

**Gunkul Engineering Public Company Limited  
and its Subsidiaries**

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

## **Independent Auditor’s Report**

### **To the Shareholders of Gunkul Engineering Public Company Limited**

#### *Opinion*

I have audited the consolidated and separate financial statements of Gunkul Engineering Public Company Limited and its subsidiaries (the “Group”) and of Gunkul Engineering 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>Impairment testing of goodwill, investment in subsidiaries, associate and joint venture</b>	
Refer to Note 3, 10, 11 and 14	
<b>The key audit matter</b>	<b>How the matter was addressed in the audit</b>
The Group consistently considered impairment testing of goodwill, and considered impairment testing of investment in subsidiaries, associate and joint venture when there is an indicator which all mainly affected by market situation. This required management's judgement. Therefore, this is an area of focus in my audit.	<p>My audit procedures in this area included, among others:</p> <ul style="list-style-type: none"><li>• Understanding the impairment testing process of the management including estimated future cash flow and key assumptions used;</li><li>• Testing key assumptions that underpin management's discounted cash flows with reference to market situations and its operating environment, knowledge of the industry, and other obtained information;</li><li>• Evaluating of the forecasting of financial performances by comparing historical estimation to the actual operating results and;</li><li>• Evaluating the adequacy of the disclosures in accordance with the relevant Thai Financial Reporting Standards.</li></ul>

<b>Revenue and cost of construction services</b>	
Refer to Note 3 and 8	
<b>The key audit matter</b>	<b>How the matter was addressed in the audit</b>
<p>The Group accounts for revenue from construction services by referencing the stage of completion of the constructions. This is assessed by the responsible project's engineers and considered with the actual costs and the estimated costs to complete the constructions.</p> <p>The management and the project's engineers are required to exercise significant judgement to estimate the cost of construction services to complete the contracts that will affect the stage of completion. I considered the stage of completion and estimation for cost of construction services as the key audit matter.</p>	<p>My audit procedures in this areas included, among others;</p> <ul style="list-style-type: none"> <li>• Understanding the processes of the estimation and revision of the estimated costs of construction services;</li> <li>• Testing the estimated costs of construction services which were approved by the management, actual costs, revenue from construction services and unbilled revenue with related contracts and documents;</li> <li>• Comparing the stage of completion determined by engineers with the ratio of actual costs and the estimated costs including tested customers' acceptance documents;</li> <li>• Performing site visits together with the engineers to assess the appropriateness of the actual constructions progress and the stage of completion;</li> <li>• Performing analyses of the actual costs incurred and the estimated costs comparison, gross profits, progress of constructions and challenging the management for any deviations;</li> <li>• Testing the stage of completions and unbilled revenue calculations;</li> <li>• Testing the actual costs incurred after the period ended with related documents;</li> <li>• Evaluating the adequacy of the disclosures in accordance with the relevant Thai Financial Reporting Standards.</li> </ul>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

*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.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

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.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

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.

(Waiyawat Kosamarnchaiyakij)  
Certified Public Accountant  
Registration No. 6333

KPMG Phoomchai Audit Ltd.  
Bangkok  
28 February 2024

# Gunkul Engineering Public Company Limited and its Subsidiaries

## Statement of financial position

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2023	2022	2023	2022
		<i>(in Baht)</i>			
<b>Current assets</b>					
Cash and cash equivalents	5	1,384,112,315	2,199,152,032	237,441,592	621,854,577
Short-term deposits from financial institution pledged as collateral	15	1,183,723,225	1,028,052,751	-	-
Trade and other current receivables	4.3, 6	1,124,809,158	943,624,525	72,855,300	69,636,258
Current portion of finance lease receivables	7	212,656,151	130,041,167	-	-
Unbilled revenue	8	1,227,743,374	1,143,656,159	-	-
Revenue Department receivable		75,887,194	50,411,435	-	2,606,487
Short-term loans to related parties	4.3	-	-	682,697,253	990,197,703
Inventories	9	1,176,368,648	984,179,016	164,489,823	221,322,469
Other current financial assets	25	183,040,285	498,688,295	30,019,385	397,462,838
Other current assets		227,349,095	242,055,063	28,123,284	27,313,238
<b>Total current assets</b>		<b>6,795,689,445</b>	<b>7,219,860,443</b>	<b>1,215,626,637</b>	<b>2,330,393,570</b>
<b>Non-current assets</b>					
Other non-current financial assets	4.3	140,437,698	122,128,683	94,360,073	110,589,556
Long-term deposits from financial institution pledged as collateral	15	238,432,542	235,256,131	-	-
Loan to related parties	4.3	-	-	229,725,280	258,525,280
Investments in associates	10	389,333,377	375,424,250	397,594,800	397,594,800
Investments in joint ventures	10	5,133,207,027	5,166,283,149	1,893,177,740	1,893,177,740
Investments in subsidiaries	11	-	-	13,988,233,187	11,872,942,710
Finance lease receivables	7	2,924,558,278	2,058,491,939	-	-
Revenue Department receivable		100,473,028	100,077,917	-	-
Investment properties		106,087,145	55,788,305	3,143,658	3,143,658
Property, plant and equipment	12	14,966,658,957	14,731,850,030	26,114,792	33,591,705
Right-of-use assets	13	369,901,180	405,026,821	21,296,369	37,603,114
Goodwill	14	80,925,334	80,925,334	-	-
Intangible assets	14	1,109,891,464	1,171,815,137	14,048,766	9,357,332
Deferred tax assets	22	55,047,134	55,203,320	19,838,197	27,402,663
Derivative assets	25	299,687,103	370,806,615	-	-
Other non-current assets		140,006,069	182,523,595	1,794,164	26,427,148
<b>Total non-current assets</b>		<b>26,054,646,336</b>	<b>25,111,601,226</b>	<b>16,689,327,026</b>	<b>14,670,355,706</b>
<b>Total assets</b>		<b>32,850,335,781</b>	<b>32,331,461,669</b>	<b>17,904,953,663</b>	<b>17,000,749,276</b>

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



# Gunkul Engineering Public Company Limited and its Subsidiaries

## Statement of financial position

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2023	2022	2023	2022
		<i>(in Baht)</i>			
<b>Current liabilities</b>					
Short-term loans from financial institutions	15	1,078,548,353	481,652,486	780,600,986	-
Short-term loans from related parties	4.3	-	-	909,900,000	1,266,700,000
Trade and other current payables	4.3	1,814,147,898	1,692,724,560	207,272,761	174,943,143
Unearned revenues	4.3	507,686,762	354,186,838	79,300,825	6,164,209
Payable for purchases of assets	4.3	22,013,540	35,602,337	294,999	175,258
Payables for share subscription	10	-	80,232,500	-	-
Retention payables		60,095,779	82,441,728	2,636,077	3,325,463
Current portion of long-term loans	15	851,439,400	859,742,499	28,585,623	28,526,034
Current portion of debentures	15	1,797,313,354	906,576,620	1,797,313,354	906,576,620
Current portion of lease liabilities	4.3, 15	27,216,781	48,321,331	7,225,387	20,794,078
Derivative liabilities	25	-	7,606,018	-	-
Corporate income tax payable		50,637,880	115,200,379	-	64,302,047
Other current liabilities		139,480,945	139,747,437	40,731,899	35,401,211
<b>Total current liabilities</b>		<b>6,348,580,692</b>	<b>4,804,034,733</b>	<b>3,853,861,911</b>	<b>2,506,908,063</b>
<b>Non-current liabilities</b>					
Long-term loans	15	9,580,246,982	10,194,011,674	1,650,887,124	1,679,478,816
Debentures	15	1,938,072,174	2,237,556,191	1,938,072,174	2,237,556,191
Retention payables		49,406,663	23,890,039	-	166,423
Lease liabilities	4.3, 15	413,935,524	414,215,260	7,969,416	13,480,302
Deferred tax liabilities	22	139,725,462	136,446,352	-	-
Provisions for employee benefit	16	114,066,129	121,405,115	44,224,726	64,945,887
Provision for decommissioning costs of buildings and power plants		211,765,565	194,273,533	-	-
Derivative liabilities	25	38,946,383	53,472,770	38,946,383	53,472,770
Other non-current financial liabilities		868,571	618,571	618,571	618,571
Other non-current liabilities		24,270,737	11,798,867	-	17,614
<b>Total non-current liabilities</b>		<b>12,511,304,190</b>	<b>13,387,688,372</b>	<b>3,680,718,394</b>	<b>4,049,736,574</b>
<b>Total liabilities</b>		<b>18,859,884,882</b>	<b>18,191,723,105</b>	<b>7,534,580,305</b>	<b>6,556,644,637</b>

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

# Gunkul Engineering Public Company Limited and its Subsidiaries

## Statement of financial position

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2023	2022	2023	2022
		<i>(in Baht)</i>			
<b>Equity</b>					
Share capital					
Authorised share capital					
<i>(8,882,530,974 ordinary shares, par value at Baht 0.25 per share)</i>					
		<u>2,220,632,743</u>	<u>2,220,632,743</u>	<u>2,220,632,743</u>	<u>2,220,632,743</u>
Issued and paid-up share capital					
<i>(8,882,530,974 ordinary shares, par value at Baht 0.25 per share)</i>					
		2,220,632,743	2,220,632,743	2,220,632,743	2,220,632,743
Treasury shares	17	(179,007,014)	-	(179,007,014)	-
Premium on ordinary shares	18	5,179,473,454	5,179,473,454	5,179,473,454	5,179,473,454
Share premium on treasury shares	18	121,791,814	121,791,814	121,791,814	121,791,814
Difference arising from business combination					
under common control					
		(467,953,968)	(467,953,968)	-	-
Deficit from changes in ownership					
interest in subsidiary					
		(222,374,732)	(222,374,732)	-	-
Retained earnings					
Appropriated					
Legal reserve					
	18	222,559,000	222,559,000	222,559,000	222,559,000
Treasury shares reserve					
	17	179,007,014	-	179,007,014	-
Unappropriated					
		7,819,522,937	7,584,421,191	2,625,916,347	2,699,647,628
Other components of equity	18	(940,863,726)	(561,548,774)	-	-
<b>Equity attributable to owners of the parent</b>		<b><u>13,932,787,522</u></b>	<b><u>14,077,000,728</u></b>	<b><u>10,370,373,358</u></b>	<b><u>10,444,104,639</u></b>
Non-controlling interests		<u>57,663,377</u>	<u>62,737,836</u>	-	-
<b>Total equity</b>		<b><u>13,990,450,899</u></b>	<b><u>14,139,738,564</u></b>	<b><u>10,370,373,358</u></b>	<b><u>10,444,104,639</u></b>
<b>Total liabilities and equity</b>		<b><u>32,850,335,781</u></b>	<b><u>32,331,461,669</u></b>	<b><u>17,904,953,663</u></b>	<b><u>17,000,749,276</u></b>

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

## Gunkul Engineering Public Company Limited and its Subsidiaries

### Statement of comprehensive income

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
		2023	2022	2023	2022
<i>(in Baht)</i>					
<b>Revenue</b>					
Revenue from sale	4.1	1,827,653,926	1,829,215,924	425,719,663	694,512,476
Revenue from sale of electricity		2,297,103,604	2,833,331,551	-	-
Revenue from rendering of services	4.1	465,578,868	297,862,553	20,796,307	21,200,949
Revenue from construction services		2,017,677,433	1,478,392,338	-	-
Revenue from sale of assets under finance lease	7	987,572,422	451,367,246	-	-
Revenue from adder		9,655,698	615,520,852	-	-
Dividend income	4.1, 10, 11	-	-	1,629,761,337	1,373,870,373
Net foreign exchange gain		-	-	6,922,118	7,949,476
Interest income	4.1	19,636,746	12,042,103	44,251,221	29,745,247
Gain on change in fair value of derivatives		-	618,030,401	14,526,387	2,694,761
Gain on sale of investment in subsidiary	11	-	-	-	435,420,279
Gain on change in ownership interest in subsidiaries to joint ventures	10, 11	-	1,330,723,227	-	-
Other income	4.1	112,248,041	48,617,999	22,618,037	5,286,752
<b>Total revenue</b>		<b>7,737,126,738</b>	<b>9,515,104,194</b>	<b>2,164,595,070</b>	<b>2,570,680,313</b>
<b>Expenses</b>					
Cost of sale	4.2, 9	1,405,585,476	1,440,362,559	397,397,529	626,675,265
Cost of sale of electricity	4.2	1,084,874,108	1,561,575,564	-	-
Cost of rendering of services	4.2	84,705,730	57,866,916	10,072,305	7,987,789
Cost of construction services		1,720,587,746	1,258,583,121	-	-
Cost of sale of assets under finance lease	7	864,209,396	408,048,456	-	-
Selling expenses		89,734,889	71,990,807	3,588,819	5,896,310
Administrative expenses and others	4.2	1,064,860,127	954,891,441	330,409,132	360,310,576
Net foreign exchange loss		61,754,370	92,686,767	-	-
Loss on capital reduction of subsidiary		-	-	-	96,692
Loss on change in fair value of derivatives		39,546,452	-	-	-
<b>Total expenses</b>		<b>6,415,858,294</b>	<b>5,846,005,631</b>	<b>741,467,785</b>	<b>1,000,966,632</b>
Share of profit of associates and joint ventures accounted for using equity method	10	1,019,491,852	510,642,429	-	-
<b>Profit before finance costs and income tax expense</b>		<b>2,340,760,296</b>	<b>4,179,740,992</b>	<b>1,423,127,285</b>	<b>1,569,713,681</b>
Finance costs	4.2, 21	686,839,218	864,621,860	246,714,953	261,117,627
<b>Profit before income tax expense</b>		<b>1,653,921,078</b>	<b>3,315,119,132</b>	<b>1,176,412,332</b>	<b>1,308,596,054</b>
Tax expense	22	179,028,132	300,741,190	7,106,368	66,748,912
<b>Profit for the year</b>		<b>1,474,892,946</b>	<b>3,014,377,942</b>	<b>1,169,305,964</b>	<b>1,241,847,142</b>

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

# Gunkul Engineering Public Company Limited and its Subsidiaries

## Statement of comprehensive income

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
		2023	2022	2023	2022
<i>(in Baht)</i>					
<b>Other comprehensive income (expense)</b>					
<i>Items that will be reclassified</i>					
<i>subsequently to profit or loss</i>					
Exchange differences on translating foreign operations		<u>(379,314,952)</u>	<u>(439,859,450)</u>	<u>-</u>	<u>-</u>
<b>Total items that will be reclassified</b>		<b><u>(379,314,952)</u></b>	<b><u>(439,859,450)</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<i>Items that will not be reclassified</i>					
<i>subsequently to profit or loss</i>					
Gain on remeasurements of defined benefit plans	16	6,852,339	-	2,264,818	-
Income tax relating to items that will not be reclassified					
subsequently to profit or loss	22	<u>(1,370,468)</u>	<u>-</u>	<u>(452,964)</u>	<u>-</u>
<b>Total items that will not be</b>		<b><u>5,481,871</u></b>	<b><u>-</u></b>	<b><u>1,811,854</u></b>	<b><u>-</u></b>
<b>reclassified subsequently to profit or loss</b>					
<b>Other comprehensive income (expense)</b>		<b><u>(373,833,081)</u></b>	<b><u>(439,859,450)</u></b>	<b><u>1,811,854</u></b>	<b><u>-</u></b>
<b>for the year, net of tax</b>					
<b>Total comprehensive income (expense) for the year</b>		<b><u>1,101,059,865</u></b>	<b><u>2,574,518,492</u></b>	<b><u>1,171,117,818</u></b>	<b><u>1,241,847,142</u></b>
<b>Profit attributable to:</b>					
Owners of parent		1,474,468,974	3,010,519,230	1,169,305,964	1,241,847,142
Non-controlling interests		<u>423,972</u>	<u>3,858,712</u>	<u>-</u>	<u>-</u>
<b>Profit for the year</b>		<b><u>1,474,892,946</u></b>	<b><u>3,014,377,942</u></b>	<b><u>1,169,305,964</u></b>	<b><u>1,241,847,142</u></b>
<b>Total comprehensive income (expense) attributable to:</b>					
Owners of parent		1,100,635,893	2,570,659,780	1,171,117,818	1,241,847,142
Non-controlling interests		<u>423,972</u>	<u>3,858,712</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income (expense) for the year</b>		<b><u>1,101,059,865</u></b>	<b><u>2,574,518,492</u></b>	<b><u>1,171,117,818</u></b>	<b><u>1,241,847,142</u></b>
<b>Basic earnings per share</b>	23	<b><u>0.17</u></b>	<b><u>0.34</u></b>	<b><u>0.13</u></b>	<b><u>0.14</u></b>

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

**Gunkul Engineering Public Company Limited and its Subsidiaries**

**Statement of changes in equity**

Consolidated financial statements												
	Note	Issued and paid-up share capital	Share premium	Share premium on treasury share	Difference arising from business combination under common control	Deficit from changes in ownership interests in subsidiary	Retained earnings		Other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total equity
							Legal reserve	Unappropriated	Exchange differences on translating financial statements			
<b>Year ended 31 December 2022</b>												
<b>Balance at 1 January 2022</b>		<b>2,220,632,743</b>	<b>5,179,473,454</b>	<b>121,791,814</b>	<b>(467,953,968)</b>	<b>(205,957,015)</b>	<b>222,559,000</b>	<b>6,172,752,229</b>	<b>(121,689,324)</b>	<b>13,121,608,933</b>	<b>161,613,090</b>	<b>13,283,222,023</b>
<i>Transactions with owners, recorded directly in equity</i>												
<i>Contributions by and distributions to owners</i>												
Acquisition of non-controlling interests without a change in control		-	-	-	-	(16,417,717)	-	-	-	(16,417,717)	(103,582,283)	(120,000,000)
Subsidiary paid dividend		-	-	-	-	-	-	-	-	-	(5,059,201)	(5,059,201)
Issue of ordinary shares in subsidiary		-	-	-	-	-	-	-	-	-	9,999,900	9,999,900
Decrease in share capital of subsidiary		-	-	-	-	-	-	-	-	-	(4,092,382)	(4,092,382)
Dividend paid to shareholders	24	-	-	-	-	-	-	(1,598,850,268)	-	(1,598,850,268)	-	(1,598,850,268)
<b>Total contributions by and distributions to owners</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(16,417,717)</b>	<b>-</b>	<b>(1,598,850,268)</b>	<b>-</b>	<b>(1,615,267,985)</b>	<b>(102,733,966)</b>	<b>(1,718,001,951)</b>
<b>Total transactions with owners, recorded directly in equity</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(16,417,717)</b>	<b>-</b>	<b>(1,598,850,268)</b>	<b>-</b>	<b>(1,615,267,985)</b>	<b>(102,733,966)</b>	<b>(1,718,001,951)</b>
<b>Comprehensive income (expense) for the year</b>												
Profit		-	-	-	-	-	-	3,010,519,230	-	3,010,519,230	3,858,712	3,014,377,942
Other comprehensive income (expense)		-	-	-	-	-	-	-	(439,859,450)	(439,859,450)	-	(439,859,450)
<b>Total comprehensive income (expense) for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,010,519,230</b>	<b>(439,859,450)</b>	<b>2,570,659,780</b>	<b>3,858,712</b>	<b>2,574,518,492</b>
<b>Balance at 31 December 2022</b>		<b>2,220,632,743</b>	<b>5,179,473,454</b>	<b>121,791,814</b>	<b>(467,953,968)</b>	<b>(222,374,732)</b>	<b>222,559,000</b>	<b>7,584,421,191</b>	<b>(561,548,774)</b>	<b>14,077,000,728</b>	<b>62,737,836</b>	<b>14,139,738,564</b>

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

**Gunkul Engineering Public Company Limited and its Subsidiaries**

Statement of changes in equity

Note	Consolidated financial statements										Other components		Total equity
	Issued and paid-up share capital	Treasury share	Share premium	Share on treasury share	Difference arising from business combination under common control	Deficit from changes in ownership interests in subsidiary	Retained earnings			of equity			
							Legal reserve	Treasury shares reserves	Unappropriated	Exchange differences on translating financial statements	Equity attributable to owners of the parent	Non-controlling interests	
(in Baht)													
<b>Year ended 31 December 2023</b>													
<b>Balance at 1 January 2023</b>	<b>2,220,632,743</b>	<b>-</b>	<b>5,179,473,454</b>	<b>121,791,814</b>	<b>(467,953,968)</b>	<b>(222,374,732)</b>	<b>222,559,000</b>	<b>-</b>	<b>7,584,421,191</b>	<b>(561,548,774)</b>	<b>14,077,000,728</b>	<b>62,737,836</b>	<b>14,139,738,564</b>
<b>Transactions with owners, recorded directly in equity</b>													
<i>Distributions to owners</i>													
Treasury shares	17	(179,007,014)	-	-	-	-	-	179,007,014	(179,007,014)	-	(179,007,014)	-	(179,007,014)
Subsidiary paid dividend		-	-	-	-	-	-	-	-	-	-	(5,498,431)	(5,498,431)
Dividend paid to shareholders	24	-	-	-	-	-	-	-	(1,065,842,085)	-	(1,065,842,085)	-	(1,065,842,085)
<b>Total distributions to owners</b>		<b>(179,007,014)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>179,007,014</b>	<b>(1,244,849,099)</b>	<b>-</b>	<b>(1,244,849,099)</b>	<b>(5,498,431)</b>	<b>(1,250,347,530)</b>
<b>Total transactions with owners, recorded directly in equity</b>		<b>(179,007,014)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>179,007,014</b>	<b>(1,244,849,099)</b>	<b>-</b>	<b>(1,244,849,099)</b>	<b>(5,498,431)</b>	<b>(1,250,347,530)</b>
<b>Comprehensive income (expense) for the year</b>													
Profit		-	-	-	-	-	-	-	1,474,468,974	-	1,474,468,974	423,972	1,474,892,946
Other comprehensive income (expense)		-	-	-	-	-	-	-	5,481,871	(379,314,952)	(373,833,081)	-	(373,833,081)
<b>Total comprehensive income (expense) for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,479,950,845</b>	<b>(379,314,952)</b>	<b>1,100,635,893</b>	<b>423,972</b>	<b>1,101,059,865</b>
<b>Balance at 31 December 2023</b>		<b>2,220,632,743</b>	<b>(179,007,014)</b>	<b>5,179,473,454</b>	<b>121,791,814</b>	<b>(467,953,968)</b>	<b>222,559,000</b>	<b>179,007,014</b>	<b>7,819,522,937</b>	<b>(940,863,726)</b>	<b>13,932,787,522</b>	<b>57,663,377</b>	<b>13,990,450,899</b>

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

## Gunkul Engineering Public Company Limited and its Subsidiaries

### Statement of changes in equity

	<i>Note</i>	Separate financial statements					Total equity
		Issued and paid-up share capital	Share premium	Share premium on treasury share	Retained earnings		
					Legal reserve	Unappropriated	
<i>(in Baht)</i>							
<b>Year ended 31 December 2022</b>							
<b>Balance at 1 January 2022</b>		<b>2,220,632,743</b>	<b>5,179,473,454</b>	<b>121,791,814</b>	<b>222,559,000</b>	<b>3,056,650,755</b>	<b>10,801,107,766</b>
<b>Transactions with owners, recorded directly in equity</b>							
<i>Distributions to owners</i>							
Dividend paid to shareholders	24	-	-	-	-	(1,598,850,269)	(1,598,850,269)
<b>Total distributions to owner</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,598,850,269)</b>	<b>(1,598,850,269)</b>
<b>Total transactions with owners, recorded directly in equity</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,598,850,269)</b>	<b>(1,598,850,269)</b>
<b>Comprehensive income (expense) for the year</b>							
Profit		-	-	-	-	1,241,847,142	1,241,847,142
Other comprehensive income (expense)		-	-	-	-	-	-
<b>Total comprehensive income (expense) for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,241,847,142</b>	<b>1,241,847,142</b>
<b>Balance at 31 December 2022</b>		<b>2,220,632,743</b>	<b>5,179,473,454</b>	<b>121,791,814</b>	<b>222,559,000</b>	<b>2,699,647,628</b>	<b>10,444,104,639</b>

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

## Gunkul Engineering Public Company Limited and its Subsidiaries

### Statement of changes in equity

Note	Separate financial statements							
	Issued and paid-up share capital	Treasury share	Share premium	Share premium on treasury share	Retained earnings			Total equity
					Legal reserve	Treasury shares reserves	Unappropriated	
(in Baht)								
<b>Year ended 31 December 2023</b>								
<b>Balance at 1 January 2023</b>	<b>2,220,632,743</b>	<b>-</b>	<b>5,179,473,454</b>	<b>121,791,814</b>	<b>222,559,000</b>	<b>-</b>	<b>2,699,647,628</b>	<b>10,444,104,639</b>
<b>Transactions with owners, recorded directly in equity</b>								
<i>Distributions to owners</i>								
Treasury shares	17	-	(179,007,014)	-	-	-	179,007,014	(179,007,014)
Dividend paid to shareholders	24	-	-	-	-	-	-	(1,065,842,085)
<b>Total distributions to owner</b>		<b>-</b>	<b>(179,007,014)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>179,007,014</b>	<b>(1,244,849,099)</b>
<b>Total transactions with owners, recorded directly in equity</b>		<b>-</b>	<b>(179,007,014)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>179,007,014</b>	<b>(1,244,849,099)</b>
<b>Comprehensive income (expense) for the year</b>								
Profit		-	-	-	-	-	-	1,169,305,964
Other comprehensive income (expense)		-	-	-	-	-	-	1,811,854
<b>Total comprehensive income (expense) for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,171,117,818</b>
<b>Balance at 31 December 2023</b>		<b>2,220,632,743</b>	<b>(179,007,014)</b>	<b>5,179,473,454</b>	<b>121,791,814</b>	<b>222,559,000</b>	<b>179,007,014</b>	<b>2,625,916,347</b>
								<b>10,370,373,358</b>

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



## Gunkul Engineering Public Company Limited and its Subsidiaries

### Statement of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	Year ended 31 December		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	1,474,892,946	3,014,377,942	1,169,305,964	1,241,847,142
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Tax expense	179,028,132	300,741,190	7,106,368	66,748,912
Finance costs	686,839,218	864,621,860	246,714,953	261,117,627
Depreciation and amortisation	1,011,401,140	1,312,593,467	30,042,523	32,674,625
Provisions for employee benefits	1,676,273	13,928,691	(16,293,423)	6,053,663
Unrealised (gain) loss on foreign exchange	92,627,104	91,540,950	(521,125)	(338,389)
(Gain) loss on change in fair value of derivatives	39,546,452	(618,030,401)	(14,526,387)	(2,694,761)
Share of profit of associates and joint ventures				
accounted for using equity method	(1,019,491,852)	(510,642,429)	-	-
Dividend income	-	-	(1,629,761,337)	(1,373,870,373)
Expected credit loss	485,299	-	-	-
(Reversal of) loss on impairment loss recognised in profit or loss	6,100,000	(1,878,624)	-	(378,224)
Impairment loss on investment in subsidiary	-	-	348,008	9,728,668
(Reversal of) loss on inventories devaluation	15,854,534	(137,198)	99,841	-
(Gain) loss on disposal of property, plant and equipment	933,587	45,608,411	(2,059,323)	(182,737)
Loss on disposal of intangible assets and right of use assets	78,152	-	-	-
Gain on disposal of other debts securities	(2,016,254)	(1,576,222)	(474,946)	(1,541,795)
(Gain) loss on fair value adjustment	298,468	(247,610)	6,516	(20,291)
Gain on sale of investment in subsidiary	-	-	-	(435,420,279)
Loss on change in ownership interest in joint venture to subsidiary	29,440,870	-	-	-
Gain on change in ownership interest				
in subsidiaries to joint ventures	-	(1,330,723,227)	-	-
Loss on capital reduction of subsidiary	4,160,500	-	-	96,692
Interest income	(19,636,746)	(12,042,103)	(44,251,221)	(29,745,247)
	<u>2,502,217,823</u>	<u>3,168,134,697</u>	<u>(254,263,589)</u>	<u>(225,924,767)</u>
<b><i>Changes in operating assets and liabilities</i></b>				
Short-term deposits from financial institution				
pledged as collateral	(203,927,263)	(667,065,341)	-	-
Trade and other current receivables	(176,254,881)	149,414,951	(5,889,242)	121,529,965
Lease receivables	12,350,421	28,878,942	-	-
Unbilled revenue	(84,087,215)	(47,179,264)	-	-
Revenue Department receivable	(25,870,870)	(40,485,690)	2,606,487	2,524,087
Inventories	(200,119,696)	(175,130,030)	56,732,805	129,267,075
Other current assets	18,744,843	(51,401,237)	(749,286)	(11,682,533)
Other non-current financial assets	(33,383,675)	32,889,942	(510,513)	(5,000)
Other non-current assets	26,643,979	(65,300,144)	-	-
Trade and other current payables	38,514,775	49,869,154	26,465,489	(188,241,802)
Unearned revenues	153,494,924	(49,439,552)	73,136,615	(930,280)
Retention payables	2,887,836	3,713,353	(855,809)	765,843
Other current liabilities	(1,811,301)	(63,724,435)	5,330,688	18,099,577
Provisions for employees benefits	(2,162,920)	(2,162,920)	(2,162,920)	(2,162,920)
Other non-current financial liabilities	250,000	-	-	-
Other non-current liabilities	12,524,873	(41,331,771)	(17,616)	(555,110)
Net cash generated from (used in) operating activities	<u>2,040,011,653</u>	<u>2,229,680,655</u>	<u>(100,176,891)</u>	<u>(157,315,865)</u>
Taxes received (paid)	<u>(230,974,405)</u>	<u>(192,813,906)</u>	<u>(39,663,928)</u>	<u>9,877,049</u>
<b>Net cash from (used in) operating activities</b>	<b><u>1,809,037,248</u></b>	<b><u>2,036,866,749</u></b>	<b><u>(139,840,819)</u></b>	<b><u>(147,438,816)</u></b>

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

## Gunkul Engineering Public Company Limited and its Subsidiaries

### Statement of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	Year ended 31 December		Year ended 31 December	
	2023	2022	2023	2022
	(in Baht)			
<b>Cash flows from investing activities</b>				
Payment for incremental of capital in subsidiaries	-	-	(2,115,638,486)	(3,015,322,925)
Proceeds from reduction of shares in subsidiary	-	-	-	22,080,939
Proceeds from incremental of shares in subsidiary from non-controlling interest	-	9,999,900	-	-
Proceeds from disposal of investment in subsidiaries	-	-	-	6,116,820,000
Proceeds from change in ownership interest in subsidiaries with a change in control	-	5,000,000,000	-	-
Proceeds from change in ownership interest in joint venture to subsidiary, net of cash paid	5,400,685	-	-	-
Proceeds from reduction of shares in joint ventures	10,500,000	-	-	-
Payment for incremental of capital in joint ventures	(6,500,000)	(66,249,970)	-	(49,999,990)
Payment for payable for share subscription	(5,029,500)	(61,791,000)	-	-
Proceeds from sale of other debts securities	866,365,796	1,746,576,222	497,911,884	1,651,541,795
Acquisition of other debts securities	(549,000,000)	(2,224,242,547)	(130,000,000)	(2,047,442,547)
Acquisition of property, plant and equipment	(2,537,234,846)	(839,530,641)	(3,772,223)	(8,155,701)
Acquisition of intangible assets	(52,287,801)	(17,014,884)	(7,957,689)	(2,461,062)
Proceeds from sale of property, plant and equipment	5,668,588	10,452,558	4,963,665	934,613
Proceeds from sale of intangible assets	-	347,254	-	-
Proceeds from loans to related parties	-	-	1,152,600,450	5,685,411,182
Payment for loans to related parties	(6,100,000)	-	(816,300,000)	(5,914,575,000)
Dividend received	841,216,025	604,141,515	1,646,501,332	1,373,870,373
Interest received	19,464,312	11,821,658	46,921,420	24,901,779
<b>Net cash from (used in) investing activities</b>	<b>(1,407,536,741)</b>	<b>4,174,510,065</b>	<b>275,230,353</b>	<b>3,837,603,456</b>
<b>Cash flows from financing activities</b>				
Payment of change in ownership interest in subsidiaries without a change in control	-	(60,000,000)	-	(60,000,000)
Payment of capital reduction in subsidiary to non-controlling interests	-	(4,092,382)	-	-
Proceeds from short-term loans	597,613,507	-	780,600,986	-
Repayment of short-term loans	-	(1,151,030,111)	-	(1,220,708,850)
Proceeds from loans from related parties	-	-	275,000,000	1,209,700,000
Repayment of loans from related parties	-	-	(631,800,000)	(38,000,000)
Proceeds from long-term loans	421,786,580	1,957,410,061	-	1,400,000,000
Repayment of long-term loans	(829,413,288)	(1,223,319,875)	(28,800,000)	(28,800,000)
Proceeds from debentures	1,493,250,000	-	1,493,250,000	-
Repayment of debentures	(907,100,000)	(2,800,000,000)	(907,100,000)	(2,800,000,000)
Payment of lease liabilities	(68,579,511)	(71,355,842)	(21,145,323)	(20,744,464)
Payment for acquisition treasury shares	(179,007,014)	-	(179,007,014)	-
Dividend paid to shareholders	(1,065,759,918)	(1,598,433,931)	(1,065,759,918)	(1,598,433,931)
Dividend paid to non-controlling interests	(5,498,431)	(5,059,201)	-	-
Interest paid	(637,725,987)	(774,237,642)	(235,451,670)	(273,794,324)
<b>Net cash used in financing activities</b>	<b>(1,180,434,062)</b>	<b>(5,730,118,923)</b>	<b>(520,212,939)</b>	<b>(3,430,781,569)</b>

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

**Gunkul Engineering Public Company Limited and its Subsidiaries**

**Statement of cash flows**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	Year ended 31 December		Year ended 31 December	
	2023	2022	2023	2022
	<i>(in Baht)</i>			
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(778,933,555)</b>	<b>481,257,891</b>	<b>(384,823,405)</b>	<b>259,383,071</b>
Effect of exchange rate changes on cash and cash equivalents	(36,106,162)	(11,031,992)	410,420	2,465,704
Cash and cash equivalents as at 1 January	<u>2,199,152,032</u>	<u>1,728,926,133</u>	<u>621,854,577</u>	<u>360,005,802</u>
<b>Cash and cash equivalents at 31 December</b>	<b><u>1,384,112,315</u></b>	<b><u>2,199,152,032</u></b>	<b><u>237,441,592</u></b>	<b><u>621,854,577</u></b>
<b><i>Non-cash transactions</i></b>				
Receivable for sales of property, plant and equipment	-	529,324	-	511,979
Payables for purchases of property, plant and equipment	22,013,540	35,602,337	294,999	175,258
Acquisition of assets under finance lease contracts	33,833,142	31,555,359	2,024,286	10,708,953
Finance costs and front end fee capitalised as assets	1,615,289	5,322,602	-	-
Provisions for decommission capitalised as assets	-	6,297,302	-	-
Dividend payable	82,166	416,337	82,166	416,337
Payables for share subscription	-	80,232,500	-	-

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

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

<b>Note</b>	<b>Contents</b>
1	General information
2	Basis of preparation of the financial statements
3	Significant accounting policies
4	Related parties
5	Cash and cash equivalents
6	Trade and other current receivables
7	Lease receivables
8	Unbilled revenue
9	Inventories
10	Investments in associates and joint ventures
11	Investments in subsidiaries
12	Property, plant and equipment
13	Leases
14	Intangible assets and goodwill
15	Interest-bearing liabilities
16	Provisions for employee benefit
17	Treasury share
18	Additional paid-in capital and reserves
19	Segment information and disaggregation of revenue
20	Expenses by nature
21	Finance costs
22	Income tax
23	Earnings per share
24	Dividends
25	Financial instruments
26	Commitments with non-related parties
27	Events after the reporting period

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**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 28 February 2024.

**1 General information**

Gunkul Engineering Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand on 19 October 2010. The Company’s registered office at 1177 Pearl Bangkok Building, 8<sup>th</sup> floor, Phahonyothin Road, Phaya Thai district, Phaya Thai , Bangkok.

The Company’s major shareholder during the financial year was Gunkul Group Co., Ltd. (50.13% shareholding) which was incorporated in Thailand. The principal shareholder of the Company’s major shareholder is Dhumrongpiyawut family.

The principal activities of the Company and its subsidiaries, the “Group” are manufacturing and distribution of equipments for electrical systems, construction and investing in the generating and selling electricity business. Details of the Company’s subsidiaries as at 31 December 2023 and 2022 are given in note 11.

**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, described in the note 3, have been applied consistently to all periods presented in these financial statements.

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 are described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

In addition, the Group has not early adopted a number of revised TFRS, which are not yet effective for the current period in preparing these financial statements. The Group has assessed the potential initial impact on the financial statements of these revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

**3 Significant accounting policies**

**(a) Basis of consolidation**

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates and joint ventures.

Subsidiaries are entities 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 subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

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.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The Group recognised investments in associates and joint ventures using the equity method in the consolidated financial statements. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's dividend income and share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

*Business combinations*

The Group applies the acquisition method when the Group assess that the acquired set of activities and assets include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. The acquisition date is the date on which control is transferred to the Group, other than business combinations with entities under common control. Expenses in connection with a business combination are recognised as incurred.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less net fair value of the identifiable assets acquired and liabilities assumed. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, any contingent consideration and equity interests issued by the Group.

Any contingent consideration is measured at fair value at the date of acquisition, and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Business combination under common control are accounted for using a method similar to the pooling of interest method, by recognising assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the transaction date. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or deficit from business combinations under common control in shareholder's equity. The surplus or deficit will be written off upon divestment of the businesses acquired. The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**(b) Investments in subsidiaries, associates and joint ventures**

Investments in subsidiaries, associates and joint ventures in the separate financial statements are 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 investments are recognised in profit or loss.

**(c) Foreign currencies**

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies of each entity in the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date. Non-monetary assets and liabilities measured at fair value in foreign currencies are translated at the exchange rates at the dates that fair value was determined.

Foreign currency differences are generally recognised in profit or loss.

*Foreign operations*

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Thai Baht at the exchange rates at the reporting date. The revenues and expenses of foreign operations, excluding foreign operations in hyperinflationary economies, are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve until disposal of the investment, except to the extent that the translation difference is allocated to non-controlling interests.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the translation reserve in equity until disposal of the investment.

**(d) Financial instruments**

*(d.1) Classification and measurement*

Debt securities issued by the Group are initially recognised when they are originated. Other financial assets and financial liabilities (except trade accounts 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.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method or FVTPL 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) Derivatives*

Derivative are recognised at fair value and remeasured at fair value at each reporting date. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

*(d.4) Impairment of financial assets other than trade accounts receivables*

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.

The Group considers a financial asset to have low credit risk when its credit rating is equivalent to the globally understood 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 30 days past due, 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.



**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

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 to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

*(d.5) 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.6) 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.

**(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.

**(f) Trade and other accounts receivable**

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. This method groups the debtors based on shared credit risk characteristics and 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.

**(h) Unbilled revenue**

Unbilled revenue represents the gross unbilled amount expected to be collected from customers for contract work performed to date. They are measured at costs incurred plus profits recognised to date (see note 8) less progress billings and recognised losses, presented as current asset in the statement of financial position.

**(i) Investment properties**

Investment properties are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment property.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**(j) 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:

Land improvement	15 years
Building, building improvement and utility system	25 - 30 years
Machinery and equipment	5 - 25 years
Fixtures and office equipments	3 - 5 years
Vehicles	8 - 10 years

**(k) Goodwill**

Goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investee, the carrying amount of goodwill is included in the carrying amount of the investment.

**(l) Intangible assets**

Other intangible assets that have indefinite useful lives are measured at cost less impairment losses. Other intangible assets 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:

Software licences	3-5 years
Right to use electrical transmission line	20 and 25 years
Right to power purchase agreement and right to operate	20 and 25 years

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**(m) 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.

*As a lessee*

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.

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 and an estimate of restoration costs, less any lease incentives received. 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 Group's incremental borrowing rate to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

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.

*As a lessor*

At inception or on modification of a contract, the Group allocates the consideration in the contract to each component on the basis of their relative standalone selling prices.

At lease inception, the Group considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

When the Group is an intermediate lessor, the Group classifies the sub-lease either as a finance lease or an operating lease with reference to the right-of-use asset arising from the head lease. In case of a head lease is a short-term lease, the sub-lease is classified as an operating lease. Those right-of-use assets are presented as investment properties.

The Group recognises finance lease receivables at the net investment of the leases, which includes the present value of the lease payments, and any unguaranteed residual value, discounted using the interest rate implicit in the lease. Finance lease income reflects a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

The Group recognises lease payments received under operating leases in profit or loss on a straight-line basis over the lease term as part of other income. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as other income in the accounting period in which they are earned.

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate. This method groups the lease receivables based on shared credit risk characteristics and 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. The Group derecognises the lease receivables as disclosed in note 3(d).

**(n) 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 assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

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

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.

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. An impairment loss in respect of goodwill is not reversed. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**(o) Employee benefits**

*Defined contribution plan*

Obligations for contributions to the Group's provident funds are expensed 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 by a qualified actuary using the projected unit credit method.

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.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

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.

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

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.

**(p) 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. The unwinding of the discount is recognised as a finance cost.

*Provision for decommissioning costs of buildings and power plants*

The Group recognises provision for decommissioning costs of the buildings or structures with the present value of the estimate of the eventual costs at the lease end date. The recognised provision for decommissioning costs are based on removal cost estimates, removal period, discount rate and future inflation rate. Provision for decommissioning and restoration are discounted to be present value, and are included as part of the assets.

**(q) 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.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**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.

**(r) Treasury shares**

When share capital recognised as equity is repurchased, the amount of consideration paid, including directly attributable costs, is classified as treasury shares and recognised as a deduction from equity. An equal amount is appropriated from retained earnings and taken to a reserve for treasury shares within equity. When treasury shares are sold, the amount received is recognised as an increase in equity by crediting the cost of the treasury shares sold, calculated using the weighted average method, to the treasury shares account and transferring the equivalent amount back from reserve for treasury shares to retained earnings. Surpluses on the sale of treasury shares are taken directly to a separate category within equity, “Share premium on treasury shares”. Net deficits on sale or cancellation of treasury shares are debited to retained earnings after setting off against any remaining balance of surplus on treasury shares.

**(s) 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 or other sales taxes and is after deduction of any trade discounts and volume rebates.

*Sale of goods and services*

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers. For the sales that permit the customers to return the goods, the Group estimates the returns based on the historical return data, does not recognise revenue and cost of sale for the estimated products to be returned. Revenue for rendering of services is recognised over time as the services are provided.

For bundled packages, the Group recognises revenue from sales of products and rendering of services separately if a product or service is separately identifiable from other items and a customer can benefit from it or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices.

*Revenue from sale of electricity*

Revenue from sale of electricity is recognised in profit or loss based on the units of sales delivered at the applicable tariff rates.

*Revenue from construction contracts*

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. As soon as the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognised in profit or loss in proportion to the stage of completion of the contract.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

The stage of completion is assessed by reference to surveys of work performed. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in profit or loss.

*(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 goods or 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.

A refund liability is the obligation to refund some or all of the consideration received from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The refund liability is reassessed at each reporting date and make a corresponding change to the amount of revenue recognised.

*(t) 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 a business combination, or 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.

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 goodwill; 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 and joint ventures 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.

*(u) Earnings per share*

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 period, adjusted for own shares held.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**4 Related parties**

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

Relationships with subsidiaries, associates and joint ventures are described in notes 10 and 11. Other 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>
Gunkul Group Co., Ltd.	Thailand	Major shareholder
Rang-Ngern Solution Co., Ltd.	Thailand	Indirect subsidiary and/or common directors
Gunkul Solar Power 1 Co., Ltd.	Thailand	Indirect subsidiary and/or common directors
Gunkul Solar Power 2 Co., Ltd.	Thailand	Indirect subsidiary and/or common directors
Future Electrical Control Co., Ltd.	Thailand	Indirect subsidiary and/or common directors
Joint Venture GPD & TEECL Co., Ltd.	Thailand	Indirect subsidiary and/or common directors
Future Energy Corporation Co., Ltd.	Thailand	Indirect subsidiary and/or common directors
Gunkul Godungfaifaa Platform Co., Ltd.	Thailand	Indirect subsidiary and/or common directors
G.K. Smart Farming Co., Ltd.	Thailand	Indirect subsidiary and/or common directors
G.K. Bio Extraction Co., Ltd.	Thailand	Indirect subsidiary and/or common directors
Future Power Construction Co., Ltd.	Thailand	Indirect subsidiary and/or common directors
Gunkul International Investment (Singapore) Pte. Ltd.	Singapore	Indirect subsidiary and/or common directors
Gunkul Myanmar Central Power 1 Company Limited	Myanmar	Indirect subsidiary and/or common directors
Singapore An Yang Pte. Ltd.	Singapore	Indirect subsidiary and/or common directors
Singapore Yun Yang Pte. Ltd.	Singapore	Indirect subsidiary and/or common directors
Sendai Okura GD Daiichi Godo Kaisha	Japan	Indirect subsidiary
Kimitsu Mega Solar Godo Kaisha	Japan	Indirect subsidiary
Future Asset Management Kabushiki Kaisha	Japan	Indirect subsidiary
Tri Viet Hoa Binh Joint Stock Company	Vietnam	Indirect subsidiary
Bach Khoa A Chau Hoa Binh Joint Stock Company	Vietnam	Indirect subsidiary
Tri Viet Tay Ninh Joint Stock Company	Vietnam	Indirect subsidiary
Bach Khoa A Chau Tay Ninh Joint Stock Company	Vietnam	Indirect subsidiary
Tan Chau Energy Joint Stock Company	Vietnam	Indirect subsidiary
INT Energy Pte. Ltd.	Singapore	Indirect subsidiary
Wind Energy Development Co., Ltd.	Thailand	Subsidiary of joint venture and/or common directors
Korat Wind Energy Co., Ltd.	Thailand	Subsidiary of joint venture and/or common directors
Greenovation Power Co., Ltd.	Thailand	Subsidiary of joint venture and/or common directors
Gulf Gunkul Solar Co., Ltd.	Thailand	Subsidiary of joint venture
Great Miracle Asset Co., Ltd.	Thailand	Common directors
Great Miracle Asset 2 Co., Ltd.	Thailand	Common directors
Great Miracle Asset 3 Co., Ltd.	Thailand	Common directors
Great Miracle Asset 4 Co., Ltd.	Thailand	Common directors
Great Miracle Asset 5 Co., Ltd.	Thailand	Common directors



**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

Name of entities	Country of Incorporation	Nature of relationships
Great Miracle Asset 7 Co., Ltd.	Thailand	Common directors
Great Miracle Asset 8 Co., Ltd.	Thailand	Common directors
Great Miracle Asset 9 Co., Ltd.	Thailand	Common directors
Great Miracle Asset 10 Co., Ltd.	Thailand	Common directors
Great Miracle Asset 11 Co., Ltd.	Thailand	Common directors
Great Miracle Asset 13 Co., Ltd.	Thailand	Common directors
Great Miracle Asset 14 Co., Ltd.	Thailand	Common directors

4.1 Significant revenue transactions for the years ended 31 December with related parties were as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<b>Revenue from sale</b>				
Subsidiaries	-	-	123,301	228,595
Joint ventures	6,792	1,119	-	-
Other related parties	-	12	-	-
<b>Total revenue from sale</b>	<b>6,792</b>	<b>1,131</b>	<b>123,301</b>	<b>228,595</b>
<b>Revenue from rendering of services</b>				
<b>Revenue from operation and maintenance services</b>				
Subsidiaries	-	-	1,595	1,706
Associate	13,455	11,917	-	-
Joint ventures	20,847	20,858	-	-
<b>Management service income</b>				
Subsidiaries	-	-	4,254	2,587
Joint ventures	13,117	8,178	13,117	8,178
<b>Other services income</b>				
Joint ventures	11	176	-	-
<b>Total revenue from rendering of services</b>	<b>47,430</b>	<b>41,129</b>	<b>18,966</b>	<b>12,471</b>
<b>Revenue from construction services</b>				
Joint ventures	<b>100</b>	-	-	-
<b>Dividend income</b>				
Subsidiaries	-	-	805,285	769,729
Associate	-	-	37,572	53,568
Joint ventures	-	-	786,904	550,573
<b>Total dividend income</b>	<b>-</b>	<b>-</b>	<b>1,629,761</b>	<b>1,373,870</b>
<b>Interest income</b>				
Subsidiaries	-	-	40,112	27,820
Joint ventures	35	-	-	-
<b>Total interest income</b>	<b>35</b>	<b>-</b>	<b>40,112</b>	<b>27,820</b>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<b>Other income – rental income</b>				
Subsidiaries	-	-	255	760
Associate	16,722	-	16,722	-
Joint ventures	317	-	-	-
<b>Total other income</b>	<b>17,039</b>	<b>-</b>	<b>16,977</b>	<b>760</b>

4.2 Significant expenses transactions for the years ended 31 December with related parties were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<b>Cost of goods sold - purchase of goods and services</b>				
Subsidiaries	-	-	6,608	110,680
Joint ventures	1,172	-	-	-
<b>Total cost of goods sold</b>	<b>1,172</b>	<b>-</b>	<b>6,608</b>	<b>110,680</b>
<b>Cost of services</b>				
Subsidiaries	-	-	2,947	4,088
<b>Administrative expenses and others</b>				
<b>Training expense</b>				
Subsidiaries	-	-	447	234
<b>Other administrative expenses</b>				
Subsidiaries	-	-	98	356
Joint ventures	72	190	68	190
<b>Total administrative expenses and others</b>	<b>72</b>	<b>190</b>	<b>613</b>	<b>780</b>
<b>Finance costs</b>				
<b>Interest expense on loan</b>				
Subsidiaries	-	-	18,225	5,526
<b>Interest expense – lease liabilities</b>				
Other related parties	202	536	159	417
<b>Total finance costs</b>	<b>202</b>	<b>536</b>	<b>18,384</b>	<b>5,943</b>
<b>Sale of assets</b>				
Subsidiaries	-	-	4,931	1,450
Joint ventures	-	537	-	-
<b>Total</b>	<b>-</b>	<b>537</b>	<b>4,931</b>	<b>1,450</b>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<b>Purchase of assets</b>				
Subsidiaries	-	-	-	50
Joint ventures	5,120	-	2,042	-
Other related parties	-	4	-	-
<b>Total</b>	<b>5,120</b>	<b>4</b>	<b>2,042</b>	<b>50</b>
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefit	238,533	221,769	142,487	144,844
Post-employment benefits	5,183	5,398	3,505	3,783
<b>Total</b>	<b>243,716</b>	<b>227,167</b>	<b>145,992</b>	<b>148,627</b>

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

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<b>Trade accounts receivable</b>				
Subsidiaries	-	-	3,571	14,617
Associate	1,121	1,083	-	-
Joint ventures	8,709	16,824	-	-
	9,830	17,907	3,571	14,617
<i>Less</i> allowance for expected credit loss	-	-	-	-
<b>Total</b>	<b>9,830</b>	<b>17,907</b>	<b>3,571</b>	<b>14,617</b>
<b>Other receivables</b>				
Subsidiaries	-	-	7,530	11,789
Joint venture	1,841	1,484	1,841	1,014
<b>Total</b>	<b>1,841</b>	<b>1,484</b>	<b>9,371</b>	<b>12,803</b>
<b>Loans to</b>				
Subsidiaries				
- Current portion of loans to	-	-	682,697	990,198
- Non-current portion of loans to	-	-	229,725	258,525
<b>Other non-current financial assets</b>				
Associate	90,024	106,764	90,024	106,764
Joint venture	3,474	-	-	-
<b>Total</b>	<b>93,498</b>	<b>106,764</b>	<b>90,024</b>	<b>106,764</b>
<b>Trade accounts payable</b>				
Subsidiaries	-	-	1,667	7,891
<b>Advance received</b>				
Joint venture	2,666	5,850	-	-

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<b><i>Other current payables</i></b>				
Subsidiaries	-	-	3,202	11,509
Joint venture	-	-	-	18
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,202</b>	<b>11,527</b>
<b><i>Payable for purchases of assets</i></b>				
Subsidiaries	-	-	-	<b>54</b>
<b><i>Lease liabilities</i></b>				
Other related parties	-	<b>11,291</b>	-	<b>8,254</b>
<b><i>Short-term loans from</i></b>				
Subsidiaries	-	-	<b>909,900</b>	<b>1,266,700</b>

***Significant agreements with related parties***

As at 31 December 2023, the Group had agreements with related parties as follows:

***Lendings agreements***

Loans to related parties are promissory notes in Thai Baht. The repayment terms of current portion is at call and the non-current portion is payable in June 2033. The interest rate are 1.595% - 5% per annum (2022: 1.595% - 5% per annum).

***Borrowing agreements***

Loans from related parties are promissory notes in Thai Baht which the repayment terms are at call. The interest rate are 1.95% - 4% per annum (2022: 1.95% - 2.35% per annum).

***Land building and properties lease/sublease agreements***

The Company has land lease agreement for power plants construction with a subsidiary for the period of 26 years expiring in September 2039. The subsidiary has committed to pay rental fee as stipulated in the agreement.

The Company and certain subsidiaries have land lease, sublease of land, building and properties with certain related parties. The agreements are for period of 2-3 years and shall be renewable. The Company and subsidiaries have committed to pay rental fee as stipulated in the agreements.

The Company and certain subsidiaries have lease/sublease of land, building, property and rooftop space with its subsidiaries in the Group. The agreements are for period of 2 to 26 years and shall be renewable. The Company and subsidiaries have committed to pay rental fee as stipulated in the agreements.

***Operation and maintenance agreements***

The Company and a subsidiary had several operation and maintenance agreements with subsidiaries, associate and joint ventures whereby the service fees are stipulated in the agreements. These agreements expire in December 2024 to October 2043.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

*Service agreements*

Joint ventures and subsidiaries had several service agreements with the Company whereby the agreements is for a period of 5 years and shall be renewable. The service fees are stipulated in the agreements.

*Construction service agreements*

The certain subsidiaries had several construction service agreements with its subsidiaries in the Group. The subsidiaries have committed to pay services fee as stipulated in the agreements.

*Asset management service agreements*

Two subsidiaries in Japan have asset management service agreements with a subsidiary in Japan. These agreements have a period of 20 years commencing from commercial operation date. The agreements expire during April 2038 to December 2041. The services fees are stipulated in the agreements.

*Security*

At 31 December 2023, the Company has pledged promissory notes of loan to related party with a book value of Baht 258.53 million as collateral to secure long-term loan received from a commercial bank.

**5 Cash and cash equivalents**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Cash on hand	1,075	1,005	150	150
Cash at banks-current accounts	516,688	529,345	6,173	8,239
Cash at banks-savings accounts	749,645	1,088,141	220,719	163,097
Highly liquid short-term investments	-	450,000	-	450,000
Cheques on hand	116,704	130,661	10,400	369
<b>Total</b>	<b>1,384,112</b>	<b>2,199,152</b>	<b>237,442</b>	<b>621,855</b>

**6 Trade and other current receivables**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2023	2022	2023	2022
		<i>(in thousand Baht)</i>			
<b><i>Trade accounts receivable</i></b>					
Related parties	4	9,830	17,907	3,571	14,617
Other parties		881,847	753,966	60,472	42,794
Less allowance for expected credit loss		(1,247)	(678)	(678)	(678)
<b>Net</b>		<b>890,430</b>	<b>771,195</b>	<b>63,365</b>	<b>56,733</b>
<b><i>Other current receivables</i></b>					
Related parties	4	1,841	1,484	9,371	12,803
Other parties		78,247	53,608	119	100
Retention receivables		154,291	117,338	-	-
		<b>234,379</b>	<b>172,430</b>	<b>9,490</b>	<b>12,903</b>
<b>Total</b>		<b>1,124,809</b>	<b>943,625</b>	<b>72,855</b>	<b>69,636</b>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

<i>Allowance for expected credit loss</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
At 1 January	678	2,556	678	1,056
Addition	569	-	-	-
Reversal	-	(378)	-	(378)
Write-off	-	(1,500)	-	-
<b>At 31 December</b>	<b>1,247</b>	<b>678</b>	<b>678</b>	<b>678</b>

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Within credit terms	780,906	709,555	61,159	26,383
Overdue:				
Less than 3 months	96,021	29,940	369	2,777
3 - 6 months	7,064	26,845	-	25,767
6 - 12 months	-	3,380	-	-
Over 12 months	7,686	2,153	2,515	2,484
	<b>891,677</b>	<b>771,873</b>	<b>64,043</b>	<b>57,411</b>
<i>Less allowance for expected credit loss</i>	<i>(1,247)</i>	<i>(678)</i>	<i>(678)</i>	<i>(678)</i>
<b>Net</b>	<b>890,430</b>	<b>771,195</b>	<b>63,365</b>	<b>56,733</b>

The normal credit term granted by the Group ranges from 30 days to 120 days.

**7 Lease receivables**

	<b>Consolidated financial statements</b>			
	Within 1 year	After 1 year but within 5 years	After 5 years	Total
	<i>(in thousand Baht)</i>			
<b>31 December 2023</b>				
Lease receivables	559,163	1,830,852	3,680,129	6,070,144
<i>Less unearned interest income</i>	<i>(346,507)</i>	<i>(1,259,730)</i>	<i>(1,326,693)</i>	<i>(2,932,930)</i>
<b>Total</b>	<b>212,656</b>	<b>571,122</b>	<b>2,353,436</b>	<b>3,137,214</b>
<i>Less allowance for expected credit loss</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<b>Net</b>	<b>212,656</b>	<b>571,122</b>	<b>2,353,436</b>	<b>3,137,214</b>
<b>31 December 2022</b>				
Lease receivables	343,393	1,157,499	2,535,569	4,036,461
<i>Less unearned interest income</i>	<i>(213,352)</i>	<i>(782,163)</i>	<i>(852,413)</i>	<i>(1,847,928)</i>
<b>Total</b>	<b>130,041</b>	<b>375,336</b>	<b>1,683,156</b>	<b>2,188,533</b>
<i>Less allowance for expected credit loss</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<b>Net</b>	<b>130,041</b>	<b>375,336</b>	<b>1,683,156</b>	<b>2,188,533</b>

Revenue from finance lease is presented as part of revenue from rendering of services in the statement of comprehensive income.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**8 Unbilled revenue**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Cost and attributable profit	4,318,274	3,713,737	-	-
Progress billings and others	(3,090,531)	(2,570,081)	-	-
<b>Net</b>	<b>1,227,743</b>	<b>1,143,656</b>	<b>-</b>	<b>-</b>

**9 Inventories**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Finished goods	688,105	591,148	136,906	219,806
Work in progress	73,982	25,184	-	-
Raw materials	198,161	195,842	-	-
Factory supplies	12,731	7,512	-	-
Construction in progress	132,612	100,523	26,894	-
Goods in transit	70,778	63,970	690	1,516
<b>Total</b>	<b>1,176,369</b>	<b>984,179</b>	<b>164,490</b>	<b>221,322</b>
Inventories recognised in ‘cost of sales of goods’:				
- Cost	1,389,730	1,440,499	397,298	626,675
- Write-down to net realisable value	16,293	190	100	-
- Reversal of write-down	(438)	(327)	-	-
<b>Net</b>	<b>1,405,585</b>	<b>1,440,362</b>	<b>397,398</b>	<b>626,675</b>

**10 Investments in associates and joint ventures**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2023	2022	2023	2022
		<i>(in thousand Baht)</i>			
At 1 January		5,541,707	1,832,685	2,290,773	1,123,773
Share of net profit of associates and joint ventures		1,019,492	510,643	-	-
Increase in share capital	<i>a</i>	6,500	66,250	-	50,000
Decrease in share capital	<i>b</i>	(89,864)	-	-	-
Classified from investment in subsidiaries to joint ventures		-	3,741,254	-	1,117,000
Classified from investment in joint venture to subsidiary	<i>c</i>	(119,272)	-	-	-
Dividend income		(824,476)	(604,142)	-	-
Exchange differences on translating financial statements		(11,547)	(4,983)	-	-
<b>At 31 December</b>		<b>5,522,540</b>	<b>5,541,707</b>	<b>2,290,773</b>	<b>2,290,773</b>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

*a. Increase in share capital of joint ventures*

<i>For the year ended 31 December</i>	<b>Consolidated financial statements</b>	
	2023	2022
	<i>(in thousand Baht)</i>	
THCG Group Co., Ltd.	2,750	-
Origin Gunkul Energy Co., Ltd.	3,750	1,250
JGS Synergy Power Co., Ltd.	-	50,000
Pun New Energy Co., Ltd.	-	15,000
<b>Total</b>	<b>6,500</b>	<b>66,250</b>

*b. Capital reduction of joint ventures*

*THCG Group Co., Ltd.*

During the year ended 31 December 2023, the Group has cancelled the capital injection plan according to the share purchase agreement of THCG Group Co., Ltd. (THCG) by decreased its registered capital of Baht 83.56 million (from unpaid capital of Baht 75.24 million and paid-up capital of Baht 8.32 million). Par value decreased from Baht 10 per share to Baht 6.86 per share. As a result, the investment in THCG decreased by Baht 79.36 million (reversal of share subscription payable amounted to Baht 75.24 million and recognised loss from capital reduction in the amount of Baht 4.16 million in the consolidated statement of comprehensive income).

*Pun New Energy Co., Ltd.*

On 15 November 2023, Pun New Energy Co., Ltd., the Group's indirect Joint Venture, the shareholders of the mentioned company has approved to decrease the Company's registered capital of 2.10 million shares at par value of Baht 10 per share, totally Baht 21 million. As a result, the investment in Pun New Energy Co., Ltd. decreased by Baht 10.5 million.

*c. Change in ownership interest in joint venture to subsidiary*

On 23 August 2023, G.K. Hemp Group Co., Ltd., a subsidiary of the Group, acquired additional interests in the joint venture, THCG Group Co., Ltd., at the proportion of 50% which is 1.34 million shares at net purchase price of Baht 4.65 million. This resulted in the Group's interest in the said joint venture changing from 50% to 100% and THCG Group Co., Ltd became a subsidiary of the Group. The Group write-off investment at equity method amounted to Baht 119.27 million and recognised loss on change in ownership interest in the amount of Baht 29.44 million in the consolidated statement of comprehensive income for the year ended 31 December 2023.



**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	Type of business	Ownership interest		Consolidated financial statements				Separate financial statements				Dividend income for the year	
				Equity		Cost		Impairment		At cost - net		2023	2022
				2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<i>Associate</i>													
G-Power Source Co., Ltd.	Generating and selling electricity	40.00	40.00	389,333	375,424	397,595	397,595	-	-	397,595	397,595	37,572	53,568
				<b>389,333</b>	<b>375,424</b>	<b>397,595</b>	<b>397,595</b>	<b>-</b>	<b>-</b>	<b>397,595</b>	<b>397,595</b>	<b>37,572</b>	<b>53,568</b>
<i>Direct joint ventures</i>													
Gunkul Chubu Powergen Co., Ltd.	Generating and selling electricity	51.00	51.00	918,298	1,006,023	505,920	505,920	-	-	505,920	505,920	151,219	138,065
WHA Gunkul Green Solar Roof 1 Co., Ltd.	Generating and selling electricity	25.01	25.01	2,323	2,068	2,876	2,876	-	-	2,876	2,876	-	-
WHA Gunkul Green Solar Roof 3 Co., Ltd.	Generating and selling electricity	25.01	25.01	3,154	2,827	3,626	3,626	-	-	3,626	3,626	-	-
WHA Gunkul Green Solar Roof 6 Co., Ltd.	Generating and selling electricity	25.01	25.01	3,235	2,828	3,626	3,626	-	-	3,626	3,626	-	-
WHA Gunkul Green Solar Roof 17 Co., Ltd.	Generating and selling electricity	25.01	25.01	2,861	2,540	4,002	4,002	-	-	4,002	4,002	-	-
Kenyir Gunkul Solar Sdn Bhd.	Generating and selling electricity	70.00	70.00	170,658	185,985	206,128	206,128	-	-	206,128	206,128	-	-
JGS Synergy Power Co., Ltd	Generating and selling electricity	50.00	50.00	49,853	48,839	50,000	50,000	-	-	50,000	50,000	-	-
Gulf Gunkul Corporation Co., Ltd	Investment in other companies	50.00	50.00	3,968,585	3,670,802	1,117,000	1,117,000	-	-	1,117,000	1,117,000	635,685	412,508
				<b>5,118,967</b>	<b>4,921,912</b>	<b>1,893,178</b>	<b>1,893,178</b>	<b>-</b>	<b>-</b>	<b>1,893,178</b>	<b>1,893,178</b>	<b>786,904</b>	<b>550,573</b>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	Type of business	Ownership interest		Consolidated financial statements		Cost		Impairment		Separate financial statements		Dividend income for the year	
		2023	2022	Equity		2023	2022	2023	2022	At cost - net		2023	2022
		(%)		2023	2022					(in thousand Baht)			
<i>Indirect joint ventures</i>													
Joint venture SPI & GPD	Provide cleaning services and goods shipping	50.00	50.00	527	545	-	-	-	-	-	-	-	-
THCG Group Co., Ltd.	Production and selling products that derived from hemp and cannabis	-	50.00	-	227,134	-	-	-	-	-	-	-	-
Origin Gunkul Energy Co., Ltd.	Generating and selling electricity	50.00	50.00	6,811	1,806	-	-	-	-	-	-	-	-
Pun New Energy Co., Ltd.	Generating and selling electricity	50.00	50.00	3,448	14,886	-	-	-	-	-	-	-	-
The Joint Venture of China National Heavy Machinery Corporation & Future Electrical Control Co., Ltd.	Construction	50.00	50.00	3,454	-	-	-	-	-	-	-	-	-
				<u>14,240</u>	<u>244,371</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total</b>				<u><b>5,522,540</b></u>	<u><b>5,541,707</b></u>	<u><b>2,290,773</b></u>	<u><b>2,290,773</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>2,290,773</b></u>	<u><b>2,290,773</b></u>	<u><b>824,476</b></u>	<u><b>604,141</b></u>

All associate and joint ventures were incorporated in Thailand, except for Kenyir Gunkul Solar Sdn Bhd. which was incorporated and operated in Malaysia. None of the Group's associate and joint ventures are publicly listed and consequently do not have published price quotations.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

*Material associates and joint ventures*

The following table summarises the financial information of the associates and joint ventures as included in their own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in these companies.

	<b>Associate</b> G-Power Source Co., Ltd.		<b>Joint venture</b> Gunkul Chubu Powergen Co., Ltd.		<b>Joint venture</b> Gulf Gunkul Corporation Co., Ltd.	
	2023	2022	2023	2022	For the year ended 31 December 2023	For the period from 27 July 2022 to 31 December 2022
	<i>(in thousand Baht)</i>					
Revenue	203,395	308,390	319,511	503,446	2,932,806	1,142,307
Profit for the year / period	119,312	202,410	132,210	302,592	1,929,614	710,211
Less impairment losses	-	(74,354)	-	-	-	-
Net profit (loss)	119,312	128,056	132,210	302,592	1,929,614	710,211
Other comprehensive income (expense)	-	-	413	-	(41)	-
Total comprehensive income (expense) (100%)	119,312	128,056	132,623	302,592	1,929,573	710,211
Total comprehensive income (expense) of the Group's interest (40%, 51% and 50% hold)	47,725	51,222	67,638	154,322	964,787	355,106
Elimination of unrealised profit on sales of assets	8,140	8,140	7,251	7,251	-	-
Power purchase agreement and others	(4,384)	(4,384)	(11,394)	(11,394)	(31,319)	(13,050)
<b>Group's share of total comprehensive income (expense)</b>	<b>51,481</b>	<b>54,978</b>	<b>63,495</b>	<b>150,179</b>	<b>933,468</b>	<b>342,056</b>
	<b>Associate</b> G-Power Source Co., Ltd.		<b>Joint venture</b> Gunkul Chubu Powergen Co., Ltd.		<b>Joint venture</b> Gulf Gunkul Corporation Co., Ltd	
	2023	2022	2023	2022	2023	2022
	<i>(in thousand Baht)</i>					
Current assets	121,449	175,966	102,079	172,603	1,566,973	1,775,471
Non-current assets	1,247,858	1,281,812	1,611,277	1,711,833	10,856,840	11,380,514
Current liabilities	(247,326)	(362,427)	(22,139)	(28,834)	(1,314,287)	(1,498,491)
Non-current liabilities	(20,721)	(19,474)	(1,649)	(2,149)	(4,133,186)	(5,339,357)
Net assets (100%)	1,101,260	1,075,877	1,689,568	1,853,453	6,976,340	6,318,137
Group's share of net assets (40%, 51% and 50% hold)	440,504	430,351	861,680	945,261	3,488,170	3,159,069
Elimination of unrealised profit on sales of assets	(109,928)	(118,068)	(106,019)	(113,270)	-	-
Power purchase agreement	58,757	63,141	162,637	174,032	480,415	511,733
<b>Carrying amount of interest in associate and joint venture</b>	<b>389,333</b>	<b>375,424</b>	<b>918,298</b>	<b>1,006,023</b>	<b>3,968,585</b>	<b>3,670,802</b>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	<b>Joint ventures</b>			
	Gunkul Chubu Powergen Co., Ltd.		Gulf Gunkul Corporation Co., Ltd.	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Remark:				
a. Includes:				
– depreciation and amortisation	106,125	106,131	513,329	514,026
– interest expense	92	4,124	221,495	267,068
– income tax expense	13,163	31,787	1,286	693
b. Includes cash and cash equivalents	64,134	68,635	1,133	3,342
c. Short-term deposits from financial institution pledged as collateral	-	-	897,662	1,204,932
d. Includes current financial liabilities (excluding trade, other payables and provisions)	-	-	1,196,032	1,129,368
e. Includes non-current financial liabilities (excluding trade, other payables and provisions)	-	-	3,939,470	5,133,909

*Gulf Gunkul Corporation Co., Ltd.*

On 10 February 2023, Wind Energy Development Company Limited, a subsidiary of Gulf Gunkul Corporation Co., Ltd., was judged by Nakhon Ratchasima Administrative Court to revoke the land title deeds of 32 plots which are a part of wind power project, and the said company is in the process of exercise the right to appeal the verdict of Administrative Court. However, this legal case has not finalised yet, Wind Energy Development Company Limited remains operate its electricity generating business as usual.

*Immaterial joint ventures*

The following is summarised financial information for the Group's interest in immaterial joint ventures based on the amounts reported in the Group's consolidated financial statements:

	2023	2022
	<i>(in thousand Baht)</i>	
Carrying amount of interests in immaterial joint ventures	246,324	489,458
Group's share of:		
- Loss from continuing operations	(28,951)	(36,571)
- Other comprehensive income (expense)	-	-
- Total comprehensive income (expense)	<u>(28,951)</u>	<u>(36,571)</u>

**11 Investments in subsidiaries**

	<i>Note</i>	<b>Separate financial statements</b>	
		2023	2022
		<i>(in thousand Baht)</i>	
At 1 January		11,872,943	15,567,926
Increase in share capital of subsidiaries	<i>d</i>	2,115,638	3,015,323
Acquisition of non-controlling interests		-	120,000
Sale of investments in subsidiaries		-	(5,681,400)
Classified to investment in joint ventures		-	(1,117,000)
Decrease in share capital		-	(22,177)
Impairment loss		(348)	(9,729)
<b>At 31 December</b>		<u><b>13,988,233</b></u>	<u><b>11,872,943</b></u>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

*d. Increase in share capital of subsidiaries*

<i>For the year ended 31 December</i>	2023	2022
	<i>(in thousand Baht)</i>	
<i>Subsidiaries</i>		
Solar Energy Society Co., Ltd.	500,000	15,000
K.N.P Supply Co., Ltd.	-	149,700
Gunkul Power Development Co., Ltd.	-	50,000
G.K. Hemp Group Co., Ltd.	330,000	280,000
Gunkul Wind Power 1 Co., Ltd.	-	3,750
Gunkul Wind Power 2 Co., Ltd.	-	3,750
Gunkul Wind Power 4 Co., Ltd.	-	3,750
Gunkul Wind Power 6 Co., Ltd.	-	3,000
Gunkul Wind Power 7 Co., Ltd.	-	3,000
Gunkul Wind Power 8 Co., Ltd.	-	3,749
Gunkul Wind Power 9 Co., Ltd.	-	3,749
G.A.P Supply Co., Ltd.	46,750	3,249
Gunkul Solar Powergen Co., Ltd.	673,631	225,543
Gunkul One Energy 2 Co., Ltd.	366,259	143,115
Gunkul One Energy 5 Co., Ltd.	-	43,300
Gunkul One Energy 9 Co., Ltd.	66,348	230,418
Gunkul One Energy 11 Co., Ltd.	-	110,250
Gunkul Wind Development 1 Co., Ltd.	-	158,250
Gunkul Wind Development 3 Co., Ltd.	-	158,250
Gunkul Wind Development 6 Co., Ltd.	-	158,250
Gunkul Wind Development 8 Co., Ltd.	-	158,250
Gulf Gunkul Corporation Co., Ltd.	-	1,107,000
Gunkul Utility and Energy Co., Ltd.	59,400	-
Gunkul Wind Development 24 Co., Ltd.	16,000	-
Gunkul Wind Development 36 Co., Ltd.	16,000	-
Gunkul Wind Development 42 Co., Ltd.	250	-
Gunkul Wind Development 51 Co., Ltd.	250	-
Gunkul Wind Power 39 Co., Ltd.	6,000	-
Gunkul Wind Power 48 Co., Ltd.	6,000	-
Gunkul One Energy 18 Co., Ltd.	1,000	-
Gunkul One Energy 20 Co., Ltd.	250	-
Gunkul One Energy 23 Co., Ltd.	250	-
GSAP Supply Co., Ltd.	8,000	-
RSAP Supply Co., Ltd.	8,000	-
Gunkul Wind Development 54 Co., Ltd.	3,750	-
Gunkul Wind Development 58 Co., Ltd.	3,750	-
Gunkul Wind Development 60 Co., Ltd.	3,750	-
<b>Total</b>	<b><u>2,115,638</u></b>	<b><u>3,015,323</u></b>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

*Establishment of subsidiaries*

For the year ended 31 December 2023, the Company established of subsidiaries as follows:

Subsidiaries	Type of business	Country of operation	Ownership interest (%)	Registered capital (in thousand Baht)	Cost
Gunkul One Energy 18 Co., Ltd.	Generating and selling electricity	Thailand	100	1,000	1,000
Gunkul One Energy 20 Co., Ltd.	Generating and selling electricity	Thailand	100	1,000	250
Gunkul One Energy 23 Co., Ltd.	Generating and selling electricity	Thailand	100	1,000	250
Gunkul Wind Development 24 Co., Ltd.	Generating and selling electricity	Thailand	100	16,000	16,000
Gunkul Wind Development 36 Co., Ltd.	Generating and selling electricity	Thailand	100	16,000	16,000
Gunkul Wind Development 42 Co., Ltd.	Generating and selling electricity	Thailand	100	1,000	250
Gunkul Wind Development 51 Co., Ltd.	Generating and selling electricity	Thailand	100	1,000	250
Gunkul Wind Power 39 Co., Ltd.	Generating and selling electricity	Thailand	100	11,000	6,000
Gunkul Wind Power 48 Co., Ltd.	Generating and selling electricity	Thailand	100	11,000	6,000
GSAP Supply Co., Ltd.	Import-Export and selling equipment for electrical system	Thailand	100	20,000	8,000
RSAP Supply Co., Ltd.	Import-Export and selling equipment for electrical system	Thailand	100	8,000	8,000
Gunkul Wind Development 54 Co., Ltd.	Generating and selling electricity	Thailand	100	15,000	3,750
Gunkul Wind Development 58 Co., Ltd.	Generating and selling electricity	Thailand	100	15,000	3,750
Gunkul Wind Development 60 Co., Ltd.	Generating and selling electricity	Thailand	100	15,000	3,750

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	Type of business	Country of operation	Separate financial statements											
			Ownership interest		Cost		Impairment		At cost - net		Dividend income for the year			
			2023	2022	2023	2022	2023	2022	2023	2022	2023	2022		
			(%)		(in thousand Baht)									
<b>Subsidiaries</b>														
G.K. Power Product Co., Ltd.	Manufacturing and selling of equipments for electrical system	Thailand	100	100	80,425	80,425	-	-	80,425	80,425	39,999	-		
G.K. Assembly Co., Ltd.	Manufacturing and selling of equipments for electrical system	Thailand	100	100	163,188	163,188	-	-	163,188	163,188	140,000	-		
K.N.P Supply Co.,Ltd.	Import and export equipments for electrical systems	Thailand	100	100	173,857	173,857	-	-	173,857	173,857	40,000	-		
NK Power Sola Co., Ltd.	Generating and selling electricity	Thailand	100	100	40,854	40,854	-	-	40,854	40,854	14,581	13,070		
Gunkul Solar Roof 1 Co., Ltd.	Generating and selling electricity	Thailand	100	100	21,000	21,000	-	-	21,000	21,000	-	-		
Gunkul Training Center Co., Ltd.	Provide training services	Thailand	100	100	1,000	1,000	-	-	1,000	1,000	-	-		
Solar Energy Society Co., Ltd.	Generating and selling electricity	Thailand	100	100	1,250,000	750,000	-	-	1,250,000	750,000	-	-		
Bright Green Power Co., Ltd.	Investing in other companies	Thailand	100	100	1,306,410	1,306,410	-	-	1,306,410	1,306,410	-	-		
Gunkul Power Development Co., Ltd.	Construction	Thailand	100	100	350,000	350,000	-	-	350,000	350,000	-	79,975		
Gunkul Solar Community Co., Ltd.	Generating and selling electricity	Thailand	100	100	20,000	20,000	-	-	20,000	20,000	-	19,000		
Siam Gunkul Solar Energy Co., Ltd.	Generating and selling electricity	Thailand	100	100	40,899	40,899	-	-	40,899	40,899	3,337	3,010		
Gunkul Utility and Energy Co. Ltd	Manufacturing and selling of energy - saving products	Thailand	100	100	100,000	40,600	-	-	100,000	40,600	-	-		
Infinite Alternative Energy Co., Ltd.	Investing in companies	Thailand	100	100	1,868,576	1,868,576	-	-	1,868,576	1,868,576	228,813	295,440		
Eco Thaienergy Co., Ltd.	Generating and selling electricity	Thailand	51	51	42,015	42,015	-	-	42,015	42,015	5,720	5,263		
Gunkul Infinite Group Co., Ltd.	Generating and selling electricity	Thailand	100	100	355,500	355,500	-	-	355,500	355,500	24,963	94,357		
Gunkul International (Mauritius)	Investing in other companies	Mauritius	100	100	3,843,657	3,843,657	-	-	3,843,657	3,843,657	287,144	186,978		
Gunkul Solar Power Co., Ltd.	Generating and selling electricity	Thailand	100	100	179,250	179,250	-	-	179,250	179,250	-	-		
BMP Solar Co., Ltd.	Generating and selling electricity	Thailand	100	100	216,938	216,938	-	-	216,938	216,938	20,728	19,498		
G.K. Hemp Group Co., Ltd.	Investing in other companies	Thailand	100	100	880,000	550,000	-	-	880,000	550,000	-	-		
G.K. Real Estate (2564) Co., Ltd.	Investing in real estate	Thailand	100	100	57,600	57,600	-	-	57,600	57,600	-	-		
Gunkul Wind Power 1 Co., Ltd.	Generating and selling electricity	Thailand	100	100	5,000	5,000	-	-	5,000	5,000	-	-		

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	Type of business	Country of operation	Separate financial statements								Dividend income	
			Ownership interest		Cost		Impairment		At cost - net		for the year	
			2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
			(%)		(in thousand Baht)							
Gunkul Wind Power 2 Co., Ltd.	Generating and selling electricity	Thailand	100	100	5,000	5,000	-	-	5,000	5,000	-	-
Gunkul Wind Power 4 Co., Ltd.	Generating and selling electricity	Thailand	100	100	5,000	5,000	-	-	5,000	5,000	-	-
Gunkul Wind Power 6 Co., Ltd.	Generating and selling electricity	Thailand	100	100	5,999	5,999	-	-	5,999	5,999	-	-
Gunkul Wind Power 7 Co., Ltd.	Generating and selling electricity	Thailand	100	100	5,999	5,999	-	-	5,999	5,999	-	-
Gunkul Wind Power 8 Co., Ltd.	Generating and selling electricity	Thailand	100	100	4,999	4,999	-	-	4,999	4,999	-	-
Gunkul Wind Power 9 Co., Ltd.	Generating and selling electricity	Thailand	100	100	4,999	4,999	-	-	4,999	4,999	-	-
G Wind Power Holding 3 Co., Ltd	Investment in other company	Thailand	100	100	1,250	1,250	-	-	1,250	1,250	-	-
G Wind Power Holding 5 Co., Ltd	Investment in other company	Thailand	100	100	1,999	1,999	-	-	1,999	1,999	-	-
Joint venture GKE & FEC	Construction	Thailand	60	60	17,700	17,700	(9,892)	(9,729)	7,808	7,971	-	-
GAP Supply Co., Ltd.	Import and export equipments for electrical systems	Thailand	100	100	50,000	3,250	-	-	50,000	3,250	-	-
Gunkul Solar Powergen Co., Ltd.	Generating and selling electricity	Thailand	100	100	899,175	225,543	-	-	899,175	225,543	-	-
Gunkul Wind Development 1 Co., Ltd.	Generating and selling electricity	Thailand	100	100	158,250	158,250	-	-	158,250	158,250	-	-
Gunkul Wind Development 3 Co., Ltd.	Generating and selling electricity	Thailand	100	100	158,250	158,250	-	-	158,250	158,250	-	-
Gunkul Wind Development 6 Co., Ltd.	Generating and selling electricity	Thailand	100	100	158,250	158,250	-	-	158,250	158,250	-	-
Gunkul Wind Development 8 Co., Ltd.	Generating and selling electricity	Thailand	100	100	158,250	158,250	-	-	158,250	158,250	-	-
Gunkul One Energy 2 Co., Ltd.	Generating and selling electricity	Thailand	100	100	509,373	143,115	-	-	509,373	143,115	-	-
Gunkul One Energy 5 Co., Ltd.	Generating and selling electricity	Thailand	100	100	43,300	43,300	-	-	43,300	43,300	-	-
Gunkul One Energy 9 Co., Ltd.	Generating and selling electricity	Thailand	100	100	296,766	230,418	-	-	296,766	230,418	-	-
Gunkul One Energy 11 Co., Ltd.	Generating and selling electricity	Thailand	100	100	110,250	110,250	-	-	110,250	110,250	-	-
Gunkul One Energy 18 Co., Ltd.	Generating and selling electricity	Thailand	100	100	1,000	-	-	-	1,000	-	-	-
Gunkul One Energy 20 Co., Ltd.	Generating and selling electricity	Thailand	100	100	250	-	-	-	250	-	-	-
Gunkul One Energy 23 Co., Ltd.	Generating and selling electricity	Thailand	100	100	250	-	-	-	250	-	-	-



**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	Type of business	Country of operation	Separate financial statements								Dividend income for the year			
			Ownership interest		Cost		Impairment		At cost - net		2023	2022		
			2023	2022	2023	2022	2023	2022	2023	2022	2023	2022		
			(%)		(in thousand Baht)									
Gunkul Wind Development 24 Co., Ltd.	Generating and selling electricity	Thailand	100	100	16,000	-	-	-	16,000	-	-	-		
Gunkul Wind Development 36 Co., Ltd.	Generating and selling electricity	Thailand	100	100	16,000	-	-	-	16,000	-	-	-		
Gunkul Wind Development 42 Co., Ltd.	Generating and selling electricity	Thailand	100	100	250	-	-	-	250	-	-	-		
Gunkul Wind Development 51 Co., Ltd.	Generating and selling electricity	Thailand	100	100	250	-	-	-	250	-	-	-		
Gunkul Wind Power 39 Co., Ltd.	Generating and selling electricity	Thailand	100	100	6,000	-	-	-	6,000	-	-	-		
Gunkul Wind Power 48 Co., Ltd.	Generating and selling electricity	Thailand	100	100	6,000	-	-	-	6,000	-	-	-		
GSAP Supply Co., Ltd.	Import-Export and selling equipment for electrical system	Thailand	100	100	8,000	-	-	-	8,000	-	-	-		
RSAP Supply Co., Ltd.	Import-Export and selling equipment for electrical system	Thailand	100	100	8,000	-	-	-	8,000	-	-	-		
Gunkul Wind Development 54 Co., Ltd.	Generating and selling electricity	Thailand	100	100	3,750	-	-	-	3,750	-	-	-		
Gunkul Wind Development 58 Co., Ltd.	Generating and selling electricity	Thailand	100	100	3,750	-	-	-	3,750	-	-	-		
Gunkul Wind Development 60 Co., Ltd.	Generating and selling electricity	Thailand	100	100	3,750	-	-	-	3,750	-	-	-		
Gunkul Engineering (Myanmar) Company Limited	Import and selling equipments for electrical systems	Myanmar	100	100	1,588	1,588	(185)	-	1,403	1,588	-	-		
Doan Son Thuy Investment Joint Stock Company	Generating and selling electricity	Vietnam	100	100	332,494	332,494	-	-	332,494	332,494	-	53,138		
<b>Total</b>					<b>13,998,310</b>	<b>11,882,672</b>	<b>(10,077)</b>	<b>(9,729)</b>	<b>13,988,233</b>	<b>11,872,943</b>	<b>805,285</b>	<b>769,729</b>		

None of the Company's subsidiaries are publicly listed and consequently do not have published price quotations.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**12 Property, plant and equipment**

	<b>Consolidated financial statements</b>						
	Land and land improvement	Building, building improvement and utility system	Machinery and equipment	Furniture, fixtures and office equipment <i>(in thousand Baht)</i>	Vehicles	Assets under construction	Total
<b>Cost</b>							
At 1 January 2022	1,763,915	1,990,718	26,642,306	92,649	101,129	1,097,226	31,687,943
Additions	39,090	227,372	165,357	22,840	2,650	374,379	831,688
Transfers	19,475	59,843	484,000	-	-	(563,318)	-
Transfers from right-of-use assets	-	-	-	-	4,897	-	4,897
Disposals	-	(29,187)	(458,843)	(9,362)	(3,391)	(12,475)	(513,258)
Change in ownership interest in subsidiaries to joint ventures	(644,722)	(256,160)	(11,709,390)	(1,220)	(5,916)	-	(12,617,408)
Effect of movements in exchange rates	(71,340)	(1,797)	(629,833)	(303)	-	(165)	(703,438)
<b>At 31 December 2022 and 1 January 2023</b>	<b>1,106,418</b>	<b>1,990,789</b>	<b>14,493,597</b>	<b>104,604</b>	<b>99,369</b>	<b>895,647</b>	<b>18,690,424</b>
Additions	1,713,426	40,683	36,924	10,106	5,525	740,120	2,546,784
Transfers	-	11,534	972,265	7,110	-	(990,909)	-
Transfers from right-of-use assets	-	-	-	-	2,320	-	2,320
Disposals	-	(64)	(952,009)	(3,008)	(11,098)	(11,315)	(977,494)
Transfers to investment properties	(10,259)	(46,575)	-	-	-	-	(56,834)
Change in ownership interest in joint ventures to subsidiaries <i>(Note 10)</i>	10,259	49,037	20,585	1,759	1,629	305	83,574
Effect of movements in exchange rates	(44,678)	(36,958)	(537,211)	(207)	-	-	(619,054)
<b>At 31 December 2023</b>	<b>2,775,166</b>	<b>2,008,446</b>	<b>14,034,151</b>	<b>120,364</b>	<b>97,745</b>	<b>633,848</b>	<b>19,669,720</b>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**Consolidated financial statements**

	Land and land improvement	Building, building improvement and utility system	Machinery and equipment	Furniture, fixtures and office equipment <i>(in thousand Baht)</i>	Vehicles	Assets under construction	Total
<b><i>Accumulated depreciation and impairment losses</i></b>							
At 1 January 2022	-	(345,122)	(4,667,149)	(70,175)	(69,546)	(322)	(5,152,314)
Depreciation charge for the year	(2,763)	(89,078)	(1,031,362)	(12,030)	(4,415)	-	(1,139,648)
Transfers from right-of-use assets	-	-	-	-	(2,777)	-	(2,777)
Disposals	-	55	9,061	6,815	2,741	-	18,672
Change in ownership interest in subsidiaries to joint ventures	-	47,313	2,157,251	984	3,895	-	2,209,443
Effect of movements in exchange rates	-	1,062	106,776	212	-	-	108,050
<b>At 31 December 2022 and 1 January 2023</b>	<b>(2,763)</b>	<b>(385,770)</b>	<b>(3,425,423)</b>	<b>(74,194)</b>	<b>(70,102)</b>	<b>(322)</b>	<b>(3,958,574)</b>
Depreciation charge for the year	(4,151)	(97,622)	(765,150)	(12,675)	(3,643)	-	(883,241)
Transfer	-	116	(376)	(62)	-	322	-
Transfers from right-of-use assets	-	-	-	-	(966)	-	(966)
Disposals	-	-	2,411	2,759	6,905	-	12,075
Transfers to investment properties	-	6,535	-	-	-	-	6,535
Change in ownership interest in joint ventures to subsidiaries <i>(Note 10)</i>	-	(5,751)	(5,266)	(496)	(222)	-	(11,735)
Effect of movements in exchange rates	-	7,147	125,631	67	-	-	132,845
<b>At 31 December 2023</b>	<b>(6,914)</b>	<b>(475,345)</b>	<b>(4,068,173)</b>	<b>(84,601)</b>	<b>(68,028)</b>	<b>-</b>	<b>(4,703,061)</b>
<b><i>Net book value</i></b>							
<b>At 31 December 2022</b>	<b>1,103,655</b>	<b>1,605,019</b>	<b>11,068,174</b>	<b>30,410</b>	<b>29,267</b>	<b>895,325</b>	<b>14,731,850</b>
<b>At 31 December 2023</b>	<b>2,768,252</b>	<b>1,533,101</b>	<b>9,965,978</b>	<b>35,763</b>	<b>29,717</b>	<b>633,848</b>	<b>14,966,659</b>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	<b>Separate financial statements</b>				
	Building and building improvement	Machinery and equipment	Furniture, fixtures and office equipment <i>(in thousand Baht)</i>	Vehicles	Total
<b>Cost</b>					
At 1 January 2022	33,080	19,056	55,180	56,677	163,993
Additions	-	20	8,299	-	8,319
Transfers from right-of-use assets	-	-	-	3,579	3,579
Disposals	-	(55)	(5,593)	(1,689)	(7,337)
<b>At 31 December 2022 and 1 January 2023</b>	<b>33,080</b>	<b>19,021</b>	<b>57,886</b>	<b>58,567</b>	<b>168,554</b>
Additions	93	176	3,328	-	3,597
Disposals	-	(686)	(1,455)	(9,061)	(11,202)
<b>At 31 December 2023</b>	<b>33,173</b>	<b>18,511</b>	<b>59,759</b>	<b>49,506</b>	<b>160,949</b>
<b>Accumulated depreciation</b>					
At 1 January 2022	(30,744)	(18,473)	(42,434)	(36,237)	(127,888)
Depreciation charge for the year	(564)	(268)	(7,531)	(3,156)	(11,519)
Transfers from right-of-use assets	-	-	-	(1,629)	(1,629)
Disposals	-	55	4,776	1,243	6,074
<b>At 31 December 2022 and 1 January 2023</b>	<b>(31,308)</b>	<b>(18,686)</b>	<b>(45,189)</b>	<b>(39,779)</b>	<b>(134,962)</b>
Depreciation charge for the year	(572)	(171)	(5,005)	(2,422)	(8,170)
Disposals	-	685	1,296	6,317	8,298
<b>At 31 December 2023</b>	<b>(31,880)</b>	<b>(18,172)</b>	<b>(48,898)</b>	<b>(35,884)</b>	<b>(134,834)</b>
<b>Net book value</b>					
<b>At 31 December 2022</b>	<b>1,772</b>	<b>335</b>	<b>12,697</b>	<b>18,788</b>	<b>33,592</b>
<b>At 31 December 2023</b>	<b>1,293</b>	<b>339</b>	<b>10,861</b>	<b>13,622</b>	<b>26,115</b>

*Security*

At 31 December 2023, the Group has pledged land, building and machinery with a net book value of Baht 9,476.40 million (2022: Baht 11,099.24 million) as collateral to secure long-term loans (see note 15).

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**13 Leases**

<i>Right-of-use assets</i> <i>At 31 December</i>	<b>Consolidated</b> <b>financial statements</b>		<b>Separate</b> <b>financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Land	305,136	320,191	-	-
Buildings	2,479	20,021	1,968	12,581
Warehouse	8,663	12,194	-	3,968
Rooftop for solar power plant	38,887	36,979	-	-
Vehicles	14,736	15,642	19,328	21,054
<b>Total</b>	<b>369,901</b>	<b>405,027</b>	<b>21,296</b>	<b>37,603</b>

In 2023, additions to the right-of-use assets of the Group and the Company were Baht 24.88 million and Baht 2.02 million, respectively (2022: Baht 40.07 million and Baht 8.76 million, respectively).

*Extension options*

The Group has extension options on property leases exercisable up to one year before the end of the contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options and will regularly reassess so.

<i>For the year ended 31 December</i>	<b>Consolidated</b> <b>financial statements</b>		<b>Separate</b> <b>financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<b>Amounts recognised in profit or loss</b>				
Depreciation of right-of-use assets:				
- Land	34,411	45,535	-	-
- Buildings	18,642	16,755	12,084	11,921
- Warehouse	8,486	9,103	3,968	3,968
- Rooftop for solar power plant	906	906	-	-
- Vehicles	4,355	7,426	2,278	4,473
Interest on lease liabilities	19,538	19,930	350	911
Expenses relating to short-term leases and leases of low-value assets	6,275	2,740	702	1,324

In 2023, total cash outflow for leases of the Group and the Company were Baht 68.58 million and Baht 21.15 million respectively (2022: Baht 71.36 million and Baht 20.74 million, respectively).

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**14 Intangible assets and goodwill**

	<b>Consolidated financial statements</b>					
	Software licences	Right to use electrical transmission line	Right to power purchase agreement and right to operate <i>(in thousand Baht)</i>	Goodwill	Software under installation	Total
<i>Cost</i>						
At 1 January 2022	39,575	890,502	3,032,800	163,476	4,710	4,131,063
Additions	5,102	4,518	-	-	12,509	22,129
Decrease	-	-	(3,975)	-	-	(3,975)
Transfer	1,840	1,812	-	-	(3,652)	-
Disposals	(1,577)	(634)	-	-	-	(2,211)
Change in ownership interest in subsidiaries to joint ventures	(239)	(785,410)	(1,662,845)	(82,551)	(10,688)	(2,541,733)
Effect of movements in exchange rates	(2)	-	(42,298)	-	-	(42,300)
<b>At 31 December 2022 and 1 January 2023</b>	<b>44,699</b>	<b>110,788</b>	<b>1,323,682</b>	<b>80,925</b>	<b>2,879</b>	<b>1,562,973</b>
Additions	18,755	25,753	-	-	8,236	52,744
Transfer	365	1,630	-	-	(1,995)	-
Disposals	-	(2,573)	-	-	(920)	(3,493)
Change in ownership interest in joint ventures to subsidiaries <i>(Note 10)</i>	6	1,254	-	-	-	1,260
Effect of movements in exchange rates	(145)	-	(43,367)	-	-	(43,512)
<b>At 31 December 2023</b>	<b>63,680</b>	<b>136,852</b>	<b>1,280,315</b>	<b>80,925</b>	<b>8,200</b>	<b>1,569,972</b>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	<b>Consolidated financial statements</b>					
	Software licences	Right to use electrical transmission line	Right to power purchase agreement and right to operate <i>(in thousand Baht)</i>	Goodwill	Software under installation	Total
<b><i>Accumulated amortisation and impairment losses</i></b>						
At 1 January 2022	(22,357)	(151,550)	(493,660)	-	-	(667,567)
Amortisation charge for the year	(6,185)	(22,270)	(93,966)	-	-	(122,421)
Disposal	1,230	-	-	-	-	1,230
Change in ownership interest in subsidiaries to joint ventures	193	146,915	323,896	-	-	471,004
Effect of movements in exchange rates	14	-	7,508	-	-	7,522
<b>At 31 December 2022 and 1 January 2023</b>	<b>(27,105)</b>	<b>(26,905)</b>	<b>(256,222)</b>	<b>-</b>	<b>-</b>	<b>(310,232)</b>
Amortisation charge for the year	(7,950)	(4,818)	(64,426)	-	-	(77,194)
Change in ownership interest in joint ventures to subsidiaries <i>(Note 10)</i>	(1)	(239)	-	-	-	(240)
Effect of movements in exchange rates	77	-	8,434	-	-	8,511
<b>At 31 December 2023</b>	<b>(34,979)</b>	<b>(31,962)</b>	<b>(312,214)</b>	<b>-</b>	<b>-</b>	<b>(379,155)</b>
<b><i>Net book value</i></b>						
At 31 December 2022	<u>17,594</u>	<u>83,883</u>	<u>1,067,460</u>	<u>80,925</u>	<u>2,879</u>	<u>1,252,741</u>
At 31 December 2023	<u>28,701</u>	<u>104,890</u>	<u>968,101</u>	<u>80,925</u>	<u>8,200</u>	<u>1,190,817</u>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

*Impairment testing for cash-generating units containing goodwill*

The recoverable amounts of the power plant asset containing goodwill have been determined using the value in use models. The key assumptions used in the estimation of the recoverable amount included the discount rate was estimated based on 15 - 20 years government bond rate as a proxy for the risk free rate with debt leveraging of 60% - 70%. The cash flow projections were prepared using the external information, which included sales volumes, prices, operating costs, inflation rate and long-term growth rates for the period over the remaining of the power purchase agreements.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

	<b>Consolidated financial statements</b>	
	2023	2022
		(%)
Discount rate-Solar power stations	4.94 - 7.50	7.20 - 8.00

The discount rate was based on the rate of 15 - 20 years government bonds issued by the government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

*Revenue projection*

Projections of all revenues for each power plant assets have been made as stated in the Power Purchase Agreements while applying the projections of revenue from external information for the post power purchase agreement periods. Assumptions included tariff from solar power plants and wind farms, inflation and other related factors.

The impairment test has been prepared by the management. The conservative approaches are used for its calculation and no impairment charges are required for goodwill. Management believes that any reasonably possible change in the key assumptions such as discounted rates, adder and growth rate on which recoverable amount is based would not cause the carrying amount to exceed its recoverable amount.

	<b>Separate financial statements</b>		
	Software licences	Software in progress <i>(in thousand Baht)</i>	Total
<b>Cost</b>			
At 1 January 2022	17,852	1,841	19,693
Additions	2,460	-	2,460
Transfers	1,841	(1,841)	-
<b>At 31 December 2022 and 1 January 2023</b>	<b>22,153</b>	<b>-</b>	<b>22,153</b>
Additions	4,044	4,190	8,234
<b>At 31 December 2023</b>	<b>26,197</b>	<b>4,190</b>	<b>30,387</b>
<b>Accumulated amortisation</b>			
At 1 January 2022	(9,876)	-	(9,876)
Amortisation charge for the year	(2,920)	-	(2,920)
<b>At 31 December 2022 and at 1 January 2023</b>	<b>(12,796)</b>	<b>-</b>	<b>(12,796)</b>
Amortisation charge for the year	(3,542)	-	(3,542)
<b>At 31 December 2023</b>	<b>(16,338)</b>	<b>-</b>	<b>(16,338)</b>
<b>Net book value</b>			
<b>At 31 December 2022</b>	<b>9,357</b>	<b>-</b>	<b>9,357</b>
<b>At 31 December 2023</b>	<b>9,859</b>	<b>4,190</b>	<b>14,049</b>



**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**15 Interest-bearing liabilities**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<b><i>Current</i></b>				
Short-term loans from financial institutions				
- unsecured	1,078,548	481,652	780,601	-
Current portion of long-term loans from financial institutions				
- secured	857,165	867,540	28,800	28,800
Less unamortised deferred financing fees	<u>(5,726)</u>	<u>(7,797)</u>	<u>(214)</u>	<u>(274)</u>
	851,439	859,743	28,586	28,526
Current portion of debentures				
- unsecured	1,800,000	907,100	1,800,000	907,100
Less unamortised deferred financing fees	<u>(2,687)</u>	<u>(523)</u>	<u>(2,687)</u>	<u>(523)</u>
	1,797,313	906,577	1,797,313	906,577
Current portion of lease liabilities	<u>27,217</u>	<u>48,321</u>	<u>7,225</u>	<u>20,794</u>
<b>Total current interest-bearing liabilities</b>	<b><u>3,754,517</u></b>	<b><u>2,296,293</u></b>	<b><u>2,613,725</u></b>	<b><u>955,897</u></b>
<b><i>Non-current</i></b>				
Long-term loans from financial institutions- secured	9,634,997	10,263,544	1,652,000	1,680,800
Less unamortised deferred financing fees	<u>(54,750)</u>	<u>(69,533)</u>	<u>(1,113)</u>	<u>(1,321)</u>
	9,580,247	10,194,011	1,650,887	1,679,479
Debentures - unsecured	1,941,600	2,241,600	1,941,600	2,241,600
Less unamortised deferred financing fees	<u>(3,528)</u>	<u>(4,044)</u>	<u>(3,528)</u>	<u>(4,044)</u>
	1,938,072	2,237,556	1,938,072	2,237,556
Lease liabilities	<u>413,936</u>	<u>414,215</u>	<u>7,969</u>	<u>13,480</u>
<b>Total non-current interest-bearing liabilities</b>	<b><u>11,932,255</u></b>	<b><u>12,845,782</u></b>	<b><u>3,596,928</u></b>	<b><u>3,930,515</u></b>
<b>Total</b>	<b><u>15,989,772</u></b>	<b><u>15,142,075</u></b>	<b><u>6,210,653</u></b>	<b><u>4,886,412</u></b>

***Guarantee***

As at 31 December 2023, The Company has pledged ordinary shares of certain subsidiaries, associate and joint ventures, together with land and buildings, machinery and equipment and deposits of the said subsidiaries, including the right of land sublease and building lease agreements, land lease agreements, Power Purchase Agreement and the right of power plant project agreement in Japan and Vietnam as collateral against the credit facilities those entities received from commercial banks in amount of Baht 19,914.84 million, U.S. Dollars 91.66 million, JPY 11,699 million and VND 216,308.98 million (31 December 2022: Baht 19,946.28 million, U.S. Dollars 91.66 million, JPY 11,699 million and VND 216,308.98 million).

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**Long-term borrowings**

Details of principal features of the Group's long-term borrowings as at 31 December 2023 and 2022 were as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<b>Subsidiaries :</b>				
1) Baht 4,080 million Loan Facility Agreement at interest THOR CMP BS 5BD +1.7%, payable in three-months installments commencing in November 2016	2,405,505	2,661,177	-	-
2) JPY 11,007 million Loan Facility Agreement at interest 6M TIBOR +1.3%, payable in six-months installments commencing in December 2018	1,876,203	2,174,135	-	-
3) Baht 207 million Loan Facility Agreement at interest rate 4.43%, payable in three-months installments commencing in September 2017	112,348	125,517	-	-
4) Baht 432 million Loan Facility Agreement at interest MLR -2.30%, payable in monthly installments commencing in October 2018	279,473	308,005	279,473	308,005
5) Baht 402 million Loan Facility Agreement at interest rate THOR +3.51%, payable in three-months installments commencing in May 2020	184,609	224,409	-	-
6) VND 163,033.35 million and U.S. Dollars 34.78 million Loan Facility Agreement at interest rate Cost of fund +4% and 3M SOFR +4% + CAS 0.26161, payable in three-months installments commencing in May 2020	1,096,116	1,209,254	-	-
7) Baht 430 million Loan Facility Agreement at interest rate THOR +2.76%, payable in monthly installments commencing in August 2020	305,542	346,283	-	-
8) VND 7,154.49 million and U.S. Dollars 25.19 million Loan Facility Agreement at interest rate BLR +3.05% and 3M SOFR +3.05% + CAS 0.25161 payable in three-months installments commencing in August 2021	764,994	825,533	-	-
9) VND 7,154.49 million and U.S. Dollars 31.69 million Loan Facility Agreement at interest rate BLR +3.05% and 3M SOFR +3.05% + CAS 0.25161 payable in three-months installments commencing in September 2021	960,747	1,036,962	-	-

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
10) Baht 316 million Loan Facility Agreement at interest rate 1M BIBOR +2.65%, payable in monthly installments commencing in June 2021	210,076	241,185	-	-
11) Baht 1,400 million Loan Facility Agreement at interest rate of 3.30%, payable in full amount in November 2025	1,400,000	1,400,000	1,400,000	1,400,000
12) Baht 983 million Loan Facility Agreement at interest rate 1M BIBOR +2.5%, payable in monthly installments commencing in February 2022	836,073	501,294	-	-
<b>Total</b>	<b><u>10,431,686</u></b>	<b><u>11,053,754</u></b>	<b><u>1,679,473</u></b>	<b><u>1,708,005</u></b>

***Debentures***

As at 31 December 2023, the Company has outstanding balances of issued unsecured, name registered, unsubordinated debentures. The details of issuance of debentures were as below:

Debenture issued on	30 April 2021
Unit and value	441,600 units at par value of Baht 1,000 each
Total debenture value	Baht 441.60 million
Period and maturity date	5 years will mature on 30 April 2025
Interest rate	Fixed rate of 4.2% per annum
Interest payment due	Every 3 months
Debenture issued on	22 April 2022
Unit and value	1,800,000 units at par value of Baht 1,000 each
Total debenture value	Baht 1,800 million
Period and maturity date	3 years 3 months will mature on 19 July 2024
Interest rate	Fixed rate of 4.10 % per annum
Interest payment due	Every 3 months
Debenture issued on	27 April 2023
Unit and value	1,500,000 units at par value of Baht 1,000 each
Total debenture value	Baht 1,500 million
Period and maturity date	3 years 2 months will mature on 7 July 2026
Interest rate	Fixed rate of 4 % per annum
Interest payment due	Every 3 months

As at 31 December 2023, the Group had unutilised credit facilities totalling Baht 5,426.16 million and VND 38,967 million. (31 December 2022: Baht 5,998.67million and VND 38,967 million.).

The Group has to comply with certain conditions in accordance with those agreements including maintaining certain key financial ratios.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**16 Provisions for employee benefits**

*Defined benefit plan*

The Group and the Company operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Group to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

<i>Present value of the defined benefit obligations</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
At 1 January	121,406	110,151	64,946	61,055
<b>Include in profit or loss:</b>				
Current service cost	(104)	12,360	(17,141)	5,296
Interest on obligation	1,969	1,702	848	758
	<b>1,865</b>	<b>14,062</b>	<b>(16,293)</b>	<b>6,054</b>
<b>Included in other comprehensive income</b>				
Actuarial gain				
- Financial assumptions	(6,876)	-	(2,479)	-
- Experience adjustment	23	-	214	-
	<b>(6,853)</b>	<b>-</b>	<b>(2,265)</b>	<b>-</b>
Change in ownership interest in subsidiaries to joint ventures	-	(456)	-	-
Benefits paid	(2,351)	(2,351)	(2,163)	(2,163)
<b>At 31 December</b>	<b>114,067</b>	<b>121,406</b>	<b>44,225</b>	<b>64,946</b>

<i>Principal actuarial assumptions</i>	<b>Consolidated financial statements and Separate financial statements</b>	
	2023	2022
	<i>(%)</i>	
Discount rate	2.97	2.27
Future salary growth	3.0 – 7.0	3.0 – 7.0
Turnover rate	0.0 – 30.0	0.0 – 30.0

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2023, the weighted-average duration of the defined benefit obligation was 13.6 years (2022: 11.8 years)

*Sensitivity analysis*

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the employee benefit obligations by the amounts shown below.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

<i>Effect to the defined benefit obligation at 31 December</i>	<b>Consolidated financial statements</b>			
	1% increase in assumption		1% decrease in assumption	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Discount rate	(8,715)	(8,639)	10,014	9,871
Future salary growth	9,607	10,573	(8,555)	(9,385)

<i>Effect to the defined benefit obligation at 31 December</i>	<b>Separate financial statements</b>			
	1% increase in assumption		1% decrease in assumption	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Discount rate	(2,943)	(3,497)	3,355	3,953
Future salary growth	3,220	4,336	(2,890)	(3,889)

## **17 Treasury Share**

At the Board of Directors' meeting of the Company held on 31 October 2023, the Board approved the Share Repurchase Program (Treasury stock) for financial management purpose. The maximum amount for the share repurchase is not exceeding Baht 1,120 million. Number of shares repurchase is not exceeding 380 million shares at the par value of Baht 0.25 per share which is equal to 4.28% of total paid-up capital. The repurchase period will be started from 16 November 2023 to 15 May 2024.

As at 31 December 2023, the Company has repurchased the shares under the program totalling 68.30 million units at a total cost of Baht 179.01 million is presented as a separate category within equity and recognised as a deduction from equity in the consolidated financial statements with an equivalent amount had been appropriated from retained earnings to treasury shares reserve.

## **18 Additional paid-in capital and reserves**

### *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.

### *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.

### *Other components of equity*

#### **Translation reserve**

The translation reserves comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**19 Segment information and disaggregation of revenue**

Management determined that the Group has four reportable segments which are the Group's strategic divisions for products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

- Segment 1 Manufacturing and selling of equipments for electrical systems
- Segment 2 Generating and selling electricity
- Segment 3 Construction service
- Segment 4 Maintenance service, rental service and others

Each segment's performance is measured based on segment gross profit, as included in the internal management reports that are reviewed by the Group's CODM. Segment gross profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

<i>For the year ended 31 December</i>	Manufacturing and selling of equipments for electrical systems		Generating and selling electricity		Construction service		Maintenance service, rental service and others		Eliminations		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	<i>(in thousand Baht)</i>											
<b>Information about reportable segments</b>												
External revenues	1,827,654	1,829,216	3,541,143	3,990,207	2,017,677	1,478,392	218,768	207,875	-	-	7,605,242	7,505,690
Inter-segment revenue	483,804	573,540	-	-	609,439	313,656	63,169	57,808	(1,156,412)	(945,004)	-	-
<b>Total revenue</b>	<b>2,311,458</b>	<b>2,402,756</b>	<b>3,541,143</b>	<b>3,990,207</b>	<b>2,627,116</b>	<b>1,792,048</b>	<b>281,937</b>	<b>265,683</b>	<b>(1,156,412)</b>	<b>(945,004)</b>	<b>7,605,242</b>	<b>7,505,690</b>
<b>Disaggregation of revenue</b>												
<b>Primary geographical markets</b>												
Thailand	2,311,437	2,401,013	2,085,835	2,493,211	2,627,116	1,792,048	281,937	265,683	(1,156,412)	(945,004)	6,149,913	6,006,951
Japan	-	-	815,085	830,914	-	-	-	-	-	-	815,085	830,914
Vietnam	-	-	640,223	666,082	-	-	-	-	-	-	640,223	666,082
Other countries	21	1,743	-	-	-	-	-	-	-	-	21	1,743
<b>Total revenue</b>	<b>2,311,458</b>	<b>2,402,756</b>	<b>3,541,143</b>	<b>3,990,207</b>	<b>2,627,116</b>	<b>1,792,048</b>	<b>281,937</b>	<b>265,683</b>	<b>(1,156,412)</b>	<b>(945,004)</b>	<b>7,605,242</b>	<b>7,505,690</b>
<b>Timing of revenue recognition</b>												
At a point in time	2,311,458	2,402,756	979,004	442,015	-	-	8,568	9,352	(483,804)	(573,540)	2,815,226	2,280,583
Over time	-	-	2,562,139	3,548,192	2,627,116	1,792,048	273,369	256,331	(672,608)	(371,464)	4,790,016	5,225,107
<b>Total revenue</b>	<b>2,311,458</b>	<b>2,402,756</b>	<b>3,541,143</b>	<b>3,990,207</b>	<b>2,627,116</b>	<b>1,792,048</b>	<b>281,937</b>	<b>265,683</b>	<b>(1,156,412)</b>	<b>(945,004)</b>	<b>7,605,242</b>	<b>7,505,690</b>
<b>Segment gross profit</b>	<b>414,045</b>	<b>388,128</b>	<b>1,501,257</b>	<b>2,017,240</b>	<b>343,165</b>	<b>242,152</b>	<b>140,229</b>	<b>161,054</b>	<b>46,584</b>	<b>(29,320)</b>	<b>2,445,280</b>	<b>2,779,254</b>
<b>Segment assets</b>	<b>2,274,812</b>	<b>3,036,761</b>	<b>26,250,372</b>	<b>25,182,631</b>	<b>2,753,544</b>	<b>2,367,050</b>	<b>2,003,440</b>	<b>2,133,935</b>	<b>(431,832)</b>	<b>(388,915)</b>	<b>32,850,336</b>	<b>32,331,462</b>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

(a) *Reconciliation of reportable segment profit or loss*

	<b>Consolidated financial statements</b>	
	2023	2022
	<i>(in thousand Baht)</i>	
<b>Profit or loss</b>		
Total gross profit for reportable segments	2,444,280	2,779,254
Unallocated amounts		
- Other corporate expenses	(1,771,305)	(1,923,530)
- Gain on change in ownership interest in subsidiaries to joint ventures	-	1,330,723
- Gain (loss) on change in fair value of derivatives	(39,546)	618,030
- Share of profit of associates and joint ventures accounted for using equity method	1,019,492	510,642
<b>Profit before income tax</b>	<b><u>1,653,921</u></b>	<b><u>3,315,119</u></b>

(b) *Geographical segments*

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

<i>Geographical information</i>	<b>Consolidated financial statements</b>			
	<b>Revenues</b>		<b>Assets</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Thailand	6,149,913	6,006,951	16,806,088	15,163,110
Japan	815,085	830,914	6,661,815	7,341,324
Vietnam	640,223	666,082	3,858,480	4,283,647
Other countries	21	1,743	1,413	1,674
Investments in associates and joint ventures	-	-	5,522,540	5,541,707
<b>Total</b>	<b><u>7,605,242</u></b>	<b><u>7,505,690</u></b>	<b><u>32,850,336</u></b>	<b><u>32,331,462</u></b>

(c) *Major customer*

Revenue from three customers of the Group's manufacturing and selling of equipments for electrical systems, generating and selling electricity and domestic construction service segments represent approximately Baht 2,833.43 million of the Group's total revenues (2022: three customers, amount Baht 3,297.94 million).

The Group recognises revenue in an amount that corresponds directly with the value to the customer of the date on which the performance obligations are satisfied.

(d) *Promotional privileges*

By virtue of the provisions of the Industrial Investment Promotion Act of B.E. 2520, the subsidiaries have been granted privileges by the Board of Investment relating to generate electricity from solar energy and solar rooftop energy. The Group has been granted several privileges including exemption and/or reduction from payment of income tax on the net profit derived from promoted operations with certain terms and conditions prescribed in the promotional certificates.



**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

<i>Year ended</i> <b>31 December</b>	<b>Consolidated financial statements</b>					
	2023			2022		
	Promoted businesses	Non-promoted businesses	Total	Promoted businesses	Non-promoted businesses	Total
	<i>(in thousand Baht)</i>					
Export sales	-	1,455,329	1,455,329	-	1,498,755	1,498,755
Local sales	1,540,908	5,765,417	7,306,325	2,259,839	4,692,100	6,951,939
Eliminations	-	(1,156,412)	(1,156,412)	-	(945,004)	(945,004)
<b>Total revenue</b>	<b>1,540,908</b>	<b>6,064,334</b>	<b>7,605,242</b>	<b>2,259,839</b>	<b>5,245,851</b>	<b>7,505,690</b>

**20 Expenses by nature**

Significant expenses by nature are as follow:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Changes in inventories of finished goods and work in progress	(167,224)	(76,436)	82,800	126,851
Raw materials and consumables used	1,397,162	1,375,123	313,452	500,645
Construction costs	1,720,588	1,258,583	-	-
Depreciation and amortisation	1,011,401	1,312,593	30,043	32,675
Cost of sale of assets under finance lease	864,209	408,048	-	-
Employee benefit expenses	774,196	697,109	236,272	247,343
Operation and maintenance service fee	94,998	176,419	10,060	7,969
Bank charge and others service fee	107,917	141,819	9,241	9,500
Consulting fees	78,768	74,181	17,012	19,994
Utility expense and supplies used	91,868	88,546	11,532	15,744
Insurance premium	37,811	56,456	1,831	1,890

**21 Finance costs**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2023	2022	2023	2022
		<i>(in thousand Baht)</i>			
<b>Interest expense</b>					
Related parties	4	-	-	18,226	5,526
Loans and overdrafts		511,047	623,950	77,557	53,846
<b>Total</b>		<b>511,047</b>	<b>623,950</b>	<b>95,783</b>	<b>59,372</b>
Debenture		144,859	192,140	144,859	192,140
Amortisation of financing fees		11,148	22,685	4,934	8,725
Others		29,504	31,486	1,139	881
<b>Total</b>		<b>185,511</b>	<b>246,311</b>	<b>150,932</b>	<b>201,746</b>
<i>Less</i> amounts included in the cost of qualifying assets:					
- Property, plant and equipment under construction		(9,719)	(5,639)	-	-
<b>Net</b>		<b>686,839</b>	<b>864,622</b>	<b>246,715</b>	<b>261,118</b>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**22 Income tax**

<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	175,175	274,258	-	67,105
Over provided in prior years	(5)	-	(5)	-
	<u>175,170</u>	<u>274,258</u>	<u>(5)</u>	<u>67,105</u>
<b>Deferred tax expense</b>				
Movements in temporary differences	3,858	26,483	7,111	(356)
<b>Total income tax expense</b>	<u><b>179,028</b></u>	<u><b>300,741</b></u>	<u><b>7,106</b></u>	<u><b>66,749</b></u>

<i>Reconciliation of effective tax rate</i>	<b>Consolidated financial statements</b>			
		2023		2022
	<i>Rate (%)</i>	<i>(in thousand Baht)</i>	<i>Rate (%)</i>	<i>(in thousand Baht)</i>
Profit before income tax expense		<u>1,653,921</u>		<u>3,315,119</u>
Income tax using the Thai corporation tax rate	20.0	330,784	20.0	663,023
Income not subject to tax		(296,507)		(517,181)
Expenses not deductible for tax purposes		3,171		193,446
Addition deductible expense for tax purpose		(828)		(2,947)
Over provided in prior years		(5)		-
Recognition of previously unrecognised tax losses		(24,308)		(113,611)
Current year losses for which no deferred tax asset was recognised		146,777		35,884
Effect of different tax rates in each entity and others		19,944		42,127
<b>Total</b>	<u><b>10.8</b></u>	<u><b>179,028</b></u>	<u><b>9.07</b></u>	<u><b>300,741</b></u>

<i>Reconciliation of effective tax rate</i>	<b>Separate financial statements</b>			
		2023		2022
	<i>Rate (%)</i>	<i>(in thousand Baht)</i>	<i>Rate (%)</i>	<i>(in thousand Baht)</i>
Profit before income tax expense		<u>1,176,412</u>		<u>1,308,596</u>
Income tax using the Thai corporation tax rate	20.0	235,282	20.0	261,719
Income not subject to tax		(325,952)		(274,774)
Expenses not deductible for tax purposes		439		192,961
Addition deductible expense for tax purpose		(472)		(200)
Over provided in prior years		(5)		-
Recognition of previously unrecognised tax losses		-		(112,957)
Current year losses for which no deferred tax asset was recognised		97,814		-
<b>Total</b>	<u><b>0.60</b></u>	<u><b>7,106</b></u>	<u><b>5.10</b></u>	<u><b>66,749</b></u>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

<i>Deferred tax assets and liabilities</i>	<b>Consolidated financial statements</b>			
	<b>Assets</b>		<b>Liabilities</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Total	89,940	86,879	(174,618)	(168,123)
Set off of tax	(34,893)	(31,676)	34,893	31,677
<b>Net deferred tax assets (liabilities)</b>	<b>55,047</b>	<b>55,203</b>	<b>(139,725)</b>	<b>(136,446)</b>

<i>Deferred tax assets and liabilities</i>	<b>Separate financial statements</b>			
	<b>Assets</b>		<b>Liabilities</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Total	21,039	28,185	(1,201)	(782)
Set off of tax	(1,201)	(782)	1,201	782
<b>Net deferred tax assets</b>	<b>19,838</b>	<b>27,403</b>	<b>-</b>	<b>-</b>

	<b>Consolidated financial statements</b>				<b>At 31 December</b>
	<b>At 1 January</b>	<b>(Charged) / credited to</b>		<b>Effect of movements in exchange rates</b>	
		<b>Profit or loss</b>	<b>Other comprehensive income</b>		
			<i>(in thousand Baht)</i>		
<b>2023</b>					
<b><i>Deferred tax assets</i></b>					
Trade account receivable and other receivables	111	(17)	-	-	94
Inventories	9,351	638	-	-	9,989
Provisions	13,626	4,396	-	(407)	17,615
Provisions for employee benefit	24,148	(97)	(1,370)	-	22,681
Profit in inventories	5,085	(229)	-	-	4,856
Profit in property, plant and equipment	3,334	-	-	-	3,334
Profit in intangible assets	225	-	-	-	225
Property, plant and equipment	27,583	-	-	-	27,583
Lease liabilities	53	(1)	-	-	52
Prepaid expense	3,299	7	-	141	3,447
Loss carry forward	64	-	-	-	64
<b>Total</b>	<b>86,879</b>	<b>4,697</b>	<b>(1,370)</b>	<b>(266)</b>	<b>89,940</b>
<b><i>Deferred tax liabilities</i></b>					
Finance lease receivables	(22)	(615)	-	-	(637)
Derivatives	(23,932)	471	-	423	(23,038)
Property, plant and equipment	(32,842)	(7,887)	-	-	(40,729)
Right to power purchase agreement and right to operate <i>(See note 14)</i>	(109,482)	-	-	1,563	(107,919)
Lease liabilities	(1,782)	(582)	-	73	(2,291)
Others	(63)	59	-	-	(4)
<b>Total</b>	<b>(168,123)</b>	<b>(8,554)</b>	<b>-</b>	<b>2,059</b>	<b>(174,618)</b>
<b>Net</b>	<b>(81,244)</b>	<b>(3,857)</b>	<b>(1,370)</b>	<b>1,793</b>	<b>(84,678)</b>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**Consolidated financial statements**

	<b>At 1 January</b>	<u>(Charged) / credited to</u>		Equity	Effect of movements in exchange rates	<b>At 31 December</b>
		Profit or loss	Other comprehensive income <i>(in thousand Baht)</i>			
<b>2022</b>						
<b>Deferred tax assets</b>						
Trade account receivable and other receivables	1,136	(1,025)	-	-	-	111
Inventories	9,416	(65)	-	-	-	9,351
Provisions	15,125	4,006	-	(5,463)	(42)	13,626
Provisions for employee benefit	21,897	2,353	-	(102)	-	24,148
Profit in inventories	4,733	352	-	-	-	5,085
Profit in property, plant and equipment	22,476	-	-	(19,142)	-	3,334
Profit in intangible assets	23,334	-	-	(23,109)	-	225
Property, plant and equipment	27,479	104	-	-	-	27,583
Lease liabilities	17	36	-	-	-	53
Prepaid expense	-	3,376	-	-	(77)	3,299
Loss carry forward	64	-	-	-	-	64
<b>Total</b>	<b>125,677</b>	<b>9,137</b>	<b>-</b>	<b>(47,816)</b>	<b>(119)</b>	<b>86,879</b>
<b>Deferred tax liabilities</b>						
Finance lease receivables	(28)	6	-	-	-	(22)
Derivatives	(1,327)	(25,412)	-	2,516	291	(23,932)
Property, plant and equipment	(23,576)	(9,268)	-	-	2	(32,842)
Right to power purchase agreement and right to operate <i>(See note 14)</i>	(303,072)	-	-	193,564	26	(109,482)
Lease liabilities	(887)	(897)	-	-	2	(1,782)
Others	(14)	(49)	-	-	-	(63)
<b>Total</b>	<b>(328,904)</b>	<b>(35,620)</b>	<b>-</b>	<b>196,080</b>	<b>321</b>	<b>(168,123)</b>
<b>Net</b>	<b>(203,227)</b>	<b>(26,483)</b>	<b>-</b>	<b>148,264</b>	<b>202</b>	<b>(81,244)</b>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	At 1 January	Separate financial statements (Charged)/ credited to:		At 31 December
		Profit or loss	Other comprehensive income	
<i>(in thousand Baht)</i>				
<b>2023</b>				
<b>Deferred tax assets</b>				
Trade account receivable and other receivables	134	-	-	134
Inventories	4,250	20	-	4,270
Provisions	118	(118)	-	-
Provisions for employee benefit	12,989	(3,691)	(453)	8,845
Derivative	10,694	(2,905)	-	7,789
<b>Total</b>	<b>28,185</b>	<b>(6,694)</b>	<b>(453)</b>	<b>21,038</b>
<b>Deferred tax liabilities</b>				
Lease liabilities	(782)	(418)	-	(1,200)
<b>Total</b>	<b>(782)</b>	<b>(418)</b>	<b>-</b>	<b>(1,200)</b>
<b>Net</b>	<b>27,403</b>	<b>(7,112)</b>	<b>(453)</b>	<b>19,838</b>
<b>2022</b>				
<b>Deferred tax assets</b>				
Trade account receivable and other receivables	210	(76)	-	134
Inventories	4,250	-	-	4,250
Provisions	281	(163)	-	118
Provisions for employee benefit	12,211	778	-	12,989
Derivative	10,084	610	-	10,694
Lease liabilities	11	(11)	-	-
<b>Total</b>	<b>27,047</b>	<b>1,138</b>	<b>-</b>	<b>28,185</b>
<b>Deferred tax liabilities</b>				
Leases liabilities	-	(782)	-	(782)
<b>Total</b>	<b>-</b>	<b>(782)</b>	<b>-</b>	<b>(782)</b>
<b>Net</b>	<b>27,047</b>	<b>356</b>	<b>-</b>	<b>27,403</b>
<b>Unrecognised deferred tax assets</b>				
	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Loss carry forward	148,323	39,430	95,693	-
<b>Total</b>	<b>148,323</b>	<b>39,430</b>	<b>95,693</b>	<b>-</b>

The tax losses expire in 2028. The Group has not recognised these items as deferred tax assets because it is not probable that the Group will have sufficient future taxable profit to utilise the benefits therefrom.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**23 Earnings per share**

The Group and the Company has no potential ordinary shares, therefore diluted earnings per is equal to basic earnings per share. The calculations of earnings per share for the year ended 31 December 2023 and 2022 were based on the profit for the year attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the year after adjusting the number of treasury shares as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht/ thousand shares)</i>			
<b><i>Profit attributable to ordinary shareholders for the year ended 31 December</i></b>	<b>1,474,469</b>	<b>3,010,519</b>	<b>1,169,306</b>	<b>1,241,847</b>
Number of ordinary shares outstanding as at 1 January				
- ordinary shares of Baht 0.25 each	8,882,531	8,882,531	8,882,531	8,882,531
Effect of treasury shares	<u>(68,299)</u>	<u>-</u>	<u>(68,299)</u>	<u>-</u>
<b>Weighted average number of ordinary shares outstanding at 31 December</b>	<b><u>8,814,232</u></b>	<b><u>8,882,531</u></b>	<b><u>8,814,232</u></b>	<b><u>8,882,531</u></b>
<b>Earnings per share (basic) (in Baht)</b>	<b><u>0.17</u></b>	<b><u>0.34</u></b>	<b><u>0.13</u></b>	<b><u>0.14</u></b>

**24 Dividend**

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in thousand Baht)
<b>2023</b>				
Annual dividend 2022	21 April 2023	May 2023	0.06	532,927
Interim dividend	8 November 2023	December 2023	0.06	532,915
				<b><u>1,065,842</u></b>
<b>2022</b>				
Annual dividend 2021	27 April 2022	May 2022	0.120	1,065,901
Interim dividend	10 November 2022	December 2022	0.06	532,949
				<b><u>1,598,850</u></b>

**25 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 for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	Consolidated financial statements					Fair value			
	Fair value – applied hedge accounting	Fair value through profit or loss	Carrying amount Fair value through other comprehensive income	Amortised cost - net <i>(in thousand Baht)</i>	Total	Level 1	Level 2	Level 3	Total
<i>At 31 December 2023</i>									
<b>Financial assets</b>									
Other current financial assets	-	183,040	-	-	183,040	-	183,040	-	183,040
Interest rate swap contracts	-	299,687	-	-	299,687	-	299,687	-	299,687
<b>Total financial assets</b>	<b>-</b>	<b>482,727</b>	<b>-</b>	<b>-</b>	<b>482,727</b>				
<b>Financial liabilities</b>									
Loans from financial institutions	-	-	-	1,512,348	1,512,348	-	1,462,563	-	1,462,563
Debentures	-	-	-	3,735,386	3,735,386	-	3,727,188	-	3,727,188
Cross currency and interest rate swap contracts	-	38,946	-	-	38,946	-	38,946	-	38,946
<b>Total financial liabilities</b>	<b>-</b>	<b>38,946</b>	<b>-</b>	<b>5,247,734</b>	<b>5,286,680</b>				
<i>At 31 December 2022</i>									
<b>Financial assets</b>									
Other current financial assets	-	301,246	-	-	301,246	-	301,246	-	301,246
Forward exchange contracts	-	370,807	-	-	370,807	-	370,807	-	370,807
<b>Total financial assets</b>	<b>-</b>	<b>672,053</b>	<b>-</b>	<b>-</b>	<b>672,053</b>				
<b>Financial liabilities</b>									
Loans from financial institutions	-	-	-	1,525,517	1,525,517	-	1,508,300	-	1,508,300
Debentures	-	-	-	3,144,133	3,144,133	-	3,127,470	-	3,127,470
Interest rate swap contracts	-	7,606	-	-	7,606	-	7,606	-	7,606
Cross currency and interest rate swap contracts	-	53,473	-	-	53,473	-	53,473	-	53,473
<b>Total financial liabilities</b>	<b>-</b>	<b>61,079</b>	<b>-</b>	<b>4,669,650</b>	<b>4,730,729</b>				

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	Fair value – applied hedge accounting	Fair value through profit or loss	Carrying amount Fair value through other comprehensive income	Separate financial statements		Fair value			Total
				Amortised cost - net <i>(in thousand Baht)</i>	Total	Level 1	Level 2	Level 3	
<b>At 31 December 2023</b>									
<b>Financial assets</b>									
Other current financial assets	-	30,019	-	-	30,019	-	30,019	-	30,019
<b>Total financial assets</b>	<b>-</b>	<b>30,019</b>	<b>-</b>	<b>-</b>	<b>30,019</b>				
<b>Financial liabilities</b>									
Loans from financial institutions	-	-	-	1,400,000	1,400,000	-	1,360,409	-	1,360,409
Debentures	-	-	-	3,735,386	3,735,386	-	3,727,188	-	3,727,188
Cross currency and interest rate swap contracts	-	38,946	-	-	38,946	-	38,946	-	38,946
<b>Total financial liabilities</b>	<b>-</b>	<b>38,946</b>	<b>-</b>	<b>5,135,386</b>	<b>5,174,332</b>				
<b>At 31 December 2022</b>									
<b>Financial assets</b>									
Other current financial assets	-	200,020	-	-	200,020	-	200,020	-	200,020
<b>Total financial assets</b>	<b>-</b>	<b>200,020</b>	<b>-</b>	<b>-</b>	<b>200,020</b>				
<b>Financial liabilities</b>									
Loans from financial institutions	-	-	-	1,400,000	1,400,000	-	1,389,204	-	1,389,204
Debentures	-	-	-	3,144,133	3,144,133	-	3,127,470	-	3,127,470
Cross currency and interest rate swap contracts	-	53,473	-	-	53,473	-	53,473	-	53,473
<b>Total financial liabilities</b>	<b>-</b>	<b>53,473</b>	<b>-</b>	<b>4,544,133</b>	<b>4,597,606</b>				



**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**Financial instruments measured at fair value**

Type	Valuation technique
Investments in marketable unit trusts classified as financial assets measured at FVTPL	The net asset value as of the reporting date.
Interest rate swaps contracts	<i>Swap models:</i> The present value of estimated future cash flows, using an observable yield curve.
Forward exchange contracts	<i>Forward pricing:</i> The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.
Cross currency and interest rate swap contracts	Derived by using a valuation technique incorporating observable market data.

**Financial instruments not measured at fair value**

Type	Valuation technique
Long-term loans	Discounted cash flow
Debentures	Bid prices from the Thai Bond Market Association as of the reporting date. If not available, the Government Bond Yield Curve from the Thai Bond Market Association for the same period is used, adjusted by an appropriate risk premium.

**(b) Movement of marketable debt securities**

	Consolidated financial statements				
	At 1 January	Purchase	Disposal	Fair Value adjustment	At 31 December
<i>Marketable debt securities</i>					
<b>2023</b>					
<i>Other current financial assets</i>					
Investments in marketable unit trusts	301,246	549,000	(666,908)	(298)	183,040
<b>Total</b>	<b>301,246</b>	<b>549,000</b>	<b>(666,908)</b>	<b>(298)</b>	<b>183,040</b>
<b>2022</b>					
<i>Other current financial assets</i>					
Investments in marketable unit trusts	19,198	2,026,800	(1,745,000)	248	301,246
<b>Total</b>	<b>19,198</b>	<b>2,026,800</b>	<b>(1,745,000)</b>	<b>248</b>	<b>301,246</b>
	Separate financial statements				
	At 1 January	Purchase	Disposal	Fair Value adjustment	At 31 December
<i>Marketable debt securities</i>					
<b>2023</b>					
<i>Other current financial assets</i>					
Investments in marketable unit trusts	200,020	130,000	(299,994)	(7)	30,019
<b>Total</b>	<b>200,020</b>	<b>130,000</b>	<b>(299,994)</b>	<b>(7)</b>	<b>30,019</b>
<b>2022</b>					
<i>Other current financial assets</i>					
Investments in marketable unit trusts	-	1,850,000	(1,650,000)	20	200,020
<b>Total</b>	<b>-</b>	<b>1,850,000</b>	<b>(1,650,000)</b>	<b>20</b>	<b>200,020</b>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

(c) *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, 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 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 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.

*(c.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.

(c.1.1) Trade accounts receivables and unbilled receivables

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 19(b) and 19(c).

The risk 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's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Sale limits are established for each customer and reviewed regularly. Any sales exceeding those limits require approval from the management.

The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period. 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 or groupings of various customer segments with similar credit risks 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.

The Group has concentrations of credit risk since most of its revenues are contracted under long-term agreements with a small number of parties. However, counterparties are generally government authorities and large public or private corporations, and the risk perceived is low.

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

(c.1.2) Cash and cash equivalent and derivatives

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

(c.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.

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

<i>At 31 December 2023</i>	<b>Consolidated financial statements</b>					
	Carrying amount	At call	Contractual cash flows			Total
			Within 1 year	1 - 5 years	More than 5 years	
			<i>(in thousand Baht)</i>			
<b><i>Non-derivative financial liabilities</i></b>						
Short-term loans from financial institutions	1,078,548	750,000	328,548	-	-	1,078,548
Trade and other current payables	1,814,148	-	1,809,342	4,806	-	1,814,148
Payable for purchases of assets	22,014	-	22,014	-	-	22,014
Retention payables	109,502	-	60,096	49,176	230	109,502
Loans from financial institutions	10,431,686	-	1,322,568	6,413,066	5,487,483	13,223,117
Debentures	3,735,386	-	1,800,000	1,941,600	-	3,741,600
Lease liabilities	441,153	-	43,916	156,950	491,544	692,410
Other non-current financial liabilities	868	-	250	-	618	868
	<b>17,633,305</b>	<b>750,000</b>	<b>5,386,734</b>	<b>8,565,598</b>	<b>5,979,875</b>	<b>20,682,207</b>
<b><i>Derivative financial liabilities</i></b>						
Cross currency and interest rate swap contracts						
- Cash outflow	(38,946)	-	(129,615)	(410,130)	-	(539,745)
- Cash inflow	-	-	121,792	377,430	-	499,222
	<b>(38,946)</b>	<b>-</b>	<b>(7,823)</b>	<b>(32,700)</b>	<b>-</b>	<b>(40,523)</b>
<b><i>Derivative financial assets</i></b>						
Interest rate swap contracts						
- Cash outflow	-	-	(279,785)	(1,009,425)	(1,159,460)	(2,448,670)
- Cash inflow	299,687	-	351,781	1,157,189	1,284,302	2,793,272
	<b>299,687</b>	<b>-</b>	<b>71,996</b>	<b>147,764</b>	<b>124,842</b>	<b>344,602</b>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

<b>Consolidated financial statements</b>						
Contractual cash flows						
<i>At 31 December 2022</i>	Carrying amount	At call	Within 1 year	1 – 5 years	More than 5 years	Total
<i>(in thousand Baht)</i>						
<b><i>Non-derivative financial liabilities</i></b>						
Short-term loans from financial institutions	481,652	150,000	331,652	-	-	481,652
Trade and other current payables	1,692,725	-	1,687,391	5,334	-	1,692,725
Payable for purchases of assets	35,602	-	35,602	-	-	35,602
Payables for share subscription	80,233	-	80,233	-	-	80,233
Retention payables	106,332	-	69,717	36,351	264	106,332
Loans from financial institutions	11,053,754	-	1,281,492	6,223,714	6,203,116	13,708,322
Debentures	3,144,133	-	1,010,482	2,306,936	-	3,317,418
Lease liabilities	462,537	-	65,841	156,540	507,821	730,202
Other non-current financial liabilities	618	-	-	-	618	618
	<b><u>17,057,586</u></b>	<b><u>150,000</u></b>	<b><u>4,562,410</u></b>	<b><u>8,728,875</u></b>	<b><u>6,711,819</u></b>	<b><u>20,153,104</u></b>
<b><i>Derivative financial liabilities</i></b>						
Cross currency and interest rate swap contracts						
- Cash outflow	(53,473)	-	(127,045)	(539,745)	-	(666,790)
- Cash inflow	-	-	119,505	491,522	-	611,027
	<b><u>(53,473)</u></b>	<b><u>-</u></b>	<b><u>(7,540)</u></b>	<b><u>(48,223)</u></b>	<b><u>-</u></b>	<b><u>(55,763)</u></b>
<b><i>Derivative financial assets</i></b>						
Interest rate swap contracts						
- Cash outflow	-	-	(291,795)	(1,065,021)	(1,415,728)	(2,772,544)
- Cash inflow	370,807	-	352,153	1,257,567	1,597,438	3,207,158
	<b><u>370,807</u></b>	<b><u>-</u></b>	<b><u>60,358</u></b>	<b><u>192,546</u></b>	<b><u>181,710</u></b>	<b><u>434,614</u></b>
<b>Separate financial statements</b>						
Contractual cash flows						
<i>At 31 December 2023</i>	Carrying amount	At call	Within 1 year	1 – 5 years	More than 5 years	Total
<i>(in thousand Baht)</i>						
<b><i>Non-derivative financial liabilities</i></b>						
Short-term loan from related parties	909,900	909,900	-	-	-	909,900
Trade and other current payables	207,273	-	207,273	-	-	207,273
Payable for purchases of assets	295	-	295	-	-	295
Retention payables	2,636	-	2,636	-	-	2,636
Loans from financial institutions	1,679,473	-	41,544	1,640,976	152,437	1,834,957
Debentures	3,735,386	-	1,800,000	1,941,600	-	3,741,600
Lease liabilities	15,195	-	7,630	8,339	-	15,969
Other non-current financial liabilities	618	-	-	-	618	618
	<b><u>6,550,776</u></b>	<b><u>909,900</u></b>	<b><u>2,059,378</u></b>	<b><u>3,590,915</u></b>	<b><u>153,055</u></b>	<b><u>6,138,248</u></b>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

<i>At 31 December 2023</i>	Carrying amount	At call	Separate financial statements			Total
			Contractual cash flows			
			Within 1 year <i>(in thousand Baht)</i>	1 – 5 years	More than 5 years	
<b><i>Derivative financial liabilities</i></b>						
Cross currency and interest rate swap contracts						
- Cash outflow	(38,946)	-	(129,615)	(410,130)	-	(539,745)
- Cash inflow	-	-	121,792	377,430	-	499,222
	<b><u>(38,946)</u></b>	<b><u>-</u></b>	<b><u>(7,823)</u></b>	<b><u>(32,700)</u></b>	<b><u>-</u></b>	<b><u>(40,523)</u></b>
<b><i>At 31 December 2022</i></b>						
<b><i>Non-derivative financial liabilities</i></b>						
Short-term loan from related parties						
	1,266,700	1,266,700	-	-	-	1,266,700
Trade and other current payables	174,943	-	174,943	-	-	174,943
Payables for share subscription	175	-	175	-	-	175
Retention payables	3,491	-	3,325	166	-	3,491
Loans from financial institutions	1,708,005	-	39,024	1,546,185	182,229	1,767,438
Debentures	3,144,133	-	1,010,482	2,306,936	-	3,317,418
Lease liabilities	34,274	-	21,693	14,206	-	35,899
Other non-current financial liabilities	618	-	-	-	618	618
	<b><u>6,332,339</u></b>	<b><u>1,266,700</u></b>	<b><u>1,249,642</u></b>	<b><u>3,867,493</u></b>	<b><u>182,847</u></b>	<b><u>6,566,682</u></b>
<b><i>Derivative financial liabilities</i></b>						
Cross currency and interest rate swap contracts						
- Cash outflow	(53,473)	-	(127,045)	(539,745)	-	(666,790)
- Cash inflow	-	-	119,505	491,522	-	611,027
	<b><u>(53,473)</u></b>	<b><u>-</u></b>	<b><u>(7,540)</u></b>	<b><u>(48,223)</u></b>	<b><u>-</u></b>	<b><u>(55,763)</u></b>

The cash outflows disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

**(c.3) Market risk**

*Managing interest rate benchmark reform*

The Group main IBOR exposure at 31 December 2023 has finished the process of amending contractual terms for all of the LIBOR indexed exposures.

*(c.3.1) Foreign currency risk*

The Group is exposed to foreign currency risk relating to purchases material, purchases of asset, costs of operation and maintenance and have long-term loan which are denominated in foreign currencies. However, the Group entered into cross currency and interest rate swap contracts to mitigate the exposure of foreign exchange rate. At 31 December, the Group and the Company were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	31 December 2023					31 December 2022				
	United States Dollars	Euro	JPY	VND	Total	United States Dollars	Euro	JPY	VND	Total
<i>Exposure to foreign currency</i>										
Cash and cash equivalents	113,948	608	494,023	50,967	659,546	105,707	265	476,311	58,374	640,657
Trade and other current receivables	-	-	51,049	167,835	218,884	699	-	48,755	151,343	200,797
Deposits from financial institution pledged as collateral	-	-	227,077	814,780	1,041,857	-	-	225,282	623,132	848,414
Interest-bearing liabilities	(2,701,686)	-	(1,876,203)	(193,367)	(4,771,256)	(3,118,278)	-	(2,174,135)	(217,889)	(5,510,302)
Trade and other current payables	(78,527)	(172)	(30,570)	(21,948)	(131,217)	(58,219)	(82)	(30,599)	(19,046)	(107,946)
Payable for purchases of assets	(2,734)	-	-	-	(2,734)	(2,829)	-	-	-	(2,829)
<b>Net statement of financial position exposure</b>	<b>(2,668,999)</b>	<b>436</b>	<b>(1,134,624)</b>	<b>818,267</b>	<b>(2,984,920)</b>	<b>(3,072,920)</b>	<b>183</b>	<b>(1,454,386)</b>	<b>595,914</b>	<b>(3,931,209)</b>
Estimated trade payables	-	-	-	-	-	(206,734)	-	-	-	(206,734)
<b>Gross exposure</b>	<b>(2,668,999)</b>	<b>436</b>	<b>(1,134,624)</b>	<b>818,267</b>	<b>(2,984,920)</b>	<b>(3,279,654)</b>	<b>183</b>	<b>(1,454,386)</b>	<b>595,914</b>	<b>(4,137,943)</b>
Cross currency and interest rate swap contracts	532,123	-	-	-	532,123	655,209	-	-	-	655,209
Forward exchange contracts	-	-	-	-	-	299,495	-	-	-	299,495
<b>Net exposure</b>	<b>(2,136,876)</b>	<b>436</b>	<b>(1,134,624)</b>	<b>818,267</b>	<b>(2,452,797)</b>	<b>(2,324,950)</b>	<b>183</b>	<b>(1,454,386)</b>	<b>595,914</b>	<b>(3,183,239)</b>

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	<b>Separate financial statements</b>					
	31 December 2023			31 December 2022		
	United States Dollars	Euro	Total	United States Dollars	Euro	Total
<i>Exposure to foreign currency</i>			<i>(in thousand Baht)</i>			
Cash and cash equivalents	110,430	606	111,036	98,778	262	99,040
Trade and other current receivables	-	-	-	699	-	699
Trade accounts payable	(4,747)	-	(4,747)	(1,841)	-	(1,841)
<b>Net statement of financial position exposure</b>	<b>105,683</b>	<b>606</b>	<b>106,289</b>	<b>97,636</b>	<b>262</b>	<b>97,898</b>
Estimated trade payables	-	-	-	-	-	-
<b>Gross exposure</b>	<b>105,683</b>	<b>606</b>	<b>106,289</b>	<b>97,636</b>	<b>262</b>	<b>97,898</b>
Cross currency and interest rate swap contracts	532,123	-	532,123	655,209	-	655,209
<b>Net exposure</b>	<b>637,806</b>	<b>606</b>	<b>638,412</b>	<b>752,845</b>	<b>262</b>	<b>753,107</b>

***Cross currency and interest rate swap contracts***

The Group is exposed to foreign currency risk relating to purchases goods, purchases assets and long-term loans which are denominated in foreign currencies. However, the Group entered into cross-currency and interest rate swap contracts for migrates effect of exchange rate.

As at 31 December 2023, the Group has outstanding cross currency and interest rate swap contracts as follow:

<b>Currency and Interest Receive Rate Swap agreements</b>	<b>Currency and Interest Pay Rate Swap agreements</b>	<b>Termination date</b>
U.S. dollars 5.78 million at the rate 0.00%	Baht 202.37 million at the rate 0.65%	24 February 2027
U.S. dollars 9.42 million at the rate 0.00%	Baht 329.76 million at the rate 0.65%	15 November 2027

***Sensitivity analysis***

A reasonably possible strengthening (weakening) of Thai Baht against all other foreign currencies at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency. This analysis assumes that all other variables, in particular interest rates, remain constant.

<b>Impact to profit or loss</b>	<b>Movement (%)</b>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		<b>Strengthening</b>	<b>Weakening</b>	<b>Strengthening</b>	<b>Weakening</b>
		<i>(in thousand Baht)</i>			
<b>At 31 December 2023</b>					
United States Dollars	1.00	26,690	(26,690)	(1,057)	1,057
JPY	1.00	11,346	(11,346)	-	-
VND	1.00	(8,183)	8,183	-	-

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

<i>Impact to profit or loss</i>	Movement (%)	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		Strengthening	Weakening <i>(in thousand Baht)</i>	Strengthening	Weakening
<i>At 31 December 2022</i>					
United States Dollars	1.00	30,729	(30,729)	(976)	976
JPY	1.00	14,544	(14,544)	-	-
VND	1.00	(5,959)	5,959	-	-

*(c.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 floated. The Group is primarily exposed to interest rate risk from its borrowings (see note 15). The Group mitigates this risk by ensuring that the majority of its borrowings are at fixed interest rates and uses derivatives, principally interest rate swaps, to manage exposure to fluctuations in interest rates on specific debt securities and borrowings.

<i>Exposure to interest rate risk at 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022 <i>(in thousand Baht)</i>	2023	2022
Loans from financial institutions	10,489,864	11,131,084	1,680,800	1,709,600
Interest rate swap contracts	<u>(7,269,603)</u>	<u>(8,103,195)</u>	<u>-</u>	<u>-</u>
<b>Net</b>	<b><u>3,220,261</u></b>	<b><u>3,027,889</u></b>	<b><u>1,680,800</u></b>	<b><u>1,709,600</u></b>

***Interest Rate Swap Agreements***

As at 31 December 2023, the Group has outstanding interest rate swap agreements as follow:

<b>Loan facility and outstanding principal</b>	<b>Interest Receive Rate Swap agreements</b>	<b>Interest Pay Rate Swap agreements</b>	<b>Termination date</b>
Loan facility of Baht 4,080 million and the outstanding principal in interest rate swap agreement of Baht 2,420.26 million.	Floating rate THOR CMP BS 5BD +1.7% per annum	Fixed coupon rate 3.00% per annum	29 April 2033
Loan facility of JPY 11,699 million and the outstanding principal in interest rate swap agreement of JPY 6,308.51 million.	Floating rate TIBOR 6M +1.3% per annum	Fixed coupon rate 2.126% per annum	30 June 2036
Loan facility of U.S. Dollars 33.93 million and the outstanding principal in interest rate swap agreement of U.S. Dollars 26.86 million.	Floating rate 3M CME SOFR+CAS 0.26161% per annum	Fixed coupon rate 0.72% and 1.04% per annum	31 March 2033
Loan facility of U.S. Dollars 20.90 million and the outstanding principal in interest rate swap agreement of U.S. Dollars 18.73 million.	Floating rate SOFR 3M + 0.25161% per annum	Fixed coupon rate 1.725% per annum	31 December 2031
Loan facility of U.S. Dollars 20.40 million and the outstanding principal in interest rate swap agreement of U.S. Dollars 18.73 million.	Floating rate SOFR 3M + 0.25161% per annum	Fixed coupon rate 3.43% per annum	30 June 2036



**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

*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 financial statements</b>		<b>Separate financial statements</b>	
	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>			
<b>2023</b>				
Cash flow sensitivity (net)	(32,203)	32,203	(16,808)	16,808
<b>2022</b>				
Cash flow sensitivity (net)	(30,279)	30,279	(17,096)	17,096

**(d) 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, by evaluating result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

**26 Commitments with non-related parties**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<b>Capital commitment</b>				
Design, construction and installment for project under construction	664	6,979	-	-
<b>Total</b>	<b>664</b>	<b>6,979</b>	<b>-</b>	<b>-</b>

**Letters of Guarantee**

The Group and the Company had commitment to local banks and Thailand office of foreign financial institutions for letter of guarantee issued for sales and purchase of electricity, electricity used, purchase of machinery and rental agreements to certain government sector and private sectors. As at 31 December 2023, the Group had outstanding commitments being amount of Baht 2,994.70 million and U.S. Dollars 0.19 million (*31 December 2022: Baht 3,236.90 million and U.S. Dollars 0.19 million*).

**Significant Agreements**

**Consultant Agreement**

The Group was committed the consultant fee to prepare environmental impact reports, consultant fee of project development and engineering feasibility studies. As at 31 December 2023, the Group had outstanding commitments being amount of Baht 0.88 million and JPY 229.05 million (*31 December 2022: Baht 2.20 million and JPY 231 million*).

**Gunkul Engineering Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

*Service Agreement*

The Group had obligation commitment in operation and maintenance service of power plant contracts. As at 31 December 2023, the Group outstanding obligation remains at Baht 22.54 million, U.S. Dollars 0.78 million, JPY 3,316.64 million and VND 15,477.86 million. (31 December 2022: Baht 27.08 million, U.S. Dollars 1.84 million, JPY 3,575.89 million and VND 24,124.72 million).

*Power Purchase Agreement*

The Group has the power purchase agreements for 15 - 25 years, 5 years and renew 5 years automatically with the Electricity Generating Authority of Thailand, Provincial Electricity Authority, Metropolitan Electricity Authority, including power purchase agreements in overseas and private sectors whereby the Group will supply the electric energy at the agreed quantity and price. The Group must comply with conditions and restrictions provided for in the agreement.

**27 Events after the reporting period**

On 22 February 2024, the Company issued long-term debentures, name registered, unsubordinated and unsecured in the amount of 0.8 million units at par value of Baht 1,000 each, amounting to Baht 800 million. The debenture will mature on 22 November 2026, the interest rate was fixed at 4.25 per annum which will due every 3-month throughout the debenture period.

As at 27 February 2024, the Company has repurchased the shares under the Share Repurchase Program (Treasury stock) totalling 185.32 million units at a total cost of Baht 521.83 million.