and its subsidiary (together referred to as the "Group").

Subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree. In addition, when there is a change in the Group's interest in a subsidiary that do not result in a loss of control, any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received from the acquisition or disposal of the non-controlling interests with no change in control are accounted for as other surpluses/deficits in shareholders' equity.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities, any related non-controlling interests and other components of equity of the subsidiary. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

#### (b) *Investments in subsidiary*

Investments in subsidiary in the separate financial statements is measured at cost less allowance for impairment losses. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established. If the Company disposes of part of its investment, the deemed cost of the part sold is determined using the weighted average method. Gains and losses on disposal of the investment is recognised in profit or loss.

#### (c) *Foreign currencies*

Transactions in foreign currencies including balance of non-monetary assets and liabilities in foreign currencies at the end of reporting period are translated to the respective functional currency of each entity in the Group at the exchange rates at the dates of the transactions. Balance of monetary assets and liabilities denominated in foreign currencies at the end of reporting period are translated at the exchange rate at the reporting date. Foreign currency differences are generally recognised in profit or loss.

# CAZ (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

For the year ended 31 December 2023

### (d) *Financial instruments*

#### (d.1) *Classification and measurement*

Other financial assets and financial liabilities (except trade receivables (see note 3(f)) are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

#### (d.2) *Derecognition and offset*

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

#### (d.3) *Impairment of financial assets other than trade receivables, other receivables and contract assets*

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost through profit or loss.

The Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

# CAZ (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

### For the year ended 31 December 2023

The Group considers a financial asset to have low credit risk when its credit rating is equivalent to the definition of 'investment grade'. The Group recognises ECLs for low credit risk financial asset as 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than due specified in the contract, significant deterioration in credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group takes action such as realising security (if any is held) or the financial asset is more than 90 days past due.

#### *(d.4) Write offs*

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

#### *(d.5) Interest*

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

#### *(e) Cash and cash equivalents*

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments which has a maturity of three months or less from the date of acquisition. Bank overdrafts that are repayable on demand are a component of cash and cash equivalents for the purpose of the statement of cash flows.

#### *(f) Trade and other receivables*

A receivable is recognised when the Group has an unconditional right to receive consideration. A receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate for individual receivables with past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

#### *(g) Inventories*

Inventories are measured at the lower of cost and net realisable value. Cost is calculated using the first in first out principle. Cost includes direct costs incurred in acquiring the inventories. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

**CAZ (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**(h) Property, plant and equipment**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss.

*Subsequent costs*

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item when the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

*Depreciation*

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land and assets under construction.

The estimated useful lives are as follows:

Building and building improvements	20	years
Assets for construction project	Term of the contract period	
Machinery, tool and equipment	5	years
Furniture and fixtures	5	years
Office equipment	3, 5	years
Vehicles	5	years
Vehicles for construction projects	5	years

**(i) Intangible assets**

Intangible assets that have finite useful lives are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate the future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss.

The estimated useful lives are as follows:

Computer software	10	years
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**(j) Leases**

At inception of a contract, the Group assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Group has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

# CAZ (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

### For the year ended 31 December 2023

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the interest rate implicit in the lease to discount the lease payments to the present value.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### **(k) Impairment of non-financial assets**

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amounts are estimated. An impairment loss is recognised in profit or loss if the carrying amount of an asset exceeds its recoverable amount. Impairment losses of assets recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount, but does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

The recoverable amount 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.

#### **(l) Employee benefits**

##### *Defined contribution plan*

Obligations for contributions to the Group's provident fund are expensed in profit or loss as the related service is provided.

##### *Defined benefit plans*

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed regularly by a qualified actuary using the projected unit credit method.



# CAZ (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

### For the year ended 31 December 2023

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### **(m) Provisions**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

##### *Warranties*

A provision for warranties is recognised when the underlying services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

##### *Onerous contracts*

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting the Group's obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

#### **(n) Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

**CAZ (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

**(o) *Share capital***

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

**(p) *Revenue from contracts with customers***

**(1) *Revenue recognition***

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts.

Revenue from construction contracts is satisfied over time by reference the percentage of completion. The percentage of completion is measured by reference to the surveys of performance completed to date or using cost incurred relative to total cost estimation of each contract by using the best method to account for the transfer of work to the customer and considered the nature of work provided and the term of contract. The related costs are recognised in profit or loss when they are incurred.

**(2) *Contract balances***

Contract assets are recognised when the Group has recognised revenue before it has an unconditional right to receive consideration. The contract assets are measured at the amount of consideration that the Group is entitled to, less allowance for expected credit loss. The contract assets are classified as trade receivables when the Group has an unconditional right to receive consideration.

Contract liabilities are the obligation to transfer services to the customer. The contract liabilities are 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.

**(q) *Income tax***

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that they relate to items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

**CAZ (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**(r) *Earnings per share***

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

**(s) *Related parties***

A related party is a person or entity that has direct or indirect control or has significant influence over the financial and managerial decision-making of the Group; a person or entity that is under common control or under the same significant influence as the Group; or a person or entity over which the Group has direct or indirect control or has significant influence over the financial and managerial decision-making.

**(t) *Segment reporting***

Segment results that are reported to the Group's CODM (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

**CAZ (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**4 Related parties**

Related parties that the Group had significant transactions with during the year were as follows:

<b>Name of entities</b>	<b>Country of incorporation</b>	<b>Nature of relationships</b>
Takuni Group Public Company Limited	Thailand	The ultimate parent company
Takuni (Thailand) Co., Ltd.	Thailand	The parent company
Ratchaphruek Engineering Co., Ltd.	Thailand	Related party
G Gas Logistics Co., Ltd.	Thailand	Related party

Relationship with parent and subsidiary is described in notes 1 and 8.

The pricing policies for transactions with related parties are explained further below:

<b>Transactions</b>	<b>Pricing policies</b>
Rental income	Contractual price
Service income	Agreed prices
Costs of construction contracts	Contractual price
Interest income and interest expense	Interest rates determined in intercompany loan agreements

<b>Significant transactions with related parties</b> <b>Year ended 31 December</b>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<b>Ultimate parent</b>				
Interest expense	296	-	296	-
<b>Parent</b>				
Interest expense	-	1,526	-	1,526
<b>Subsidiary</b>				
Rental income	-	-	380	416
Service income	-	-	68	189
Interest income	-	-	1,329	2,120
Costs of construction contracts	-	-	539,424	382,420
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefits <i>(including director remuneration)</i>	25,158	25,352	20,972	21,711
Post-employment benefits	412	69	412	69
Total key management personnel compensation	<u>25,570</u>	<u>25,421</u>	<u>21,384</u>	<u>21,780</u>
<b>Other related parties</b>				
Rental income	174	180	174	180
Service income	58	65	58	65
Costs of construction contracts	23,312	29,646	23,312	29,646
Interest expense	22	-	22	-

**CAZ (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

Balances as at 31 December with related parties were as follows:

	Consolidated financial statements		Separate financial statements		
<i>Balances with related parties</i> <i>As at 31 December</i>	2023	2022	2023	2022	
	<i>(in thousand Baht)</i>				
<i>Other current receivables</i>					
Subsidiary	-	-	91	1,609	
Other related parties	29	44	29	44	
<b>Total</b>	<b>29</b>	<b>44</b>	<b>120</b>	<b>1,653</b>	
<i>Advance payments to subcontractor</i> <i>(included in other current receivables)</i>					
Subsidiary	-	-	11,821	15,124	
<i>Trade payables</i>					
Subsidiary	-	-	23,414	19,930	
Other related parties	955	3,615	955	3,615	
<b>Total</b>	<b>955</b>	<b>3,615</b>	<b>24,369</b>	<b>23,545</b>	
<i>Accrued expenses (included in other current payables)</i>					
Subsidiary	-	-	56,526	69,859	
Other related parties	3,116	12,536	3,116	12,536	
<b>Total</b>	<b>3,116</b>	<b>12,536</b>	<b>59,642</b>	<b>82,395</b>	
<i>Retention payables</i>					
Subsidiary	-	-	8,573	19,313	
<i>Loans to</i>	<b>Interest rate</b> At 31 December <i>(% per annum)</i>	<b>Separate financial statements</b>			
		1 January	Increase	Decrease	31 December
		<i>(in thousand Baht)</i>			
<b>2023</b>					
Subsidiary	-	40,000	-	(40,000)	-
<i>Loans from</i>	<b>Interest rate</b> At 31 December <i>(% per annum)</i>	<b>Consolidated / Separate financial statements</b>			
		1 January	Increase	Decrease	31 December
		<i>(in thousand Baht)</i>			
<b>2023</b>					
Ultimate parent	-	-	70,000	(70,000)	-
Key management personnel	-	-	5,000	(5,000)	-
<b>Total</b>		-	75,000	(75,000)	-



# CAZ (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

For the year ended 31 December 2023

### 5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Cash on hand	437	545	155	215
Cash at banks - current accounts	172,924	95,624	170,247	95,318
Cash at banks - savings accounts	361	240	357	237
Highly liquid short-term investments	2	20,003	2	20,003
<b>Cash and cash equivalents in the statement of financial position and statement of cash flows</b>	<b>173,724</b>	<b>116,412</b>	<b>170,761</b>	<b>115,773</b>

The effective interest rate on short-term bank deposits was 0.50% to 1.10% per annum (2022: 0.10% to 1.05% per annum).

### 6 Trade and other current receivables

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
		<i>(in thousand Baht)</i>			
<b>Trade receivables</b>					
Other parties		271,008	431,027	271,008	431,027
Total		271,008	431,027	271,008	431,027
Less allowance for expected credit losses		(301)	-	(301)	-
Net		270,707	431,027	270,707	431,027
<b>Other current receivables</b>					
Subsidiary	4	-	-	91	1,609
Other related parties	4	29	44	29	44
Other parties		58	292	58	115
Prepaid expenses		12,806	6,782	8,214	5,257
Advance payments for goods		12,490	3,396	12,243	3,396
Advance payments to subcontractor - related party	4	-	-	11,821	15,124
Advance payments to subcontractors		9,319	10,877	9,315	10,873
Total		34,702	21,391	41,771	36,418
<b>Total trade and other current receivable</b>		<b>305,409</b>	<b>452,418</b>	<b>312,478</b>	<b>467,445</b>

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<b>Allowance for expected credit loss</b>				
At 1 January	-	-	-	-
Addition	301	-	301	-
<b>At 31 December</b>	<b>301</b>	<b>-</b>	<b>301</b>	<b>-</b>

Information of credit risk is disclosed in note 19 (b.1).

# CAZ (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

For the year ended 31 December 2023

### 7 Contract assets and contract liabilities

The Group has outstanding contract assets and contract liabilities with customers as follow:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<b>Contract assets</b>				
Total project value	5,635,859	4,707,627	5,635,859	4,707,627
Accumulated amount recognised as revenue on percentage of completion basis	3,526,952	3,141,932	3,526,952	3,141,932
Less value of total billed	(2,516,145)	(2,552,685)	(2,516,145)	(2,552,685)
<b>Total contract assets</b>	<b>1,010,807</b>	<b>589,247</b>	<b>1,010,807</b>	<b>589,247</b>
Retention receivables	102,354	220,293	102,354	220,293
<b>Contract liabilities</b>				
Total project value	4,711,051	4,011,871	4,711,051	4,011,871
Value of total billed	3,984,229	3,629,479	3,984,229	3,629,479
Less Accumulated amount recognised as revenue on percentage of completion basis	(3,499,234)	(3,146,355)	(3,499,234)	(3,146,355)
	484,995	483,124	484,995	483,124
Advance received from construction contracts	245,073	44,754	245,073	44,754
<b>Total contract liabilities</b>	<b>730,068</b>	<b>527,878</b>	<b>730,068</b>	<b>527,878</b>

#### Revenue recognition from contract balance

During the year 2023, the Group and the Company recognised contract liabilities balance at the beginning of the year as revenue from construction contract of Baht 517.91 million (2022: Baht 260.22 million).

#### Revenue to be recognised for the future related to performance obligations that are unsatisfied

As at 31 December 2023, the Group has revenue to be recognised in the future related to performance obligations that are unsatisfied amounting to Baht 3,320 million (2022: Baht 2,431 million) which expected to be recognised in 2024-2025 (2022: 2023-2024).

**CAZ (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**8 Investment in a subsidiary**

Separate financial statements													
Subsidiary	Type of business	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income for the year	
		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
		(%)						(in thousand Baht)					
JKEC Co., Ltd.	Construction services	73.17	73.17	10,100	10,100	7,390	7,390	-	-	7,390	7,390	-	-
<b>Total</b>						<b>7,390</b>	<b>7,390</b>	<b>-</b>	<b>-</b>	<b>7,390</b>	<b>7,390</b>	<b>-</b>	<b>-</b>

The subsidiary was operated in Thailand and is not publicly listed. Consequently, there is no published price quotations.

**CAZ (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**9 Property, plant and equipment**

	<b>Consolidated financial statements</b>								
	Land and right-of- use on land	Building and building improvements	Machinery, tools and equipment	Furniture and fixtures	Office equipment <i>(in thousand Baht)</i>	Vehicles	Vehicles for construction projects	Assets under construction	Total
<b><i>Cost</i></b>									
At 1 January 2022	263,162	140,087	306,477	6,285	20,902	19,373	25,074	20	781,380
Additions	3,111	-	35,197	408	2,040	5,137	-	7,091	52,984
Disposals	(2,840)	-	(2,705)	(12)	(1,045)	(2,555)	(930)	-	(10,087)
<b>At 31 December 2022 and 1 January 2023</b>	<b>263,433</b>	<b>140,087</b>	<b>338,969</b>	<b>6,681</b>	<b>21,897</b>	<b>21,955</b>	<b>24,144</b>	<b>7,111</b>	<b>824,277</b>
Additions	8,644	5,693	57,692	240	1,918	942	17,247	4,930	97,306
Transfer	-	11,513	-	-	-	-	-	(11,513)	-
Disposals	-	-	(6,040)	(279)	(180)	-	(900)	-	(7,399)
<b>At 31 December 2023</b>	<b>272,077</b>	<b>157,293</b>	<b>390,621</b>	<b>6,642</b>	<b>23,635</b>	<b>22,897</b>	<b>40,491</b>	<b>528</b>	<b>914,184</b>
<b><i>Accumulated depreciation</i></b>									
At 1 January 2022	2,533	26,336	155,274	2,435	11,568	11,950	13,523	-	223,619
Depreciation charge for the year	1,631	7,127	52,372	1,034	3,820	2,849	4,661	-	73,494
Disposals	(2,840)	(20)	(2,453)	(4)	(1,006)	(2,555)	(881)	-	(9,759)
<b>At 31 December 2022 and 1 January 2023</b>	<b>1,324</b>	<b>33,443</b>	<b>205,193</b>	<b>3,465</b>	<b>14,382</b>	<b>12,244</b>	<b>17,303</b>	<b>-</b>	<b>287,354</b>
Depreciation charge for the year	3,952	7,699	53,281	1,031	3,602	3,397	5,663	-	78,625
Disposals	-	-	(5,154)	(279)	(180)	-	(879)	-	(6,492)
<b>At 31 December 2023</b>	<b>5,276</b>	<b>41,142</b>	<b>253,320</b>	<b>4,217</b>	<b>17,804</b>	<b>15,641</b>	<b>22,087</b>	<b>-</b>	<b>359,487</b>

**CAZ (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

<b>Consolidated financial statements</b>									
	Land and right-of- use on land	Building and building improvements	Machinery, tools and equipment	Furniture and fixtures	Office equipment <i>(in thousand Baht)</i>	Vehicles	Vehicles for construction projects	Assets under construction	Total
<i>Net book value</i>									
<b>At 31 December 2022</b>									
Owned assets	260,322	106,644	104,110	3,216	7,515	305	591	7,111	489,814
Right-of-use assets	1,787	-	29,666	-	-	9,406	6,250	-	47,109
	<u><b>262,109</b></u>	<u><b>106,644</b></u>	<u><b>133,776</b></u>	<u><b>3,216</b></u>	<u><b>7,515</b></u>	<u><b>9,711</b></u>	<u><b>6,841</b></u>	<u><b>7,111</b></u>	<u><b>536,923</b></u>
<b>At 31 December 2023</b>									
Owned assets	260,322	110,654	81,629	2,425	5,831	824	14,924	528	477,137
Right-of-use assets	6,479	5,497	55,672	-	-	6,432	3,480	-	77,560
	<u><b>266,801</b></u>	<u><b>116,151</b></u>	<u><b>137,301</b></u>	<u><b>2,425</b></u>	<u><b>5,831</b></u>	<u><b>7,256</b></u>	<u><b>18,404</b></u>	<u><b>528</b></u>	<u><b>554,697</b></u>

**CAZ (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
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	Separate financial statements								
	Land and right-of-use on land	Building and building improvements	Machinery, tools and equipment	Furniture and fixtures	Office equipment	Vehicles	Vehicles for construction projects	Assets under construction	Total
<i>Cost</i>									
At 1 January 2022	263,162	142,542	297,186	6,285	19,122	17,147	1,937	72	747,453
Additions	3,111	-	33,422	408	1,906	5,137	-	7,091	51,075
Disposals	(2,840)	-	(2,399)	(12)	(693)	(2,555)	-	-	(8,499)
<b>At 31 December 2022 and 1 January 2023</b>	<b>263,433</b>	<b>142,542</b>	<b>328,209</b>	<b>6,681</b>	<b>20,335</b>	<b>19,729</b>	<b>1,937</b>	<b>7,163</b>	<b>790,029</b>
Additions	8,644	5,693	51,620	240	1,558	203	-	4,930	72,888
Transfer	-	11,513	-	-	-	-	-	(11,513)	-
Disposals	-	-	(5,829)	(280)	(180)	-	-	-	(6,289)
<b>At 31 December 2023</b>	<b>272,077</b>	<b>159,748</b>	<b>374,000</b>	<b>6,641</b>	<b>21,713</b>	<b>19,932</b>	<b>1,937</b>	<b>580</b>	<b>856,628</b>
<i>Accumulated depreciation</i>									
At 1 January 2022	2,533	26,379	151,098	2,435	10,453	10,729	1,692	-	205,319
Depreciation charge for the year	1,631	7,127	50,065	1,034	3,459	2,487	121	-	65,924
Disposals	(2,840)	-	(1,944)	(4)	(659)	(2,555)	-	-	(8,002)
<b>At 31 December 2022 and 1 January 2023</b>	<b>1,324</b>	<b>33,506</b>	<b>199,219</b>	<b>3,465</b>	<b>13,253</b>	<b>10,661</b>	<b>1,813</b>	<b>-</b>	<b>263,241</b>
Depreciation charge for the year	3,952	7,720	50,894	1,031	3,287	3,028	107	-	70,019
Disposals	-	-	(4,943)	(279)	(180)	-	-	-	(5,402)
<b>At 31 December 2023</b>	<b>5,276</b>	<b>41,226</b>	<b>245,170</b>	<b>4,217</b>	<b>16,360</b>	<b>13,689</b>	<b>1,920</b>	<b>-</b>	<b>327,858</b>

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	Land and right-of-use on land	Building and building improvements	Machinery, tools and equipment	Separate financial statements			Vehicles for construction projects	Assets under construction	Total
				Furniture and fixtures	Office equipment	Vehicles			
				<i>(in thousand Baht)</i>					
<i>Net book value</i>									
<b>At 31 December 2022</b>									
Owned assets	260,322	109,036	99,324	3,216	7,082	305	124	7,163	486,572
Right-of-use assets	1,787	-	29,666	-	-	8,763	-	-	40,216
	<b>262,109</b>	<b>109,036</b>	<b>128,990</b>	<b>3,216</b>	<b>7,082</b>	<b>9,068</b>	<b>124</b>	<b>7,163</b>	<b>526,788</b>
<b>At 31 December 2023</b>									
Owned assets	260,322	113,025	73,158	2,424	5,353	201	17	580	455,080
Right-of-use assets	6,479	5,497	55,672	-	-	6,042	-	-	73,690
	<b>266,801</b>	<b>118,522</b>	<b>128,830</b>	<b>2,424</b>	<b>5,353</b>	<b>6,243</b>	<b>17</b>	<b>580</b>	<b>528,770</b>

The gross amount of the Group and the Company's fully depreciated of machinery, tools and equipment and office equipment that were still in use as at 31 December 2023 amounted to Baht 123.09 million and Baht 109.66 million, respectively (2022: Baht 78.95 million and Baht 75.14 million, respectively).

During the year 2023, the Group and the Company leased property, plant and equipment for 1-5 years and made fixed payments during the lease term. The Group and the Company recognised right-of-use assets amounting to Baht 63.27 million and Baht 39.74 million, respectively (2022: Baht 8.14 million and Baht 8.14 million, respectively).

**CAZ (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

<i>For the year ended 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<b><i>Amounts recognised in profit or loss</i></b>				
Depreciation of right-of-use assets:				
- Land and right-of-use on land	3,952	1,787	3,952	1,787
- Building and building improvements	111	-	111	-
- Machines, tools and equipment	16,832	8,325	16,832	8,325
- Vehicles	2,974	2,244	2,721	1,882
- Vehicles for construction projects	2,770	2,770	-	-
Interest on lease liabilities	2,107	2,076	1,020	1,658
Expenses relating to short-term leases	284,421	230,107	211,864	184,222
Expenses relating to leases of low-value assets	4,687	2,470	3,960	2,095

In 2023, total cash outflow for the leases of the Group and the Company were Baht 317.49 million and Baht 236.02 million, respectively (2022: Baht 265 million and Baht 215 million, respectively).

## **10 Interest-bearing liabilities**

	<b>Consolidated financial statements</b>					
	2023			2022		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	<i>(in thousand Baht)</i>					
Short-term borrowing from financial institutions						
- Promissory notes	70,000	30,000	100,000	145,300	30,000	175,300
Long-term borrowing from financial institutions	50,620	-	50,620	86,380	-	86,380
Lease liabilities	59,853	6,070	65,923	32,772	1,764	34,536
<b>Total interest-bearing liabilities</b>	<b>180,473</b>	<b>36,070</b>	<b>216,543</b>	<b>264,452</b>	<b>31,764</b>	<b>296,216</b>

  

	<b>Separate financial statements</b>					
	2023			2022		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	<i>(in thousand Baht)</i>					
Short-term borrowing from financial institutions						
- Promissory notes	70,000	30,000	100,000	145,300	30,000	175,300
Long-term borrowing from financial institutions	50,620	-	50,620	86,380	-	86,380
Lease liabilities	40,428	6,070	46,498	28,692	1,764	30,456
<b>Total interest-bearing liabilities</b>	<b>161,048</b>	<b>36,070</b>	<b>197,118</b>	<b>260,372</b>	<b>31,764</b>	<b>292,136</b>



**CAZ (Thailand) Public Company Limited and its Subsidiary**  
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**For the year ended 31 December 2023**

<i>Assets pledged as security for liabilities as at 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Deposit at financial institution	7,762	7,726	7,762	7,726
Property, plant and equipment	419,145	431,856	415,276	424,963
<b>Total</b>	<b>426,907</b>	<b>439,582</b>	<b>423,038</b>	<b>432,689</b>

As at 31 December 2023, the Group and the Company had unutilised credit facilities totalling Baht 1,620 million (2022: Baht 760 million).

*Borrowings from a financial institution*

In May 2023, the Company issued a new promissory note to replace existing promissory note to a local financial institution amounting to Baht 42 million according to the condition in the revolving loan agreement. Such promissory note had term of 2 years, maturing in May 2025 and bore interest rate at 4% - 6% per annum. The loan was secured by Thai Credit Guarantee Corporation.

The Company has to comply with certain conditions under right and duty of borrowers such as the maintenance of Debt to Equity ratios and Debt Service Coverage ratio (DSCR).

## **11 Share capital**

*Share premium*

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

## **12 Legal reserve**

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

## **13 Segment information and disaggregation of revenue**

*Geographical segments*

The Group is operated principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries.

*Business segments*

Management considers that the Group operates in a single line of business, namely construction business, therefore, only one reportable segment.

*Timing of revenue recognition*

Total revenues of the Group has timing of revenue recognition by over time.

*Major customers*

Revenues from 3 customers of the Group's segment represents approximately Baht 2,729.75 million in 2023 (2022: Baht 2,864.72 million) of the Group's total revenues.

**CAZ (Thailand) Public Company Limited and its Subsidiary**  
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**14 Employee benefit expenses**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Salary, bonus and wages	1,308,061	1,070,285	1,012,623	857,560
Defined benefit plan	2,530	1,052	2,384	527
Defined contribution plan	2,027	1,782	1,669	1,528
Termination benefits	40,582	25,211	40,177	25,036
<b>Total</b>	<b><u>1,353,200</u></b>	<b><u>1,098,330</u></b>	<b><u>1,056,853</u></b>	<b><u>884,651</u></b>

*Defined contribution plan*

The defined contribution plan comprises provident fund established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 2% to 15% of their basic salaries and by the Group at rates ranging from 3% to 5% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as a juristic entity and is managed by a licensed Fund Manager.

**15 Expenses by nature**

		<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
	<i>Note</i>	2023	2022	2023	2022
		<i>(in thousand Baht)</i>			
Raw material used		572,097	671,175	541,769	646,510
Subcontractor costs		329,282	591,675	829,812	951,179
Depreciation and amortisation		80,602	75,146	71,937	67,807
Employee benefit expenses	14	1,353,200	1,098,330	1,056,853	884,651
Lease-related expenses		289,108	232,577	215,825	186,317

# CAZ (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

For the year ended 31 December 2023

### 16 Income tax expense

<i>Income tax recognised in profit or loss</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<b>Current tax expense</b>				
Current year	57,015	51,423	52,696	47,936
<b>Deferred tax expense</b>				
Movements in temporary differences	(1,050)	(774)	(924)	(692)
<b>Income tax expense</b>	<b>55,965</b>	<b>50,649</b>	<b>51,772</b>	<b>47,244</b>

<b>Consolidated financial statements</b>						
	2023		2022			
<i>Income tax</i>	Before tax	Tax benefit	Net of tax	Before tax	Tax benefit	Net of tax
	<i>(in thousand Baht)</i>					
<b>Recognised in other comprehensive income</b>						
Defined benefit plan actuarial gains	-	-	-	2,703	(541)	2,162
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,703</b>	<b>(541)</b>	<b>2,162</b>

<b>Separate financial statements</b>						
	2023		2022			
<i>Income tax</i>	Before tax	Tax benefit	Net of tax	Before tax	Tax benefit	Net of tax
	<i>(in thousand Baht)</i>					
<b>Recognised in other comprehensive income</b>						
Defined benefit plan actuarial gains	-	-	-	1,151	(230)	921
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,151</b>	<b>(230)</b>	<b>921</b>

	<b>Consolidated financial statements</b>				<b>Separate financial statements</b>			
	2023	2022	2023	2022	2023	2022	2023	2022
	<i>Rate (%)</i>	<i>(in thousand Baht)</i>	<i>Rate (%)</i>	<i>(in thousand Baht)</i>	<i>Rate (%)</i>	<i>(in thousand Baht)</i>	<i>Rate (%)</i>	<i>(in thousand Baht)</i>
<b>Reconciliation of effective tax rate</b>								
Profit before income tax expense		274,884		255,540		254,247		238,756
Income tax using the Thai corporation tax rate	20.00	54,977	20.00	51,108	20.00	50,849	20.00	47,751
Expenses not deductible for tax purposes		675		463		467		324
Additional deductible expenses		(62)		(301)		(62)		(246)
Others		375		(621)		518		(585)
<b>Total</b>	<b>20.36</b>	<b>55,965</b>	<b>19.82</b>	<b>50,649</b>	<b>20.36</b>	<b>51,772</b>	<b>19.79</b>	<b>47,244</b>

# CAZ (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

For the year ended 31 December 2023

<i>Deferred tax</i>	<b>At 1 January</b>	<b>Consolidated financial statements</b> (Charged) / Credited to		<b>At 31 December</b>
		Profit or loss	Other comprehensive income	
		(in thousand Baht)		
<b>2023</b>				
<b>Deferred tax assets</b>				
Right-of-use assets	101	330	-	431
Trade receivables	-	60	-	60
Provision for warranties of construction work	885	60	-	945
Provision for litigation	849	93	-	942
Non-current provisions for employee benefits	1,103	507	-	1,610
<b>Total</b>	<b>2,938</b>	<b>1,050</b>	<b>-</b>	<b>3,988</b>
<b>2022</b>				
<b>Deferred tax assets</b>				
Right-of-use assets	35	66	-	101
Provision for warranties of construction work	823	62	-	885
Provision for litigation	741	108	-	849
Non-current provisions for employee benefits	1,106	538	(541)	1,103
<b>Total</b>	<b>2,705</b>	<b>774</b>	<b>(541)</b>	<b>2,938</b>
<i>Deferred tax</i>	<b>At 1 January</b>	<b>Separate financial statements</b> (Charged) / Credited to		<b>At 31 December</b>
		Profit or loss	Other comprehensive income	
		(in thousand Baht)		
<b>2023</b>				
<b>Deferred tax assets</b>				
Right-of-use assets	101	233	-	334
Trade receivables	-	60	-	60
Provision for warranties of construction work	885	60	-	945
Provision for litigation	849	93	-	942
Non-current provisions for employee benefits	1,021	478	-	1,499
<b>Total</b>	<b>2,856</b>	<b>924</b>	<b>-</b>	<b>3,780</b>
<b>2022</b>				
<b>Deferred tax assets</b>				
Right-of-use assets	34	67	-	101
Provision for warranties of construction work	823	62	-	885
Provision for litigation	741	108	-	849
Non-current provisions for employee benefits	796	455	(230)	1,021
<b>Total</b>	<b>2,394</b>	<b>692</b>	<b>(230)</b>	<b>2,856</b>

**CAZ (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**17 Basic earnings per share**

The calculations of basic earnings per share were based on the profit for the year attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the year.

<i>For the year ended 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	214,568	201,380	202,475	191,512
Number of ordinary shares outstanding (basic)	294,000	294,000	294,000	294,000
<b>Earnings per share (basic) (<i>in Baht</i>)</b>	<b>0.73</b>	<b>0.68</b>	<b>0.69</b>	<b>0.65</b>

**18 Dividends**

The dividends paid by the Company to the shareholders are as follows:

	Approval date	Payment schedule	Dividend rate per share <i>(in Baht)</i>	Amount <i>(in million Baht)</i>
<i>2023</i>				
2022 Annual dividend	21 April 2023	19 May 2023	0.20	58.80
<i>2022</i>				
2021 Annual dividend	22 April 2022	20 May 2022	0.16	47.02

**19 Financial instruments**

*(a) Carrying amounts and fair values*

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, but does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

	<b>Consolidated / Separate financial statements</b>				
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
		<i>(in thousand Baht)</i>			
<i>At 31 December 2023</i>					
Long-term borrowings from financial institutions	50,620	-	-	48,793	48,793
<i>At 31 December 2022</i>					
Long-term borrowings from financial institutions	86,380	-	-	85,979	85,979

**Valuation technique of financial instruments measured at fair value**

Type	Valuation technique
Long-term borrowings from financial institutions	<i>Discounted cash flows:</i> The fair value is estimated considering a net present value of future cash flows calculated using discount rates at the market rate of loans.

**CAZ (Thailand) Public Company Limited and its Subsidiary**  
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*(b) Financial risk management policies*

*Risk management framework*

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group's, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group's audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

*(b.1) Credit risk*

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

*(b.1.1) Trade receivables and contract assets*

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. Detail of concentration of revenue are included in note 13.

The management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's commercial terms and conditions are offered.

The Group limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 30 days or 45 days. Outstanding trade receivables are regularly monitored by the Group. An impairment analysis is performed by the Group at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables to reflect differences between economic conditions in the past, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Information relevant to trade receivables and contract assets are disclosed in notes 6 and 7.

**CAZ (Thailand) Public Company Limited and its Subsidiary**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

The following table presents the exposure to credit risk and expected credit loss for trade receivables and contract assets.

<i>At 31 December</i>	<b>Consolidated / Separate financial statements</b>							
	Trade receivables	Contract assets	Total carrying amounts	Allowance for expected credit loss	Trade receivables	Contract assets	Total carrying amounts	Allowance for expected credit loss
		2023				2022		
				<i>(in thousand Baht)</i>				
Within credit terms	269,805	1,010,807	1,279,892	-	430,382	589,247	1,019,629	-
Overdue:								
Less than 3 months	1,622	-	1,622	-	-	-	-	-
3 - 6 months	-	-	-	-	301	-	301	-
6 - 12 months	-	-	-	-	344	-	344	-
More than 12 months	301	-	-	(301)	-	-	-	-
<b>Total</b>	<b>271,008</b>	<b>1,010,807</b>	<b>1,281,815</b>	<b>(301)</b>	<b>431,027</b>	<b>589,247</b>	<b>1,020,274</b>	<b>-</b>
<i>Less allowance for expected credit loss</i>	<i>(301)</i>	<i>-</i>	<i>(301)</i>		<i>-</i>	<i>-</i>	<i>-</i>	
<b>Net</b>	<b>270,707</b>	<b>1,010,807</b>	<b>1,281,514</b>		<b>431,027</b>	<b>589,247</b>	<b>1,020,274</b>	

**CAZ (Thailand) Public Company Limited and its Subsidiary**  
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**For the year ended 31 December 2023**

(b.1.2) Cash and cash equivalents

The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions which the Group considers to have low credit risk.

(b.2) *Liquidity risk*

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows through an adequate amount of committed credit facilities.

The following table is the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross are included contractual interest payments which are undiscounted and exclude the impact of netting agreements.

<b>Consolidated financial statements</b>						
<i>At 31 December</i>	Carrying amount	1 year or less	Contractual cash flows			Total
			More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	
			(in thousand Baht)			
<b>2023</b>						
<b><i>Non-derivative financial liabilities</i></b>						
Trade and other current payables	305,529	305,529	-	-	-	305,529
Loans from financial institutions	150,620	112,005	42,976	-	-	154,981
Lease liabilities	65,923	33,588	18,741	20,771	-	73,100
<b>Total</b>	<b>522,072</b>	<b>451,122</b>	<b>61,717</b>	<b>20,771</b>	<b>-</b>	<b>533,610</b>
<b>2022</b>						
<b><i>Non-derivative financial liabilities</i></b>						
Trade and other current payables	369,309	369,309	-	-	-	369,309
Loans from financial institutions	261,680	255,463	8,694	-	-	264,157
Lease liabilities	34,536	25,493	10,589	2,181	-	38,263
<b>Total</b>	<b>665,525</b>	<b>650,265</b>	<b>19,283</b>	<b>2,181</b>	<b>-</b>	<b>671,729</b>



# CAZ (Thailand) Public Company Limited and its Subsidiary

## Notes to the financial statements

For the year ended 31 December 2023

Separate financial statements						
Contractual cash flows						
	Carrying amount	1 year or less	More than 1 year but less than 2 years (in thousand Baht)	More than 2 years but less than 5 years	More than 5 years	Total
<i>At 31 December</i>						
<b>2023</b>						
<b>Non-derivative financial liabilities</b>						
Trade and other current payables	333,796	333,796	-	-	-	333,796
Loans from financial institutions	150,620	112,005	42,976	-	-	154,981
Lease liabilities	46,498	26,811	12,276	12,745	-	51,832
<b>Total</b>	<b>530,914</b>	<b>472,612</b>	<b>55,252</b>	<b>12,745</b>	<b>-</b>	<b>540,609</b>
<b>2022</b>						
<b>Non-derivative financial liabilities</b>						
Trade and other current payables	424,447	424,447	-	-	-	424,447
Loans from financial institutions	261,680	255,463	8,694	-	-	264,157
Lease liabilities	30,456	19,241	10,208	2,112	-	31,561
<b>Total</b>	<b>716,583</b>	<b>699,151</b>	<b>18,902</b>	<b>2,112</b>	<b>-</b>	<b>720,165</b>

### (b.3) Market risk

The Group is exposed to normal business risks from changes in market interest rates, currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivatives for speculative or trading purposes.

#### (b.3.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases which are denominated in foreign currencies. However, the purchases is not material during the year so the Group did not utilise forward exchange contracts to hedge such financial liabilities denominated in foreign currencies.

#### (b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows. Because loan interest rates are mainly fixed, so the Group has low interest rate risk. The sensitivity impact to the increase or decrease in interest expenses from borrowings, as a result of changes in interest rates is immaterial on financial statements of the Group.

**CAZ (Thailand) Public Company Limited and its Subsidiary**  
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**For the year ended 31 December 2023**

<i>Exposure to interest rate risk at 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<b><i>Financial instruments with fixed interest rates</i></b>				
Financial assets	-	-	-	40,000
Financial liabilities	207,923	251,836	188,498	247,756
<b><i>Financial instruments with variable interest rates</i></b>				
Financial liabilities	8,620	44,380	8,620	44,380

***Fair value sensitivity analysis for fixed-rate instruments***

The Group does not account for any fixed-rate financial assets or financial liabilities, at FVTPL, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

***Cash flow sensitivity analysis for variable-rate instruments***

A reasonable possible change of 1% in interest rates at the reporting date; this analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

<i>Impact to profit or loss</i>	<b>Consolidated / Separate financial statements</b>			
	2023		2022	
	1% increase in interest rate	1% decrease in interest rate	1% increase in interest rate	1% decrease in interest rate
	<i>(in thousand Baht)</i>			
Financial instruments with variable interest rate	(14)	14	(293)	293

## **20 Capital management**

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

## **21 Commitments with non-related parties**

	<b>Consolidated / Separate financial statements</b>	
	2023	2022
	<i>(in thousand Baht)</i>	
<b><i>Other commitments</i></b>		
Purchase orders for construction materials	115,647	10,692
Bank guarantees	1,372,878	1,085,129
<b>Total</b>	<b>1,488,525</b>	<b>1,095,821</b>

# **CAZ (Thailand) Public Company Limited and its Subsidiary**

## **Notes to the financial statements**

**For the year ended 31 December 2023**

### **22 Contingent liabilities**

The Company has been sued for a damage case by a company (“plaintiff”) for breach of service contract in amount of Baht 18.31 million. The Company received a subpoena from the Civil Court on 30 November 2019. In this regard, the Company submitted a petition requesting and counterclaims on 27 January 2020. The Company sued to plaintiff seeking compensation of Baht 17.1 million for losses resulting from breach of service contract. The Court of the First Instance’s judgement dated on 23 December 2020 considered that the termination from both parties have voluntarily terminated the contract since 27 September 2019. The Company has liable for payment of service contract to the plaintiff plus interest rate at 7.5% per annum starting from 3 November 2019 and the plaintiff has to return advance payment to the Company. The remaining liability that the Company has to paid to plaintiff amounting to Baht 3.12 million. As a result, the Company has recorded the provision followed by the Court of the First Instance’s judgement.

Subsequently, the Appeal Court announced the judgement dated on 30 November 2021 agreed with the Court of the First Instance and considered the plaintiff and the Company have the voluntarily terminated the contract which either parties cannot claim damages from each other. Resulting to, the plaintiff has to return an advance payment after off-setting the contract value which the Company has to pay to the plaintiff amounting to Baht 2.57 million including interest until the payment is complete to the Company.

On 26 May 2022 and 4 August 2022, the plaintiff submitted a request for appeal to the Supreme Court and a request for stay of execution. The Supreme Court has its order to suspend the execution according to the Appeal Court’s judgement during appeal on 24 August 2022 and the Supreme Court has an order to consider the plaintiff’s request for appeal to the Supreme Court on 28 March 2023. Currently, the case is the process of consideration by the Supreme Court. Therefore, the Company remained the provision followed by the Court of the First Instance’s judgement.

### **23 Event after the reporting period**

The Board of Director’s meeting held on 26 February 2024, the Board approved the dividend payment from the operating results for the year ended 31 December 2023 at the rate of Baht 0.2114 per share, amounting to Baht 62.17 million. The dividend will be presented to the annual general meeting of the shareholders of the Company held in April 2024.