



PATKOL

Public Company Limited

SINCE 1965

PATKOL Public Company Limited

ANNUAL REPORT **2023**



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Message from The Chairman



Dear Shareholders,

Overall, the Thai economy in 2023 will grow less than expected. Exports are still slowing down in line with major economies, especially China. Production of industrial goods continued to shrink, and production slowed to replenish inventories. In addition, income from foreign tourists was lower than expected.

However, the Company has carefully monitored the aforementioned economic situation for the company able to adjust in the business in a timely manner. This is to accommodate the rapid and violent changes that occur today. The Board of Directors has followed up management of the Management to be according to the plan. the plans and strategies that have been laid out every quarter.

On behalf of the Board of Directors, Management team and Employees, we would like to thank you to all the Shareholders for their trust and support for the Company's operations always with good. The Company aims to be an organization that presents Friendly Engineering to the world's food producers. According to the vision of the Company.



H.E. Mr. Pitipong Puengboon Na Ayutthaya
Chairman

Message from The CEO



Dear Shareholders,

The board of directors, management, and employees are committed to meeting the expectations of customers, partners, and all stakeholders. Maintain a customer base and share in a fiercely competitive market affected by a continuous decline in purchasing power. Company executives remain vigilant about challenges. And adjust the plan to effectively and flexibly respond to emergency situations in management.

In 2024, the company formulated a "return to basics" business strategy and established long-term cooperative relationships with customers. Under the philosophy of quality, service, seriousness, and sincerity.

Good product quality, reasonable price, product meets industry standards, and creates maximum customer satisfaction with high-quality products. Ensure the reliability of the design by using suitable raw materials that meet customer needs. Manage, plan, and prepare work manuals to control every step of the production process and continuously improve products.

Focusing on long-term relationships with customers, not just meeting when there is work, Customer service personnel are accurate, fast, and punctual. We are always ready to provide you with services and solve problems without repeating the same ones. We work diligently and have determination and dedication. Regularly track progress.

Quick service, helping customers, and responding quickly to all aspects. Company personnel must work sincerely and honestly. Honestly provide useful information to customers. Deliver work or products to customers according to agreed-upon details. To achieve goals through full cooperation.

The company adheres to the principles of " Quality with service with seriousness and sincerity " and provides products and services based on engineering principles. We are always ready to provide advice and conduct business with customers like partners. Satisfy customers through technology that is suitable for their environment. And society.

I would like to thank everyone for their support.



Mr. Panet Chongvatana

Chief Executive Director

Board of Director



**Mr. PETIPONG
PUNGBUN NA AYUDHYA**

- CHAIRMAN OF THE BOARD
- INDEPENDENT DIRECTOR



**Mr. SANGCHAI
CHOTCHUANGCHUTCHAVAL**

- CHIEF EXECUTIVE COMMITTEE
- VICE CHAIRMAN OF THE BOARD



**Mr. PANET
CHONGVATANA**

- CHIEF EXECUTIVE OFFICER
- DIRECTOR



**MR. PARADON
CHULAJATA**

- DIRECTOR



**Miss NONGLUCK
SAKDAKRAI**

- DIRECTOR



**Mr. RANGSAN
THAMMANEEWONG**

- DIRECTOR



**Ms. NATIYA
CHONGVATANA**

- DIRECTOR



**Mr. VIRACHAI
SRIKAJON**

- INDEPENDENT DIRECTOR
- AUDIT COMMITTEE



**Mr. PAIROJ
SANYADECHAKUL**

- INDEPENDENT DIRECTOR
- CHAIRMAN OF THE AUDIT
COMMITTEE



**Ms. BOONNADA
KUHAARN**

- INDEPENDENT DIRECTOR
- AUDIT COMMITTEE

Management Team



1 Panet Chongvatana

- Chief executive officer
- Chief executive officer of strategy department



2 Wannapond Trinwisutthikun

- Chief administrative officer
- Chief financial officer
- Company secretary



3 Chakkraphong Chaosuan

- Chief international business officer



4 Siwaporn Dumronglaohapun

- Managing director Tygienic company limited



5 Thawatchai Tootabtong

- Managing director Patkol food industry partner company limited



6 Pitak Chomcheun

- Deputy managing director S PANEL company limited



7 Thitabadh Nidhijotibhurinath

- Deputy managing director HEATAWAY company limited



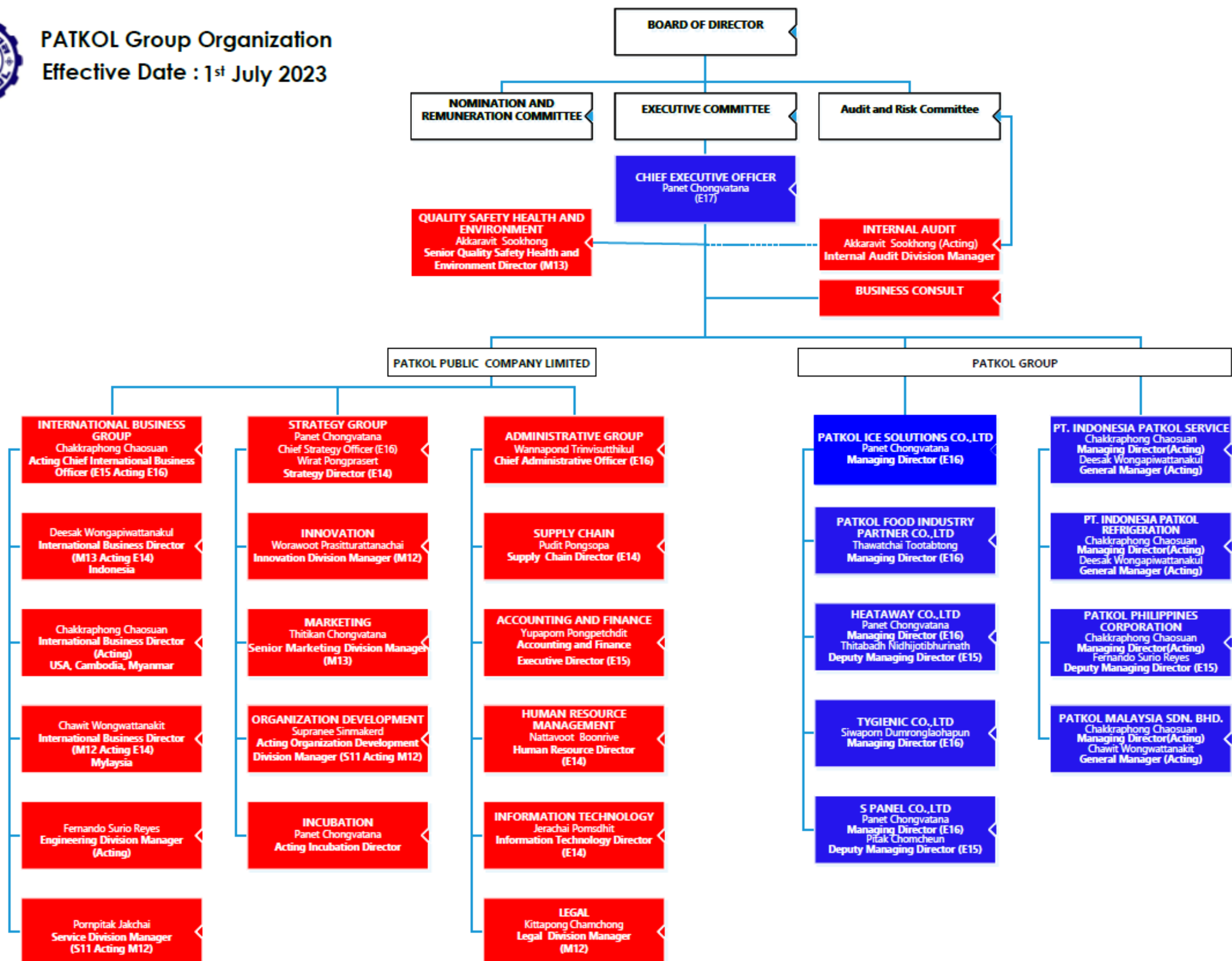
8 Yupaporn Pongpetchdit

- Accounting and finance executive director (may 2021-present)



PATKOL Group Organization

Effective Date : 1st July 2023



Part 1

Business operations and results

1. Management Structure and Business Operation

1.1 Policies and Overview of Business Operations

1.1.1 Vision, Mission, Objectives, Goals, or Strategies in the Company's or Group of Companies' Operations.

The company envisions to be a leader in the industrial machinery business for food and beverage, refrigeration, and ice-making with friendly engineering.

- 1) The company is committed to developing products and creating refrigeration and food processing machinery to meet the needs of various customer groups as promised to customers. By providing sincere services and creating customer satisfaction, the company can increase profitability from sales, leading to maximum returns for the company's shareholders.
- 2) The company is dedicated to meeting customer needs by providing comprehensive services, including consultation, design, engineering, construction, and installation, to facilitate convenience for customers and ensure they receive maximum benefits.
- 3) The company has a policy of investing in subsidiaries and joint ventures, focusing on businesses that the company excels in and are closely related to its core business. Investments are made directly as a majority shareholder or through subsidiaries where the company holds more than 80% of shares and/or has controlling power, unless conditions such as business competition, lack of support, or cooperation from other business partners prevent such investments. In such cases, the company will invest in joint ventures.
- 4) The company has a policy of continuous staff development in both professional and service aspects to ensure that its personnel are knowledgeable and competent in the refrigeration and food processing machinery industry.
- 5) The company prioritizes innovation and technology development to maintain its leadership in the industry. It also emphasizes the importance of information by developing efficient systems and preparing data for quick and accurate decision-making.
- 6) The company has a policy to continuously develop work systems to meet international standards. Both the company and its subsidiaries are certified with ISO 9001, ISO 14001, and ISO 45001 standards by Tuv Nord.
- 7) The company operates under good corporate governance principles, considering the benefits of society and the environment alongside profitability, for sustainable growth and development.
- 8) The company places importance on environmental conservation and social responsibility, including improving the quality of life for people.
- 9) The company has a policy to enhance value for stakeholders and has established measures to take care of stakeholders, including compensation policies for seven groups: employees, customers, shareholders, business partners (including consultants and contractors), creditors, government agencies, and surrounding communities.

1.1.2 Significant Changes and Developments

The significant changes and developments in the past 3 years of the company are as follows:

2021	2022	2023
<p>- Although the situation of the COVID-19 epidemic in 2021 will be eased, the company still has to operate its business under the Business Continuity Plan or BCP to cope with the COVID-19 epidemic situation at any time and promptly by comprehensive planning to support the impact that will occur to the stakeholders of the company both in terms of customers, shareholders, employees and surrounding communities.</p> <p>2. Employees are divided into 3 groups to reduce the spread of COVID-19 as follows:</p> <p>Group 1: Employees who still need to go to the office every day.</p> <p>Group 2: Employees who work from home.</p> <p>Group 3: Employees who have to work at the customers' site.</p> <p>- Established Patkol Ice Solutions Co., Ltd. to support the continual expansion of the ice machine business. including developing the customer care process to be faster and have more flexibility</p>	<p>- Business operations in 2022, the company has changed the management both internally and externally after the COVID-19 situation has been resolved to best respond to Patkol's customers.</p> <p>- Making adjustments to the way of working to be a hybrid. Restructure and support work tools for each job position. Work from any location Optimum Performance</p> <p>- Drive the American market By developing the product together with Patkol Ice Solutions Company, launching a new model of tube ice machine, model PK-80A U.S. Tube Ice Machine Perfect Fit For Limited Space, specifically designed to meet the American market.</p> <p>- Drive the domestic market By jointly developing the product with Patkol Ice Solutions Company, launching the "Intelligent Tube Ice Machine" under the concept of "easy to use for stable business" to meet</p>	<p>-Cancellation of the import and distribution business of pipes, fittings, valves, and pumps under the name of "PatKol Trading Company Limited." The cancellation of this trading business is to allow the company to focus on operations in businesses that the company can develop and produce products under the brand of the PatKol group, which will lead to sustainable growth in the future. The company has changed its legal entity name to "PatKol Food Industry Partners Limited" to consolidate its two main businesses, namely the refrigeration system business and the food processing and beverage machinery business, under the new company name "PatKol Food Industry Partners Limited."</p> <p>The company was renamed "Patkol Food Industry Partners Limited" with the aim of conducting business with customers in the food industry. For example. Food, beverage, sauce processing, and cooling systems</p>

<p>which affects the growth of sales in the future.</p> <p>- Prepare projects to enhance safety and energy saving of the refrigeration industry in cooperation with government and universities as follows:</p> <p>1) Cooperate with Thai Refrigeration Association (TRA) and Department of Industrial Works to join academic working groups "Draft announcement of the Department of Industrial Works regarding the determination of safety measures for refrigeration systems that use ammonia as a refrigerant" and jointly prepared a manual for the controller and inspection engineer Department of Industrial Works.</p> <p>(2) Collaborate with Kasetsart University to undertake a prototype project of Smart Refrigeration under the concept of IOT or Internet of Things for ice plants and cold storage.</p> <p>- Participated in the development of a food innovation model factory for frozen food processing and drink for small and medium enterprises (SMEs) Total Solution for SME business under the</p>	<p>customers from higher competition. More government regulations and quality labor recruitment problems</p> <p>- Developed water coolers and ice machines that directly touch food. elevate food standards to comply with international standards To expand the market in the food industry and food exports to be competitive under the new brand that will be officially launched in 2023</p> <p>-Drive international markets with product development Introduced a new generation of coolers. with the same size or Footprint as the original device that needs to be replaced To save installation costs, penetrate the market to replace the old machine.</p> <p>- Organize continuous activities in the development of prototype factories, food innovation, frozen food processing. and drink For entrepreneurs, small and medium enterprises (SMEs) Total Solution for SME business under the concept of BCG Model (Bio Circular Green Economy Model) to achieve sustainable economic development. in line with</p>	<p>will improve management efficiency and benefit from shared resources in operations, development, and marketing, resulting in faster and targeted responses to customer needs, with attentive and close care.</p> <p>Operations are managed under "PatKol Limited (Public Company)" with 100% ownership by PatKol Limited (Public Company), starting from July 1, 2023.</p> <p>-Heataway Limited, a company within the PatKol group, has launched new products for expanding its market internationally, focusing on penetrating the Indonesian market, under the name "EVAPORATIVE CONDENSOR EC9 SERIES."</p> <p>-Developing refrigeration and ice-making machines directly in contact with food, raising food standards to international levels to expand the market in the food and export industries, by introducing the new brand "RHYCOOL" operated under Heataway Limited.</p>
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concept of BCG Model (Bio Circular Green Economy Model) for sustainable economic development. In line with the government policy with the Faculty of Engineering King Mongkut's Institute of Technology Ladkrabang continuously under the MOU signed in 2020	government policy by working with the Faculty of Engineering King Mongkut's Institute of Technology Ladkrabang under the MOU signed in 2020	
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1.2 Patkol's Business

1.2.1 Revenue structure

- Revenue information by Group's operation segment

Patkol Public Company Limited and subsidiaries

Business Group	Company	% shareholding	Revenue 2023		Revenue 2022		Revenue 2021	
			MB	%	MB	%	MB	%
1. Ice machine and system								
- Ice Making Machine	Patkol PCL.	100.00%	-	0%	163	5%	962	30%
	Patkol Ice Solutions Co.,Ltd.	99.99%	531	31%	546	18%	-	0%
			531	31%	709	24%	962	30%
2. Machine and system for Food Industry								
	Patkol PCL.	100.00%	296	17%	1,217	41%	1,218	38%
	Patkol Food Industry Partner Co., Ltd. (Formerly known as Patkol Trading Co., Ltd.)	99.99%	40	2%	-	-	-	-
			336	19%	1,217	41%	1,218	38%
3. Non-Patkol brand								
- Panel Cold room	S Panel Co., Ltd.	80.00%	335	19%	385	13%	476	15%
- Industrial tanks	Tygienic Co., Ltd.	99.99%	259	15%	350	12%	314	10%
- Eva	Heataway Co., Ltd.	99.99%	157	9%	112	4%	85	3%
			751	43%	847	28%	875	27%
4. Services and others								
	Patkol PCL.	100.00%	16	1%	73	2%	75	2%

Patkol Public Company Limited

Business Group	Company	% shareholding	Revenue 2023		Revenue 2022		Revenue 2021	
			MB	%	MB	%	MB	%
	Patkol Food Industry Partner Co., Ltd. (Formerly known as Patkol Trading Co., Ltd.)	99.99%	21	1%	61	2%	63	2%
	Indonesia Patkol Service Corporation	99.99%	37	2%	6	0%	-	0%
	Patkol Philippines Corporation Co., Ltd.	60.00%	20	1%	54	2%	8	0%
	Patkol Malaysia Sendirian Berhad Co., Ltd.	60.00%	20	1%	54	2%	8	0%
	PT. Indonesia Patkol Refrigeration	100.00%	9	1%	4	0%	6	0%
	Patkol Myanmar Company Limited	86.80%	7	0%	6	0%	1	0%
	Patkol Philippines Corporation Co., Ltd.	100.00%	4	0%	2	0%	-	0%
			114	7%	206	7%	153	5%
Total			1,732	100%	2,979	100%	3,208	100%

- Revenue Structure of the Company provincial part (Thailand and other countries)

Patkol Public Company Limited and subsidiaries

Business segment	2023		2022		2021	
	MB	%	MB	%	MB	%
Segment 1: Ice machine and system	531	31%	768	44%	970	32%
Thailand	304	18%	398	23%	806	26%
Other Country	227	13%	370	21%	164	5%
Segment 2: Machine and system for Food Industry	336	19%	939	54%	-	0%
Thailand	324	19%	858	50%	-	0%
Other Country	12	1%	81	5%	-	0%
Segment 3 : Non-Patkol brand	751	43%	1,138	66%	-	0%
Thailand	736	42%	1093	63%	-	0%
Other Country	15	1%	45	3%	-	0%
Segment 4 : Services and others	114	7%	134	8%	-	0%
Thailand	37	2%	129	7%	-	0%
Other Country	77	4%	5	0%	-	0%

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Business segment	2023		2022		2021	
	MB	%	MB	%	MB	%
Total Revenue	1,732	100%	2,979	172%	970	100%
Thailand	1,401	81%	2,478	143%	806	26%
Other Country	331	19%	501	29%	164	5%

1.2.2 Product Information

(1) Product Characteristics or Services, Marketing, and Competition

Since July 1, 2023, PatKol has merged two core businesses, namely the refrigeration system business and the food processing and beverage machinery business, into a new company named “PatKol Food Industry Partners Limited” by combining the two businesses into “PatKol Food Industry Partners Limited,” which will enhance management efficiency and benefit from shared resources in operations, development, and marketing. This will result in quick and targeted responses to customer needs, with attentive and close care. Operations are managed under PatKol Limited (Public Company), with 100% ownership by PatKol Limited (Public Company).

Furthermore, PatKol Food Industry Partners Limited aims to develop its business to support the expanding beverage, food, and export industries, which are continuously growing. These include:

- Refrigeration System Business

The company is a major Thai operator in the ASEAN region, specializing in engineering in manufacturing, designing, installing, and selling parts, equipment, and refrigeration systems used in processing facilities for meat, poultry, fish, shrimp, vegetables, and fruits. The company’s refrigeration systems are designed to reduce temperature and maintain freshness throughout processing, from chilling and storage to export and distribution, using modern and energy-efficient machinery. The company has a significant market share in Thailand and exports its products internationally.

The company has divided its products and services in the refrigeration system business into two groups:

2.1) Industrial Refrigeration System for Industrial Clients

The company designs, manufactures, and installs refrigeration systems for large and medium-sized industries using ammonia refrigerants. These systems are used in the food industry, including customers involved in food processing, ready-to-eat meals, seafood, meat, vegetables, fruits, fisheries, and those providing cold storage services for freezing foods like chicken, seafood, vegetables, fruits, and other products.

2.2) Commercial Refrigeration System

The company designs, manufactures, and installs refrigeration systems for large, medium, and small-sized industries using freon refrigerants. These systems are used in the food industry, including customers involved in food processing,

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ready-to-eat meals, seafood, meat, vegetables, fruits, fisheries, and those providing cold storage services for freezing foods like chicken, seafood, vegetables, fruits, and other products.

The refrigeration system business offers products related to prominent industries, including:

1. Cold Rooms for storing products in small, medium, and large sizes.
2. Processing Rooms used during product processing and trimming.
3. Spare parts and equipment related to refrigeration systems, such as compressors and insulation for cold rooms.

Nature of Competition and Distribution Channels

The company has distribution channels through sales representatives, the internet, trade shows, and an existing customer base that continues to purchase and expand, both domestically and internationally.

Competitive Landscape

For large and main customer groups, the company can maintain market share due to modern machinery designed to support high-quality product control, energy-efficient equipment, and comprehensive services. However, economic conditions locally and globally have caused investment delays among customers, hindering market expansion.

Nevertheless, the company has advantages in transitioning manual factories to automation, with automated factories integrating online monitoring systems, reducing reliance on labor due to rising personnel costs. This presents an opportunity for the company to consult, design, and install automated control systems, competing with international firms and having a team of programmers knowledgeable in production processes, customizing systems for various production lines and expanding services for existing customers in this sector.

Furthermore, there's an expansion of small customer groups, particularly in the poultry export industry, expecting market growth in 2023. These factories have strict quality control standards, requiring modern and adaptable machinery, quality product control, and comprehensive services, where the company can expand its market presence in this group.

Customer Groups

- Businesses in frozen food processing for export and domestic sales, including ready-to-eat meals, seafood, meat such as pork, chicken, duck, vegetables, fruits, and fisheries.
- Cold storage service providers for chilling and freezing food items like chicken, seafood, vegetables, and fruits.
- Dairy businesses producing milk products, soft drinks, ice cream, green tea, and other beverages.
- Fresh food distribution centers for chilled and frozen foods.
- Large and medium-sized wholesale and retail businesses (hypermarkets and supermarkets).

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- Medium-sized cold rooms and small commercial refrigeration units.
- Non-food businesses requiring refrigeration systems for manufacturing and storage of products.

Industry Status

The chilled and frozen ready-to-eat food market in the country is growing due to urban community expansion, emphasizing convenience and fast-paced lifestyles, creating opportunities for food producers to invest in cold rooms or machinery. The market expansion rate in this industry group is notable.

In international markets, the chilled and frozen ready-to-eat food segment had slow growth in 2023 but is expected to improve in 2024 due to Thailand's food products' continued acceptance for cleanliness, taste, and health aspects, aligning with global health food trends. However, increased production costs due to oil prices and raw materials impacted by the Russia-Ukraine conflict have reduced profitability for operators in 2023, affecting new machinery investments and factory expansions.

Business in Food Processing Systems, Beverages, and Sauces

The company creates machinery and factories for various liquid products, including mixing, sterilizing, and stabilizing processes, as well as packaging. This includes products like pasteurized milk, UHT milk, energy drinks, and various beverages. It also involves machinery for food processing, cosmetics, pharmaceuticals, chemicals, and petrochemicals.

The company divides its products and services for the liquid product processing business into two categories:

Type 1: Systems and Machinery for the Dairy & Beverage Industry

The company designs, manufactures, installs, and operates machinery for dairy and beverage industries, including those with and without alcohol. This includes mixing, sterilizing, stabilizing, and packaging processes. Automated control systems and measurement systems are used to control machinery and equipment efficiently to maximize production efficiency, energy savings, time savings, and solve various challenges within the food production process. Products include pasteurized milk, UHT milk, fruit juices, bottled water, energy drinks, beer, and various beverages. The company also sources parts and equipment for machinery in the system, designing products and selecting equipment to comply with international standards and the Ministry of Public Health's regulations on manufacturing methods, tools, and storage (Good Manufacturing Practice: GMP) for cleanliness in food production processes.

Type 2: Systems and Machinery for Other Liquid Food Processing Industries

2.1) Seasoning Production Industry

The company designs, manufactures, installs, and operates systems for seasoning production factories, including seasoning sauces, soy sauces, vinegar, fish sauce, soybean paste, and various dipping sauces. The systems can be

Patkol Public Company Limited

customized for each production step according to customer requirements and production capacity. This includes cleaning and changing raw material conditions, ingredient preparation, fermentation, filtration, sterilization, and packaging. Stainless steel tanks used in this industry must be hygienically designed, with smooth surfaces that differ from those used in other activities. Products, equipment, and systems are designed to comply with international standards, hygienic design, easy cleaning, no dead spots, and are washable with the CIP system (Cleaning In Place: cleaning without dismantling equipment parts).

2.2) Systems and Machinery for Cosmetics and Pharmaceutical Industries

The company has the capability to design, manufacture, and install systems and machinery for the cosmetics and pharmaceutical industries. This includes products like skin creams, shampoos, and pharmaceuticals. Equipment and machinery used in these industries must meet specific standards, especially those used in pharmaceutical factories. The company creates control systems for accurate mixing and measurement, as well as continuous automatic control systems. These automated systems help solve various challenges within the production process and ensure high-quality, standardized, and safe products. The core of designing automated work systems is the production process, product quality, and maximum safety in production. The company emphasizes control systems, monitoring, reporting, and analysis significantly.

2.3) Systems and Machinery for the Paint and Chemical Industry

The company also designs, manufactures, and installs pressure vessels, storage tanks, heat exchangers (shell and tube), stacks, pipe works, and installations for the chemical, paint, and petrochemical industries. These designs adhere to ASME standards (American Society of Mechanical Engineers), ensuring strength and safety in equipment design and production according to mechanical engineering principles set by the American Society of Mechanical Engineers.

Sales Characteristics and Distribution Channels

In the Country:

- Sales of core products are managed by sales engineers who focus on specific product lines, with clear sales targets for each product and sector.
- Increasing sales channels through service-oriented tasks, which are continuously growing due to past sales efforts by the company.

Abroad:

- Emphasis on sales in countries with expanding production trends and availability of local raw materials. Utilizing sales channels from previous client relationships established by the company.
- Establishing strategic partnerships with partners capable of expanding business and aligning with the company's operations.

Competitive Position

The company is able to meet customer needs in all aspects of the industry with a One-stop Service, including consultation, planning, design, installation layout, production line setup, machinery in the production process, and operations. It can design customized systems to meet customer demands. Additionally, the company has its own branded machinery such as CIP Units, Pasteurization Units, and UHT Machines, which instills confidence in leading customers in terms of machinery quality and service.

Furthermore, the trend of beverage factories moving toward more automated online monitoring systems is increasing, driven by the continuous upward trend in labor costs. This presents an opportunity for the company, being the first and only Thai company to consult, design, and install automated monitoring systems equivalent to international companies. It has a team of programmers with a deep understanding of production processes, designing systems suitable for various production lines and expanding operations for existing customers.

Moreover, factories utilizing automated control systems can reduce errors from human work, making it a good option for problem-solving and easy adjustments to increase future production capacity.

The company also benefits competitively from having a subsidiary, Thai Genic Co., Ltd., with extensive experience in tank manufacturing for food processing plants according to international standards. They have production standards and quality control systems certified to produce pressure vessels certified by U-STAMP according to ASME standards, giving customers confidence in the quality of the pressure vessels. However, due to the higher cost of operations adhering to these standards, there is a price competitiveness challenge in the market.

Customer Groups

The company's customer base consists of dairy factories, yogurt manufacturers, ice cream factories, beverage factories producing both alcoholic and non-alcoholic beverages such as beer, wine, bottled water, green tea, soft drinks, fruit juices, energy drinks, health drinks, soup extracts, and sugar factories (producing syrup products), as well as industrial operators in the seasoning production industry, cosmetics industry, pharmaceutical industry, paint and chemical industry, and petrochemical industry.

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Industry Landscape

The beverage industry in Thailand is significant, comprising bottled water, carbonated beverages, energy drinks, and alcoholic beverages. There is a notable expansion in the non-alcoholic beverage segment, driven by urbanization and changes in consumer lifestyles, including increased dining out preferences. Overall, this market scenario allows the company to continuously expand.

New trends in the beverage market, with a greater variety of drinks catering to changing consumer preferences across genders and ages, including health-conscious beverages, lead to increased machinery investments by customers in this segment.

The ready-to-drink milk market includes both large-scale and medium-sized players expanding production capacity and automating production processes. Additionally, there are stricter regulations on factory standards, providing an opportunity for knowledgeable companies to assist customers in developing and upgrading their factories, maintaining customer sales in this segment.

The growing market for seasoning products every year allows the company to leverage its expertise in creating and designing comprehensive sauce production processes for leading customers, enabling market expansion.

The increased production and consumption of milk in the ASEAN region, coupled with the company's ability to create machinery and factories compliant with FDA requirements based on customer investment capabilities and efficient after-sales service, enable the company to expand internationally.

The company, PatKol Public Company Limited, also holds 100% shares in the following companies, all of which are managed under PatKol Public Company Limited:

TaiGenic Co., Ltd.

Operates primarily in the design, manufacturing, installation, maintenance, and distribution of non-pressure vessels, pressure vessels, heat exchangers, condensers, cooling towers, filter tanks, agitators, machinery, and other tank-related equipment. TaiGenic Co., Ltd. operates with an experienced team and standardized production facilities, producing tanks for food processing, beverages, cosmetics, pharmaceuticals, chemicals, and petrochemicals, meeting standards such as ASME, GMP, ISO 9001, ISO 14001, OHSAS 18001. The company's designs and manufacturing processes are on par with international standards.

Sales Characteristics and Distribution Channels

Sales of main products are handled by sales engineers who specialize in specific product lines.

Competitive Situation

TaiGenic Co., Ltd. can meet customer needs across all aspects of the industry with a One-stop Service, including consulting, planning, design, and installation. The company has extensive experience in tank production in food processing according to industry standards and has quality control systems certified under ASME U-STAMP standards, ensuring customer confidence in tank quality. However, due to the higher operational costs associated with these standards, there is a slight competitive disadvantage in terms of pricing.

This presents an opportunity for PatKol, as the first and only Thai company to provide consulting, design, and installation of automated control system machinery (Online monitoring) comparable to foreign companies. Additionally, with a team of programmers familiar with production processes and system design tailored to different production lines, PatKol can expand its services to existing customers.

Customer Groups

The company's customer base includes dairy factories, yogurt and milk producers, ice cream factories, beverage manufacturers (alcoholic and non-alcoholic), such as beer, wine, bottled water, green tea, soft drinks, fruit juices, energy drinks, health beverages, soup extracts, sugar factories (molasses products), as well as manufacturers in the seasoning, condiment, coconut milk, cosmetics, pharmaceuticals, paint and chemical, and petrochemical industries.

Industrial Situation

The beverage industry in Thailand, especially in bottled water, soft drinks, energy drinks, and alcoholic beverages, is experiencing significant growth. This growth is driven by urbanization and changing consumer lifestyles, including increased preference for dining out. Overall market trends allow PatKol to continuously expand.

New formats and varieties of beverages are constantly emerging to meet the changing demands of consumers of all ages and genders, including health-conscious beverages. This leads to increased investment in machinery in this market segment.

Es Panel Co., Ltd.

Manufacturer and distributor of heat insulation sheets and complete cold room installations, Es Panel responds to diverse customer needs in various industries. The company produces high-quality insulation sheets from reputable sources and meets global standards, making it a leading provider of comprehensive insulation solutions in Thailand.

Sales Characteristics and Distribution Channels

- Sales of core products are managed by sales engineers who focus on specific product lines.
- Expanding sales channels through advertising and various online media, which have been fairly effective.

Competitive Situation

The insulation sheet market is highly competitive in terms of pricing, requiring the company to emphasize both offline and online marketing to increase market share. Currently, the company's large and main customer groups can maintain market share due to the high-quality insulation sheets sourced from reputable and globally standardized manufacturers.

Customer Groups

Customers of Es Panel Co., Ltd. include contracting parties that purchase insulation sheets for installation and industrial factories that require design and installation services. The products cater to various industries, such as:

- Food and beverage industry, including bakery production lines, breweries, meat processing rooms, beverage packaging lines, noodle production lines, seasoning production, fish sauce factories, and wine tasting rooms.
 - Pharmaceutical industry, including vaccine storage rooms and dietary supplement production lines.
 - Agriculture industry, including seed storage rooms and rice temperature control rooms.
 - Electrical and electronics industry, including electronic component production lines.
 - Automotive industry, including paint baking rooms and sports car storage.
- Medical and health equipment manufacturing, including glove production, medical mask manufacturing, and hand sanitizer gel.

Industrial Situation

The ready-to-eat and frozen food market in Thailand is growing due to urban community expansion, changing consumer behaviors toward convenience, and government stimulus measures that boost spending and community expansion. This has led to increased investments in refrigeration rooms and rapid establishment of convenience stores, resulting in a relatively good market expansion in this segment.

Heatwave Co., Ltd.

Heatwave Co., Ltd. is a manufacturer of evaporative condenser units with expertise in technology and engineering quality management. The company's quality management aligns with international standards from design, development, production to quality assurance, aiming to achieve maximum customer satisfaction.

In 2022, Heatwave developed refrigeration and ice-making machines for direct food contact, elevating food standards to international levels to compete in the food and export industries. They introduced a new brand called "RHYCOOL" to expand their market presence.

Customer Groups

The customers of Heatwave Co., Ltd. include contractors who design, manufacture, and install factories in the following businesses:

- Processed frozen food business for export and domestic sales, including ready-to-eat meals, seafood, meat such as pork, chicken, duck, vegetables, fruits, and fisheries.
- Cold storage rooms for chilling and freezing food items like chicken, seafood, vegetables, and fruits.
- Businesses operating fresh food distribution centers and frozen food distribution.
- Wholesale and retail businesses of large and medium sizes (HYPERMARKET & SUPERMARKET).
- Dairy products, soft drinks, ice cream, green tea, and other beverage manufacturing businesses.

Competitive Situation

For large customer groups and major customers of the company, they can maintain market share due to the strength of high-quality machinery that is durable and comes with a warranty of up to 10 years. The machines are designed to withstand heavy use, are energy-efficient, and easy to maintain. However, economic conditions both domestically and internationally have led to customers delaying investments this year, affecting the expansion into new customers.

Industry Situation

The frozen food manufacturing industry is expected to see good revenue growth due to the continuous growth in the domestic market driven by urban community expansion and modern retail stores. Export markets have also improved in 2022 and are expected to continue growing in 2023, as Thai-produced foods are recognized internationally for their quality and taste. This trend encourages manufacturers to build and expand factories further.

PatKol Ice Solution Co., Ltd.

PatKol is a pioneer in the production of tube ice in Thailand, providing clean ice to the Thai people. It is the first manufacturer of tube ice machines that meet international standards and is ranked number one globally. Additionally, PatKol manufactures machinery, designs, installs, and sells parts and equipment for tube ice and block ice production, with over 50 years of experience in the industry. Their products include:

1. **Tube Ice Machine:** The company produces tube ice machines with production capacities ranging from 10 to 120 tons per day, suitable for ice production businesses and food processing industries that require tube ice for food preservation and processing.
2. **Block Ice Plant:** PatKol designs and builds block ice plants according to customer requirements, primarily serving industries like fisheries that use block ice for food or raw material preservation before processing and consumption.

3. Ice Handling and Cold Room Systems: The company offers semi-automatic and automatic ice packaging systems that do not require manual handling, with bag sizes ranging from 1.5 to 25 kilograms as per customer needs. They also provide Form-Fill-Seal Packing Machines and cold rooms tailored to customer specifications.

Competitive Landscape and Distribution Channels

As the first Thai company to manufacture tube ice machines and ranked number one globally, PatKol exports its products to various countries in Asia, the Middle East, Africa, America, and Australia. They distribute their products through sales representatives, online platforms, exhibitions, and expanding customer bases, both domestically and internationally.

Competitive Environment

Despite intense competition in the high-demand ice machine market with numerous manufacturers, PatKol has continuously expanded its customer base, particularly in the ice plant industry. The company's competitive advantage lies in the high-quality and standard-compliant machinery it offers. PatKol's ice machines adhere to ASME standards, a feature that resonates with customers seeking quality products.

In collaboration with the company, we have a team of engineers and technicians who are experts in controlling, designing, and installing both domestically and internationally. They handle everything from manufacturing ice machines, machinery, and refrigeration system equipment to ice packaging machines, conveyance systems, and ice storage rooms. Additionally, they manage water treatment systems by designing them to produce clean ice suitable for consumption, in accordance with the Ministry of Public Health's announcement on Good Manufacturing Practice (GMP) criteria for clean and safe food production. We have comprehensive service centers in every region, including the North, Northeast, Central, and South regions, as well as service centers in several countries in ASEAN. Our company can deliver machinery and provide complete after-sales service to customers both domestically and internationally. We offer a one-year product quality guarantee and have post-sales service units responsible for machine repairs, maintenance, and preventive maintenance programs. These programs allow us to maintain and service machinery before breakdowns or problems occur, ensuring continuous machine operation for our customers.

The company also continuously develops products and improves machinery to increase efficiency by enhancing production capacity, saving energy, and designing products with good quality, durability, and ease of use. This allows the company to maintain its current customer base and expand into new markets continuously.

Customer Base

The company has a group of customers both domestically and internationally, including:

- Ice manufacturers for consumption, both small-scale and large-scale.
- Ice manufacturers for fishing purposes, both small-scale and large-scale.

Industry Outlook

The restaurant and wholesale industries remain resilient in the face of economic fluctuations, although reduced international tourism has impacted ice consumption.

In the ASEAN region, Thailand's economic indicators are lower compared to other countries, leading to a shift in ice consumption preferences toward tube ice over block ice. This trend presents opportunities for existing businesses to expand production and enter new markets.

(3) Assets used for business operations

The Company had fixed assets and intangible assets totalling of Baht 1,430 million use in the business operation. It consisted of property, plant, and equipment of Baht 1,370 million, right of use assets Baht 25 million and intangible assets Baht 35 million.

Property, plant, and equipment

Asset category	Million Baht
Land	807.0
Building and improvement	484.0
Machinery and equipment	71.0
Machinery for lease	0.3
Office equipment	0.7
Vehicles	0.5
Assets in progress	7.0
Total	1,370.0

Land with buildings and machinery totalling of Baht 1,586 million was used as collateral for overdrafts and short-term loans from financial institutions totalling of Baht 2,436 million.

Credit facilities	Million Baht
Overdrafts	93
Short-term loans	501
Long-term loans	864
Trust Receipt	115
Letter of guarantee	459
forward contract	404
Total	2,436

Right of use assets

Description	Million Baht
Vehicles	23.0
Machinery and equipment	1.0
Office building and factory	0.5
Office equipment	0.3
Total	24.8

Intangible assets

Type	Million Baht
<u>Cost</u>	
Computer program	166
Patent	4
Total	170
<u>Less</u> Accumulated amortization & Allowance for asset impairment	(135)
Net	35

(4) Back log

The Group had back log of approximately Baht 1,218 million from many projects, which had no project with revenues of 10 percent or more of the Group's revenue

1.3 Shareholding Structure of the Company Group

The Company has invested in a subsidiary. With the Company's shareholding proportion in subsidiaries and the types of businesses invested as of December 31, 2023 as follows.

Subsidiary	Percentage Of Shares	Type of business
Patkol Ice Solutions Company Limited	99.99	Manufacture and sale of food related processing equipment and cooling equipment.
Patkol Food Industry Partner Company Limited	99.99	To engage in the business of designing, manufacturing, installing, modifying, developing, selling and maintaining industrial machinery, refrigeration and all types of food industries, including equipment and spare parts thereof.
S Panel Company Limited	80.00	Manufacture and import foam plate and equipment for cold room business
Heataway Company Limited	99.99	Sale of evaporative condenser, spare parts and Equipment for evaporative condenser
Tygienic Company Limited	99.99	Designed and Produced hygienic standard tank and other tank components in food and beverage field, cosmetic, pharmaceutical and petrochemical industries
Patkol Philippines Coporation Company Limited	60	Machinery and project sales representative, including providing machinery in spallation and maintenance services in Philippines
PT. Indonesia Patkol Service Corporation	99.99	Machinery installation and maintenance services in Indonesia
PT. Indonesia Patkol Refrigeration	86.80	Machine and project distributor including service and installation machine in refrigeration business in Indonesia.
PATKOL Malaysia Sdn Bhd	100	Machinery and project sales representative, including providing machinery in spallation and maintenance services
Patkol Myanmar Company Limited	100	Machinery and project sales representative, including providing machinery in spallation and maintenance services

Patkol Public Company Limited

Relationship with the business group of major shareholders

Operation of the Company's main business do not have significant relationship or involvement in other business operations of the major shareholders or relationship with each other only sometime.

Major of Shareholders

The Company's 10 major shareholders as at 14 March 2024 (latest book-closing date)

No.	Shareholder Name	Amount of Shares	Percentage of paid-up capital
1.	Bangkok Bank Public Company Limited	119,951,500	23.03
2.	Mr. Sangchai Chotchuangchutchaval ²	45,841,303	8.80
3.	Ms. Ratchanee Chongvatana	35,970,942	6.91
4.	Mr. Panet Chongvatana ¹	35,618,586	6.84
5.	Mrs. Noppavan Chongvatana	34,638,842	6.65
6.	Ms. Nongluck Sakdakrai ⁴	34,088,480	6.55
7.	Ms. Thitikan Chongvatana	17,316,180	3.33
8.	Ms. Surasa Poonapirat	12,516,673	2.40
9.	Mr. Jamorn Chulajata ³	12,432,500	2.39
10.	Mr. Koranop Chulajata	11,844,000	2.2
11.	Other Shareholders	119,951,500	23.03
Total		360,219,006	100

¹ Chongvatana Group's Shareholding Structure

(1)	Ms. Ratchanee Chongvatana	6.91%	(35,970,942 shares)
(2)	Mr. Panet Chongvatana	6.84%	(35,618,586 shares)
(3)	Ms. Noppavan Chongvatana	6.65%	(34,638,842 shares)
(4)	Ms. Thitikan Chongvatana	3.33%	(17,316,180 shares)
(5)	Mrs. Sirinuch Chongvatana	0.10%	(500,000 shares)
(6)	Mr. Thonghao Chongvatana	0.01%	(30,000 shares)
(7)	Mrs. Wimolwan Chongvatana	0.00%	(22,512 shares)

² Chotchuangchutchaval Group's Shareholding Structure

(1)	Mr. Sangchai Chotchuangchutchaval	8.80%	(45,841,303 shares)
(2)	Ms. Chanthipha Chotchuangchut	0.77%	(4,000,000 shares)

³ Chulajata Group's Shareholding Structure

(1)	Mr. Jamorn Chulajata	2.39%	(12,432,500 shares)
(2)	Mr. Kornnop Chulajata	2.27%	(11,844,000 shares)
(3)	Mr. Paradorn Chulajata	2.13%	(11,080,500 shares)
(4)	Ms. Thitsaya Chulajata	0.16%	(830,000 shares)
(5)	Mr. Danai Chulajata	0.03%	(180,000 shares)
(6)	Mr. Pisit Chulajata	0.01%	(45,000 shares)

⁴ Sakdakrai Group's Shareholding Structure

(1)	Nongluck Sakdakrai	6.54%	(34,088,480 shares)
(2)	Mr. Winai Sakdakrai	0.07%	(355,400 shares)
(3)	Mr. Wiroj Sakdakrai	0.04%	(231,500 shares)

The Company shareholders of directors and executives by Comparison of 2022-2023

No.	Shareholder Name of Directors and Executives	Amount of Shares 2022	Amount of Shares 2023
1.	Mr. Sangchai Chotchuangchutchaval	45,841,303	45,841,303
2.	Mr. Panet Chongvatana	35,618,586	35,618,586
3.	Ms. Nongluck Sakdakrai	34,088,480	34,088,480
4.	Mr. Paradorn Chulajata	11,080,500	11,080,500
5.	Mr. Sumet Jiambute	977,442	977,442
	Total	127,606,311	127,606,311

1.4 Amount of Registered Capital and Paid-up Capital

As of 31 December 2023, the company has registered capital of 600,243,737 Baht, paid-up capital of 600,243,737 Baht divided into 520,756,281 common shares and 79,487,456 preferred shares with a par value of 1 Baht. common shares

Rights of Preferred Shares

- Preference shares amount of 100 shares are entitled to one vote.
- To the preferred share had right to receive dividends from the resolution of the shareholders meeting to approved from results of the business operation of the year before the common share. In return, the rate is equal to a 12 months fixed deposit of Bangkok Bank Public Company Limited + 2 per annum, but not exceed than 4% per annum of the conversion price of the debt to preferred shares. When dividends are paid, dividends are not paid to preferred share. The remaining dividends (if any) are distributed to common share.
- Preferred share cannot convert into common shares.
- In the event of dissolution of the company for any reason, preferred share shall have right to refund before common share.

1.5 Issuance of other securities

The Company issued warrants to purchase common shares ("PK-W") under the rehabilitation plan as ordered by the Central Bankruptcy Court on March 30, 2011 to a financial institution creditor who granted Supporting new credit lines for the company as a creditor (Convert debt to equity) with details as follows:

Warrants to purchase common shares ("PK-W")

Warrant issuance date: 21 September 2011

Type: Warrants to purchase common shares
(These are securities that are not registered for trading on the Stock Exchange)

Quantity 106,148,500 units

old 10 years

The exercise of rights is scheduled for every 1st day of March, June, September, and December.

The first exercise of rights is scheduled 1 December 2011.

The last exercise of rights 1 August 2021.

Exercise rate 1 unit of warrant per 1 new common share.

Exercise price 0.01 baht per unit

Remaining warrants: 106,148,500 units

1.6 Dividend Payment Policy

The Company has a Dividend Payment Policy to pay not less than 30 percent of net profit after tax (Part belonging to the parent company according to the consolidated financial statements) unless there is a necessity or a reasonable cause that cannot be paid.

In case of subsidiaries, the company has the Dividend Payment Policy to pay not less than 30 percent of net profit after tax (Part belonging to the parent company according to the consolidated financial statements) unless there is a necessity or a reasonable cause that cannot be paid.

Dividend history of the Company for the past 3 years from 2021 to 2023

Schedule	2023	2022	2021
1. Net profit (Lost) (Baht)	(144,146,657)	(135,148,157)	203,320,512
2. Number of Share			
2.1 Preferred Share (Share)	79,487,456	79,487,456	79,487,456
2.2 Common Share (Share)	520,756,281	520,756,281	520,756,281

Schedule	2023	2022	2021
Total share	600,243,737	600,243,737	600,243,737
3. Dividend Per Share			
3.1 Preferred Share (Baht/Share)	0	0	0.02375
3.2 Common Share (Baht/Share)	0	0	0.065
Total paid dividend (Baht)	0	0	35,736,985.35
4. Dividend payout ratio (%) of separate financial statement profit	0	0	16.65%

Note : - In 2022, No dividend payment
 - In 2023, No dividend payment

2. Risk Management

2.1 Policy of Risk Management

The company has been aware of the responsibility on performing good governance for optimization to our shareholders. Therefore, we have set up a risk committee to perform the duty in setting the policy, system and evaluate the various risks, including setting guidelines on administration/ management of the multiple risks. It includes setting guidelines on the administration and management of the risk to be at the acceptable level.

2.2 Risk Factors for the Company's Business Operations

From the corporate risk assessment. The risk factors that may cause a significant impact on the Company's business goals are as follows:

2.2.1 Risk from the economic and Geopolitics factors

Global economic uncertainty as the result of trade war between United states and China, Russia - Ukraine war, Israel - Hamas war and conflict between China and Taiwan. It makes economic fluctuations that effect to domestic and international economies unable to reach the growth targets. That should be monitored closely. It affects to domestic and international economic overall investment. Which is the important factor to make decision of investors. Especially on investment about expanding of factory or production capacity.

Management of the risk

Our company has held a meeting inside the organization on an analysis and follow-up on the impact from the economic and geopolitics factors in the meeting of the Management Committee monthly. The finding guidelines are to adjust our strategy to be consistent with the occurred situations. It also has held tactical seminars to develop the new investment.

2.2.2 The risk from the fluctuations of the raw material price

The main raw materials in the production of the company such as steel, stainless steel and copper, which are commodities with their price is changed in accordance with the price in the world market. They are the external factors beyond control and may expose the company from such the fluctuations and the have some shortages in some occasions.

Management of the risk

The Company has designated planning team for plan to use of the raw materials, so the inventory administration has more efficiency. It has a policy to order the goods according to the demand without price speculation and would not hoard the goods. It shall place a purchase order and control it by a quarterly basis.

It would send an internal circular to inform on the main raw material prices to the management. It is the same information in planning on the order for production and a follow-up on the information regularly and compares the raw material prices, so the purchase order may not be higher than the market price. In addition, there was a constant search for a new production source and new suppliers from the domestic and overseas sources to spread the risk and price competition among the sellers.

Furthermore, there were negotiations with the customers and specify in the contract that if the raw material prices had a change by more than the agreed percentage, the company would like to adjust the job price to be consistent with the increased price to close such the risk.

2.2.3 Risk of Talented Personnel Shortage

The Company is involved mainly in engineering work, which requires people with knowledge, skills, and experience in design, planning, and construction including project managers, project engineers or foreman, and specialized technicians that are in demand in the job market. It is highly competitive to recruit skilled labors. Failure to recruit and/or retain quality personnel may affect the Company's ability to accept jobs or its work continuity, as well as impacting the Company's operations in the future.

Management of the risk

To prevent the risk of labor shortage, the Company has set a proactive recruitment plan in place by organizing activities to introduce the Company at vocational institutions and universities and accepting intern students to work at the Company in order to recruit them to join the Company.

This included the policy of promoting professional advancement with the various measures that can compete in the market. We took care of their income, safety, including providing suitable welfare according to the working years.

The Company has established a learning and training center in Khon Kaen to train skilled labors and allow employees to be near their hometown and families in order to build morale at work.

Moreover, there was an increase in the ratio on hiring subcontractors to be sufficient for the job volume in existence, so the operations can be continued smoothly.

2.2.4 Risk from depending on the large distributors

In procuring raw materials for use in the production, the company could procure raw materials from domestic and foreign sources, and there were multiple distributors, including there was management on the purchase continuously. Thus, the risk from dependence on the large distributors was very few.

Management of the risk

We have the policy on procuring raw materials from the domestic and foreign sources by trying to find the other production sources or reserved distributors as an alternative and prevention from dependence on a particular manufacturer or distributor solely.

2.2.5 Risk from the fluctuated rates of currency exchange

We have imported some raw materials from overseas to incur some debts in foreign currencies, and in the same time it had an income from selling goods overseas in the form of foreign currencies as well. We may incur a risk from the fluctuations of the currency exchange rate as well.

Management of the risk

Since the company has the list of purchases and sales that are in foreign currencies, so it had to manage the risk by using the natural hedge partially. Nonetheless, there is still a risk from the currency exchange rate arises from the difference between the sale and purchase turnover, which can have effects positively and negatively. Therefore, in order to reduce the risk, the company has a policy to trade in the forward contracts as well as other financial instruments which helps the Company to control exchange rate fluctuation and limit the scope of potential impact.

In addition, it has sent a circular to inform on the internal exchange rate within the group of Patkol monthly, so the management can use the same information for the estimate of the cost and the sales offer as well.

2.2.6 Risk from a lack of the working capital

Since the company has a project on building food production processes, which requires working capital is for buying raw materials for working and pays the labor wages. In the part of the working capital shall come from the existing working capital of the company and support from the banks and the financial institutions in the form of the short-term revolving loans and the various guarantees, etc. In case there is a change in the payment of the customers with the combined sales value is high, it may affect the management on the working capital of the company.

Management of the risk

The company has a procedure on preparing and inspecting the contracts from the customers by considering the terms of payment in each case precisely, e.g. verification of the financial status of the trade partners to supplement the consideration before taking the job, etc. It has designated the management of the liquidity carefully by using the financial ratios as the as the indicator and there was an increase of more efficiency by setting the cash conversion cycle (CCC) as the joint key performance indicator (KPI) between the project administration and the financial section. On the purchase, it has designated the KPI to procure the

suppliers who give the best price and terms of payment, etc. Moreover, it had sought working capital from the various financial institutions in reserve in case of emergency to use additional cash flow.

2.2.7 Risk from investment and overseas operations

The company has expanded its business to overseas in response to the policy on the business growth continuously. Nevertheless, the offshore investments have external risk factors that may affect the operations in each country such as the law, trade measures, political policies, natural disasters, labor practices, language and local cultures, etc. These impacts may result in the operations not to conform to the set goals.

Management of the risk

The company has a procedure on the study and analysis on the viability of the investment in each country prudently with hiring overseas consultants to give legal and other advice and operations involved with the respective country.

3. Driving business for sustainability

3.1 Policy and Management Goals for Sustainability

PatKol Corp (Public) operates with a focus on sustainability, aiming to achieve a balance between social stability, a healthy environment, and business growth. Social responsibility is integral to PatKol's business operations, with a commitment to sustainable development that prioritizes responsibility toward all stakeholders for mutual benefit. Therefore, PatKol has established a framework for sustainable development, aligned with international operational guidelines covering economic, social, and environmental aspects. The company appointed a Corporate Social Responsibility (CSR) committee in 2019 to ensure sustainable development in social and environmental aspects that align with business growth, creating clear, ethical, and continuous policies based on corporate governance principles. Additionally, PatKol is dedicated to adding sustainable value throughout its value chain and nurturing stakeholders for sustainable growth, fulfilling its role in guiding social responsibility efforts according to its three main policies.

1. Conducting business with the ultimate goal not just being profit-making, but creating sustainable mutual benefits for all stakeholders involved.

2. Developing communities, preserving the environment, and responsibly utilizing resources are integral parts of PatKol's business operations. The company actively contributes to improving the quality of life in communities by supporting socially constructive activities and allocating a portion of its income to social responsibility initiatives.

3 . Implementing sustainable development as an integral part of the company's regular business operations, contributing to the country's economy through value creation from business performance.

Furthermore, PatKol promotes the adherence of its board members, executives, and employees to the principle of "Quality with Sincerity and Integrity," emphasizing a commitment to social and environmental responsibility. The company instills a culture of genuine and continuous social responsibility among its employees, aiming to maintain a sustainable organizational culture indefinitely.

3.2 Managing Impacts on Stakeholders in the Value Chain of the Business

The company operates with responsibility and considers key stakeholders. It is committed to creating value in products and services to meet the expectations of stakeholders as follows:

1.) Conducting Business with Integrity

The company is committed to managing operations based on the principles of good corporate governance, which are good practices for registered company directors and related market practices of the Stock Exchange of Thailand. This includes elevating governance practices toward ethical conduct, transparency, auditability, and global standards of good corporate governance. The company has developed a “Handbook of Policies and Guidelines for Good Corporate Governance,” which is announced to the board of directors, executives, and employees as a guideline for practice. This handbook covers various practices and aligns with shareholder and stakeholder expectations.

The board of directors will make every effort to ensure compliance with these policies and guidelines for good corporate governance rigorously and is committed to continuously developing the company’s governance practices to achieve the goal of sustained stability, growth, and prosperity for both the company and its shareholders in the long term.

2.) Combating Corruption and Collusion

The company operates according to the principles of good corporate governance, with integrity and honesty, and operates transparently. It is aware of the issues of corruption and collusion, which can cause significant harm to economic and social development. With this in mind, various Thai private sector entities, including the Thai Institute of Directors Association, the Thai Chamber of Commerce, the Federation of Thai Industries, among others, have established the “Private Sector Collective Action Coalition Against Corruption (CAC).” This initiative aligns with the company’s business policy, and the company has therefore become a member of CAC to collaborate in combating corruption. Furthermore, to ensure that business operations that may have risks of corruption and collusion are carefully evaluated and to ensure thorough implementation, the company appointed an “Anti-Corruption Committee” on August 11, 2016, to work on combating corruption and collusion within the company and its group. The committee has developed a “Handbook of Policies and Guidelines for Anti-Corruption and Collusion” to ensure that all board members, executives, and employees of the company and its group understand their roles, responsibilities, and adhere to the guidelines regarding corruption in various forms. This information is disseminated through the company’s communication channels, and training sessions are conducted to raise awareness. Additionally, this commitment has been publicly announced and mechanisms for whistleblowing and protection of whistleblowers have been established to elevate the country’s development by reducing future occurrences of corruption.

3.) Respecting Human Rights

The company recognizes the importance of human rights and has a policy to treat employees with respect for their individuality and human dignity. It ensures that all employees have the right to freedom and equality in

their work, as well as advancement in their careers, without discrimination based on their position, origin, ethnicity, language, religion, age, gender, physical condition, health, economic or social status, educational qualifications, or political opinions. Additionally, the company adheres to human rights agreements and laws related to labor practices with associations and organizations both nationally and internationally. This includes not hiring child labor under the age of 18 and not engaging in illegal foreign labor recruitment in the countries where the company operates. The company also sets age requirements for employees in accordance with the regulations governing labor hiring in those countries.

4.) Fair Treatment of Employees

The company is always aware that every employee is the most valuable resource of the company, a key factor in the success of its mission and various goals. Therefore, the company provides fair treatment and care in terms of opportunities, compensation, appointments, promotions, transfers, and appropriate benefits across various aspects such as:

Wage management, compensation, and benefits: Managed with consideration for motivating employees to work to their full potential, fairness according to legal requirements, standardized systems suitable for job responsibilities, competitive rates compared to other companies in the same industry.

- Employee development: The company prioritizes developing knowledge, abilities, and management skills through training processes, seminars, job shadowing, and continuous efforts to enhance the capabilities of employees at all levels.
- Hiring practices and career advancement: Clear standards are set based on non-discrimination principles and compliance with relevant laws, providing equal opportunities regardless of gender, race, religion, nationality, age, disability status, economic or social status, or educational qualifications.
- Workplace safety and health: The company values the life and health of all employees, ensuring safety and environmental management in the workplace meet legal standards and supporting continuous safety activities.

Furthermore, in terms of safety and occupational health, the company conducts its business with a focus on safety and health. It has developed a standardized Occupational Health and Safety Management System (ISO 45001) to align with operations at every stage, based on the foundation of safety for the lives and health of employees and contractors, without discrimination. Additionally, it extends responsibility to the surrounding community by providing personal safety equipment for employees at all levels, conducting safety training for

employees and contractors, establishing safety measures for incoming contacts, and creating safety media such as “Safe Driving Guidelines” for government agencies to distribute to the general public.

5.) Responsibility Toward Consumers

The company is aware of the importance of customers to the success of its business. Therefore, it is committed to seeking ways to efficiently and effectively meet customer needs continuously. It has outlined the following practices:

- 1) Produce quality products, considering standards and safety in use.
- 2) Deliver quality products and services sincerely and honestly at fair prices.
- 3) Provide accurate, sufficient, and timely information to customers about products and services, ensuring customers are informed without misleading them about the quality, quantity, or any conditions of the products or services.
- 4) Maintain customer confidentiality and not use it for its or any related party's benefit without consent.
- 5) Provide effective and beneficial guidance on using the company's products and services to maximize customer benefits.

3.3 Environmental Sustainability Management

The company recognizes the importance of environmental conservation and has implemented the ISO 14001 system as a guideline for organizational operations. In terms of product manufacturing, the company is committed to producing and developing machinery that is energy-efficient and environmentally friendly. In operational aspects, there is a campaign to encourage employees to conserve energy through various activities, such as turning off lights, air conditioning units, and computer screens during the break time from 12:00 to 13:00, to save energy and protect the environment. Additionally, promoting employee participation in maintaining cleanliness in the workplace and setting goals to reduce paper usage are aimed at instilling awareness among employees about energy conservation and applying it in their daily lives.

In terms of environmental problem management, the company has procedures to be used in identifying environmental aspects arising from product manufacturing or service provision that have impacts or potential impacts on the environment. This includes assessing significant environmental aspects to establish environmental objectives and targets, developing an environmental management program, and implementing management methods accordingly.

3.4 Sustainable Management in the Social Dimension

Operating as part of the company's regular business operations, which demonstrates responsibility toward stakeholders associated with the company, with caution under the prescribed laws, involves activities related to CSR. The company's steadfast belief is in "Quality with Service, Sincerity, and Commitment," as follows:

1. Implementing the PATKOL Internship Program, which prepares students for professional work before entering the workforce. Although it is a short-term internship program of 2 months, the company provides real-world internships within the company, including factory visits to all companies within the group of Panchakorn, promoting and supporting experiential learning for students through work experiences or training to develop skills and knowledge as per the project's objectives. This project was carried out from June to July 2023.

2. Continuous operations under the Memorandum of Understanding (MOU) between Petchakon Company Limited (Public) and the Faculty of Engineering, King Mongkut's Institute of Technology Ladkrabang, collaborated to develop innovative models for food processing and frozen food and beverage preservation. This initiative targets small and medium-sized enterprises (SMEs) under the Total Solution for SME business based on the BCG Model (Bio Circular Green Economy Model) to foster sustainable economic development in line with government policies.

In 2023, the company sponsored the Factory Networking event in collaboration with another 10 business partner network companies. The seminar was titled "Empowering Thai Businesses to Achieve Goals Rapidly" and took place on June 29, 2023. The objective was to provide comprehensive knowledge to beverage industry entrepreneurs, covering aspects such as recipe development, ingredients, sterilization, and packaging. This aimed to address challenges and enhance the growth of beverage businesses in alignment with their goals. Over 60 entrepreneurs participated in the event, representing the company's key customer base. This event facilitated networking and information exchange among beverage industry entrepreneurs and relevant production service providers.

3. Continuously enhancing safety in the refrigeration system that uses ammonia as the refrigerant, which is the primary refrigerant used by the company, including energy-saving initiatives in the refrigeration industry through collaboration with the government and universities, as follows:

1) Collaborating with the Thai Refrigeration Association (TRA) and the Department of Industrial Factories.

- Acting as a major supporter in the TRA, including sending executives as academic committee members to participate in advocating for sustainable growth of the Thai refrigeration business, which is one of the main industries of the company.

- Writing and presenting academic articles in the journal of the TRA on various topics such as energy management in industrial refrigeration systems, standards, MOCA 3023-3563 for Ammonia Vapor Compression

Refrigeration Systems, etc., to disseminate knowledge about refrigeration systems to a wide range of business owners through the association.

- Participating in the academic working group to draft the announcement of the Department of Industrial Works regarding the establishment of safety measures for refrigeration systems using ammonia as a refrigerant, and collaborating to create a guide for controllers and inspection engineers of the Department of Industrial Works.

- In 2023, the company sent management-level employees to participate as main speakers in the training program for refrigeration system operators using ammonia as a refrigerant. This program was conducted in 10 batches across different provinces nationwide. The sessions were held twice in Bangkok and once in each of the following provinces: Nakhon Sawan, Samut Sakhon, Khon Kaen, Nakhon Pathom, Songkhla, Samut Prakan, Chiang Mai, and Ubon Ratchathani. To promote knowledge among industrial factory operators with refrigeration systems using ammonia as a refrigerant, aiming to enhance their understanding and awareness of the importance of operational safety in factories. This is to ensure sustainable growth in the refrigeration industry.

2) Collaborate with Kasetsart University to implement a pilot project for a Smart Refrigeration system under the Internet of Things (IOT) concept for ice factories and cold rooms.

4. Donations and support for other social activities as considered by the company.

4. Management Discussion and Analysis: MD&A

FINANCIAL POSITION AND RESULTS OF OPERATION 2023

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

Statements of Financial Position (Unit : MB)	2023		2022		2021	
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	145	4%	78	2%	372	9%
Trade and other current receivable - net	330	9%	470	12%	638	15%
Current portion of finance lease receivable	249	7%	214	5%	87	2%
Contract assets, net	68	2%	124	3%	385	9%
Inventories – net	326	9%	444	11%	594	14%
Current tax assets	13	0%	3	0%	20	0%
Other current assets	2	0%	14	0%	8	0%
Non - current assets classified as held for sale	0	0%	0	0%	7	0%
Total Current Assets	1,133	32%	1,347	34%	2,112	49%
NON-CURRENT ASSETS						
Non - current financial assets	25	1%	30	1%	56	1%
Trade and other non current receivable - net	1	0%	-	0%	-	0%
Trade installment receivables, net	-	0%	8	0%	-	0%
Finance lease receivable, net	584	17%	740	19%	383	9%
Investment property	83	2%	90	2%	83	2%
Property , plant and equipment -net	1,370	39%	1,413	36%	1,387	32%
Right of use, net	25	1%	25	1%	20	0%
Other intangible assets - net	35	1%	49	1%	60	1%
Deferred tax assets	161	5%	145	4%	128	3%
Other non-current assets	79	2%	80	2%	59	1%
Total non-current assets	2,362	68%	2,580	66%	2,177	51%
TOTAL ASSETS	3,495	100%	3,926	100%	4,289	100%

Patkol Public Company Limited

Statements of Financial Position (Unit : MB)	2023		2022		2021	
LIABILITIES AND SHAREHOLDERS' EQUITY						
CURRENT LIABILITIES						
Bank overdrafts and short-term loans from financial institution	222	6%	372	9%	329	8%
Trade and other current accounts payable	397	11%	510	13%	742	17%
Contract liabilities	368	11%	301	8%	391	9%
Current portion of long-term loans from financial institutions, net	263	8%	282	7%	338	8%
Current portion of lease liabilities, net	14	0%	17	0%	14	0%
Income tax payable	0	0%	1	0%	4	0%
Current provisions for employee benefits	7	0%	3	0%	1	0%
Provision for liabilities	19	1%	21	1%	18	0%
Total current liabilities	1,291	37%	1,507	38%	1,837	43%
NON-CURRENT LIABILITIES						
Long - term loans from financial institutions, net	386	11%	462	12%	390	9%
Lease liabilities, net	15	0%	15	0%	15	0%
Deferred tax liabilities	205	6%	204	5%	194	5%
Provisions for employee benefits	149	4%	158	4%	184	4%
Total non-current liabilities	755	22%	838	21%	783	18%
Total liabilities	2,046	59%	2,346	60%	2,620	61%
SHAREHOLDERS' EQUITY						
Preferred shares - authorized, issued and fully paid-up	79	2%	79	2%	79	2%
Common shares - authorized, issued and fully paid-up	521	15%	521	13%	521	12%
Warrant	0	0%	-	0%	-	0%
Premium on preferred shares	5	0%	5	0%	5	0%
Premium on common shares	15	0%	15	0%	15	0%
Discount on common shares	(22)	(1%)	(22)	(1%)	(22)	(1%)
Company's shares held by a subsidiary	(4)	(0%)	(4)	(0%)	(4)	(0%)
Retained earnings - Appropriated for reserve fund	60	2%	60	2%	60	1%
Unappropriated retained earnings	115	3%	242	6%	375	9%
Other components of shareholders' equity	652	19%	659	17%	615	14%
Total shareholders' equity	1,421	41%	1,555	40%	1,644	38%
Minority interest	27	1%	26	1%	25	1%
Total Shareholders' Equity - net	1,448	41%	1,581	40%	1,669	39%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	3,495	100%	3,926	100%	4,289	100%

Patkol Public Company Limited

Statements of Comprehensive Income (MB)	2023		2022		2021	
Revenue from sales and services	1,732	100%	2,979	100%	3,208	100%
Costs of good sold and services	(1,277)	(74%)	(2,510)	(84%)	(2,515)	(78%)
Gross profit	454	26%	469	16%	693	22%
Other income	85	5%	91	3%	97	3%
Distribution costs	(374)	(22%)	(338)	(11%)	(303)	(9%)
Administrative expenses	(262)	(15%)	(324)	(11%)	(319)	(10%)
Profit (Loss) before financial cost	(96)	(6%)	(101)	(3%)	169	5%
Finance cost	(56)	(3%)	(51)	(2%)	(30)	(1%)
Profit (Loss) before income tax	(152)	(9%)	(152)	(5%)	139	4%
Income tax	8	0%	23	1%	(40)	(1%)
Profit (Loss) for the years	(144)	(8%)	(129)	(4%)	98	3%
Other Comprehensive income for the years	12	1%	29	1%	23	1%
Total Comprehensive income for the years	(132)	(8%)	(100)	(3%)	121	4%
Income (Loss) Attributable to :						
Owners of the parent	(145)	(8%)	(130)	(4%)	97	3%
Non controlling interest	1	0%	2	0%	2	0%
	(144)	(8%)	(129)	(4%)	98	3%
Attributable to :						
Owners of the parent	(133)	(8%)	(101)	(2%)	119	(4%)
Non controlling interest	1	0%	2	0%	2	0%
	(132)	(8%)	(100)	(2%)	121	(4%)

Statements of Cash Flows (MB)	2023	2022	2021
Cash flows from operating activities :			
Profit (Loss) before income tax	(152)	(152)	139
Adjustment			
Trade and other current receivables (increase) decrease	159	169	(210)
Trade and other non current receivable (increase) decrease	(1)	-	-
Finance lease receivable (increase) decrease	120	(483)	(195)
Contract assets (increase) decrease	69	263	(125)
Inventories (increase) decrease	136	156	(223)
Other current financial assets (liabilities)	0	(0)	-
Other current assets (increase) decrease	12	(5)	5
Other non - current assets decrease	2	(1)	2
Trade and other current payables increase (decrease)	(112)	(230)	309
Contract liabilities (decrease)	67	(89)	(34)
Liabilities under debt restructuring plan (reversal)	-	-	0
Liabilities under debt restructuring agreement (reversal)	-	(19)	0
Depreciation	44	52	59
Amortization	18	18	17
Depreciation for right of use	12	10	10
Amortization income tax	-	0	0
Allowance for expected credit losses (reversal)	(27)	(9)	(4)
Allowance for withholding income tax	7	-	-
Loss on declining in value of inventories	4	(6)	-
Loss on impairment of assets (reversal)	(2)	(2)	-
Unrealized (gain) on exchange rate	5	3	(3)
(Gain) on sale of fixed assets	(7)	(2)	(1)
Loss from write off fixed assets	6	0	0
(Gain) on sale of intangible assets	(0)	-	(0)
Loss from write off intangible assets	0	-	3
(Gain) on sale of investment property	(1)	-	-
(Gain) from cancel finance lease agreement	(1)	-	-

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Statements of Cash Flows (Con.) (MB)	2023	2022	2021
Provision for liabilities (reversal)	(1)	3	(7)
Employee benefit expenses	45	22	31
Interest income	(37)	(17)	(15)
Financial cost	56	51	30
Cash generated from operation	421	(270)	(212)
Cash received interest	37	17	15
Cash paid interest	(56)	(52)	(30)
Cash paid from employee benefit	(31)	(9)	(47)
Cash received income tax	-	21	1
Cash paid income tax	(24)	(33)	(27)
Net cash provided by (used in) operating activities	347	(325)	(300)
Provision for liabilities (reversal)	(1)	3	(7)
Employee benefit expenses	45	22	31
Interest income	(37)	(17)	(15)
Financial cost	56	51	30
Cash generated from operation	421	(270)	(212)
Cash received interest	37	17	15
Cash paid interest	(56)	(52)	(30)
Cash paid from employee benefit	(31)	(9)	(47)
Cash received income tax	-	21	1
Cash paid income tax	(24)	(33)	(27)
Net cash provided by (used in) operating activities	347	(325)	(300)
Cash flows from investing activities :			
Deposits at bank with commitment (increase) decrease	5	27	(25)
Cash received from disposals of property, plant and equipment	7	3	1
Cash received from disposals of investment property	8	-	-
Cash received from sale of intangible assets	0	-	0
Cash paid for purchase of property, plant and equipment	(9)	(15)	(2)
Cash paid for machine deposit	(0)	-	-
Cash paid for purchase of intangible assets	(0)	(5)	(4)
Cash received from warrants	-	-	1
Cash received dividend	-	-	(1)
Net cash provided by (used in) investing activities	11	10	(29)

Patkol Public Company Limited

Statements of Cash Flows (Con.) (MB)	2023	2022	2021
Cash flows from financing activities :			
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(111)	139	(17)
Cash received from short - term loans from financial institutions	696	1,016	749
Cash received from long - term loans from financial institutions	-	192	285
Cash paid for short - term loans from financial institutions	(756)	(1,112)	(573)
Paid for liabilities under rehabilitation plan	-	-	-
Paid for liabilities under rehabilitation agreement	-	-	-
Cash paid for long - term loans from financial institutions	(95)	(157)	(124)
Cash paid for liabilities under finance lease agreement	(17)	(16)	(22)
Cash received for shares from minority shareholders	0	-	-
Cash paid dividend	-	(37)	(3)
Net cash provided by (used in) financing activities	(283)	25	295
Net increase (decrease) in cash and cash equivalents	75	(290)	(24)
The effects of exchange rates on cash and cash equivalents	(9)	(4)	1
Cash and cash equivalents as at January 1	78	372	396
Cash and cash equivalents as at December 31	145	78	372

Data Per shares (Baht)	2023	2022	2021
Book Value per shares	2.73	2.99	3.30
Earnings per shares	-0.278	-0.250	0.195
Cash Dividend per share	0.0000	0.0704	0.0056
Stock Dividend per share	0.00	0.00	0.00

Growth Rate (%)	2023	2022	2021
Total Assets	-11%	-8%	18%
Total Liabilities	-13%	-10%	26%
Sales and Services Income	-42%	-7%	5%
Cost and Expenses	-39%	0%	-20%
Net Income	11%	-235%	331%

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Growth Rate (%)	2023	2022	2021
LIQUIDITY RATIO :			
Liquidity Ratio (Time)	0.88	0.89	1.15
Quick Ratio (Time)	0.61	0.59	0.81
Liquidity Ratio - Cash (Time)	0.25	-0.19	-0.19
Account Receivable-Turnover (Time)	1.63	2.67	3.61
Average no.of day for collection (days)	221	135	100
Inventory Turnover (Time)	3.32	4.86	5.10
Average no.of day for sales (days)	108	74	71
Account Payable-Turnover (Time)	2.82	4.03	4.31
Average no.of day for payment (days)	128	89	84
Cash Cycle (days)	201	120	87
PROFITABILITY RATIO :			
Gross margin (%)	22%	25%	22%
Operation profit margin (%)	5%	2%	5%
Other Profit Margin (%)	3%	2%	3%
Cash to profitability ratio (%)	-182%	1078%	-178%
Net profit margin (%)	3%	1%	3%
Return on equity (%)	6%	2%	6%
EFFICIENCY RATIO :			
Return on Assets (%)	2%	1%	2%
Return on Fixed Assets (%)	11%	6%	11%
Assets Turnover (Times)	1	1	1
FINANCIAL POLICY RATIO :			
Debt to Equity Ratio (Time)	1.6	1.4	1.6
Time Interest Earned (Time)	-8.4	13.5	-8.1
Cash debt coverage(Cash basis) (Time)	2.3	-43	2.3
Dividend payout ratio(%)	3%	0%	3%

Management Discussion and Analysis (MD&A)

The analysis of financial position and financial performance is based on consolidated financial statements for the year ended 31 December 2023.

In 2023, the Group had revenues from sales and services of Baht 1,732 million, decreased Baht (1,247) million or 42% from 2022. The Group are focusing on cash flow management ,and costs and expenses control. In 2023, the company had loss of Baht 144 million, increase Baht 16 million or 12 % from 2022.

The following tables present revenue and gross profit information regarding the Group's operating segments

Consolidated Amount (Million Baht)	Ice machine and system	Machine and system for Food Industry	Non-Patkol brand	Service and others	Total
2023					
Revenue from customers-Thailand	304	324	736	37	1,401
Revenue from customers-Other Country	227	12	15	77	331
Total Revenue	531	336	751	114	1,732
Costs of goods sold and services	(402)	(290)	(551)	(34)	(1,277)
Gross Profit	129	46	200	79	454
% of Gross profit to Total sales	24%	14%	27%	69%	26%
% Sales to Total Sales	31%	19%	43%	7%	100%
% Sales growth 2023 and 2022	(31%)	(64%)	(34%)	(15%)	(42%)
2022					
Revenue from customers-Thailand	398	858	1,093	129	2,478
Revenue from customers-Other Country	370	81	45	5	501
Total Revenue	768	939	1,138	134	2,979
Costs of goods sold and services	(604)	(839)	(1,022)	(45)	(2,510)
Gross Profit	164	100	116	89	469
% of Gross profit to Total sales	21%	11%	10%	66%	16%
% Sales to Total Sales	26%	32%	38%	4%	100%
% Sales growth 2022 and 2021	(21%)	18%	19%	(3%)	(7%)

Patkol Public Company Limited

2021					
Revenue from customers-Thailand	806	1,107	933	138	2,984
Revenue from customers-Other	164	38	22	-	224
Country					
Total Revenue	970	1,145	955	138	3,208
Costs of goods sold and services	(729)	(912)	(758)	(116)	(2,515)
Gross Profit	241	233	197	22	693
% of Gross profit to Total sales	25%	20%	21%	16%	22%
% Sales to Total Sales	30%	36%	30%	4%	100%

1. Revenue from sales and services

In 2023, the company's revenue mainly came from Non-Patkol brand business segment representing 43% of total revenue. Ice machine and system generated 31% and Machine and system for Food Industry business segment generated 19% of total revenue, Service and others accounted for 7% of total revenue. The analysis for growth of each business segments are as follows:

Revenue in 2023 decreased in all business segments due to economic and political concern. Growth rate of Non-Patkol brand business segment decreased by 34%, Ice machine and system business segment decreased by 31%, and Machine and system for Food Industry business segment decreased by 64%

2. Other income

Other income of the group was Baht 85 million or 5% of the total revenue. It was revenue from other business operations, such as interest income and gain from exchange rate. The group had other income increased Baht 13.6 million or 19% since there was interest income recognized according to additional lease agreements.

3. Costs of goods sold and gross profit

In 2023, the company's gross profit was 26% of revenue, whereas in 2022, it was 16% of revenue. In 2022, there was higher material cost and loss from projects. Whereas 2023, the Group was more efficient in cost control.

4. Distribution costs and administrative expenses

In 2023, distribution costs and administrative expenses were Baht 635 million while in 2022 were Baht 628 million which was similar to last year.

5. Net Profit (loss)

In 2023, the company had a loss of Baht (144) million or 8% of revenue, while in 2022, the company had loss of Baht (128) million or 4% of total revenue.

6. Assets and LiabilitiesAssets

As at 31 December 2023, the company had assets of Baht 3,495 million, and as at 31 December 2022, it had assets of Baht 3,926 million. The company's assets decreased by Baht 432 million or 11%

The decreasing of current assets of Baht 214 million, mainly from trade and other receivables, inventories, and contract assets.

The decreasing of non-current assets of Baht 218 million, mainly from finance lease receivable.

Liabilities

As at 31 December 2023, the company had liabilities of Baht 2,046 million, and as at 31 December 2022, it had liabilities of Baht 2,346 million. The liabilities of the group decreased Baht 299 million or 13%.

The decreasing of liabilities mainly from bank overdrafts and short-term loans from financial institution and trade and other current accounts payable.

Payment period of 2023 was 128 days, while it was 89 days in 2022. The delay of payment due to liquidity situation.

7. Shareholders' Equity

As at 31 December 2023, the company had a shareholder's equity of Baht 1,421 million. As of December 31, 2022, the company had a shareholder's equity of Baht 1,555 million.

When considering the debt-to-equity ratio, as at 31 December 2023 and 2022, it was 1.4 and 1.5 times respectively, which does not exceed the company's policy at 2 times.

8. Liquidity Analysis

The company has liquidity ratio as at 31 December 2023 and 2022 at 0.88 and 0.89 times, respectively.

For quick ratio, as at 31 December 2023 and 2022 it was 0.61 times and 0.59 times, respectively.

The average collection period for 2023 and 2022 was 269 days and 153 days, respectively. The average sales period for 2023 and 2022 was 108 days and 74 days, respectively. The average payment period for 2023 and 2022 was 128 days and 89 days, respectively, so the company's cash cycle for 2023 and 2022 was 250 days and 138 days, respectively.

For cash flow statement, the company's net cash flow increased by Baht 66 million from 31 December 2022; consisted of net cash flow provided by operating activities of Baht 347 million, net cash flows provided by investing activities of Baht 11 million, net cash flow used in financing activities of Baht (283) million, and effects of exchange rates on cash and cash equivalents Baht (9) million.

9. Liabilities off balance sheet

As at December 31, 2023, the Company has contingent liabilities from letter of guarantee of Baht 175 million and USD 0.3 million and cheque guarantee of Baht 4 million which mainly was guarantee for projects.

5. General Information and Other Important Information

5.1 General Information

PATKOL PUBLIC COMPANY LIMITED

Head Office: No.348 Chalerm Prakit Ratchakarn Thi 9 Road, Nong Bon, Prawet, Bangkok 10250 Thailand

Tel: + 66 (0) 2328 1035 **Fax:** + 66 (0) 2328 1245

Website: <http://www.patkol.com> **Registration:** 0107536000587

Date of Establishment: 28 November 1965

Business Overview: PATKOL is renowned for being an excellent engineering company specializing in providing quality refrigerating and food processing machines, varying in ice-making machine, refrigerated room, freezing system for liquid products such as pasteurized and UHT dairy, energy drink, fruit juice, and drinking water. Also keen on inventing high-quality machines and equipment food processing plants while developing freezing machine, grading machine for fish and shrimp etc.

Securities Information: Common share of Patkol Public Company Limited were listed and traded on the Stock Exchange of Thailand in 1993 under the abbreviated security name of "PK"

Registered Capital: 600,243,737 Baht

Paid-up Capital: 600,243,737 Baht

Common share: 520,756,281 Shares

Preferred share: 79,487,456 Shares

Par Value: 1 Baht

Other references

Common Share Registrar: Thailand Securities Depository Company Limited 93 Ratchadapisek Road, Dindaeng, Bangkok.

Tel. +66 (0) 2009-9000

Authorized Auditor: Karin Audit Company Limited

72, 24th floor 72 CAT Telecom Tower, Floor 24, Charoen Krung Road, Bangrak, Bangkok. 10500 Thailand Tel. (662) 105-4661 Fax. (662) 026-3760

5.2 Other Important Information

Summary Business held by the Company 10% upward

Patkol Public Company Limited

1. Patkol Ice Solutions Company Limited

No. 129 Moo 3, Phechakasem Road, Huairong, Khao Yoi, Phetchaburi Province Tel. +66 (032) 447 920-27

Business Type: Manufacture and sale of food related processing equipment and cooling equipment.

Registered Capital: 100,000,000 Baht

Shareholding 99.98%

2. Patkol food industry partner company limited

No.348 Chalerm Prakiat Ratchakarn Thi 9 Road, Nong Bon, Prawet, Bangkok 10250 Thailand

Tel. +66 (0) 2328 1035 49

Business Type: Sale of the electric system equipment, sparepart for industrial refrigeration Registered Capital:

110,000,000 Baht

Shareholding 99.99%

3. S Panel Company Limited

No. 89/64 Moo 2 Kalong, Muang Samutsakorn, Samutsakorn Province Tel. +66 (034) 885 090 91

Business Type: Manufacture and import foam plate and equipment for cold room business Registered Capital:

40,000,000 Baht

Shareholding 80%

4. Heat Away Company Limited

No 135 Mo 7 Klong Prang, Maung Chachoengsao, Chachoengsao Province Tel. +66 (038)-088 708

Business Type: Sale of evaporative condenser, share parts and Equipment for evaporative condenser

Registered Capital: 10,000,000 Baht

Shareholding 99.99%

5. Tygienic Company Limited

No 348 Chaloeem Phraiat Ratchakan Thi 9 Road, Nong Bon, Pravate, Bangkok Tel. +66 (0) 2328 1035

Business Type: Designed and Produced hygienic standard tank and other tank components in food and beverage field, cosmetic, pharmaceutical and petrochemical industries

Registered Capital: 65,000,000 Baht

Shareholding 99.99%

6. Patkol Philippines Coporation

Unit 12G IBM Plaza Building, E, Rodriguez Jr., Eastwood Quezon city 1110 Philippines

Business Type: Machinery and project sales representative, including providing machinery in spallation and maintenance services in Philippines

Registered Capital: 11,750,000 Philippine Peso

Shareholding 60%

7. PT. Indonesia Patkol Service Corporation

Rukan Bisnis Blok KJA 12 A-14 Perum Daan Mogot Baru, Daan Mogot KM16-Kalideres, Jakarta Barat 11840

Business Type: Machinery installation and maintenance services in Indonesia

Registered Capital: 2,737,400,000 Rupiah Shareholding 99.99%

8. PATKOL Malaysia Sdn Bhd

S-01-09 Impian Meridian Commerzshop Jalan Subang1, Usj, 47600 Subang Jaya, Selangor, Malaysia Business

Type: Machinery and project sales representative, including providing machinery in spallation and maintenance services

Registered Capital: 1,000,000 Malaysian Ringgit Shareholding 100 %

9. Patkol Myanmar Company Limited

No.19, Nwe Aye Ward, Minadar Road, Dawbon Township, Yangon Region, The Republic of the Union of Myanmar 11241

Business Type: Machinery and project sales representative, including providing machinery in spallation and maintenance services

Registered Capital: 50,000 USD Shareholding 99 %

10. PT. Indonesia Patkol Refrigeration

Rukan Bisnis Blok KJA 12 A-14 Perum Daan Mogot Baru, Daan Mogot KM16-Kalideres, Jakarta Barat 11840

Business Type: Machine and project distributor including service and installation machine in refrigeration business in Indonesia.

Registered Capital: 10,000,000,000 Indonesian Rupiah Shareholding 86.80%

5.3 Legal Disputes

S Panel Co., Ltd., a subsidiary of the Company has pending civil disputes in the court as follows:

1) Chubb Samaggi Insurance Public Company Limited, 1st plaintiff with two other plaintiffs sued S Panel Company Limited as the 1st defendant to the Civil Court to request jointly be liable for compensation.

The lawsuit was due to the fire in the warehouse building, which the three plaintiffs were insurers, sued S Panel Company Limited for liability. In which S Panel Company Limited has filed a defence against the case. In this case, the Civil Court and the Court of Appeal instance tried the case and dismissed the two defendants.

Dhipaya Insurance Public Company Limited, the 2nd plaintiff, and Falcon Insurance Public Company Limited, the 3rd plaintiff, filed a request for permission to appeal to the Supreme Court. The case is pending consideration of the Supreme Court.

2) LF Logistics Company Limited, the plaintiff sued S Panel Company Limited as the 2nd defendant to the Samut Prakan Provincial Court to request jointly be liable for compensation.

The lawsuit was due to the fire in the warehouse building, which the three plaintiffs were insurers, sued S Panel Company Limited to be jointly liable with the lessor. In which S Panel Company Limited has filed a defence against the case. During the court proceedings, Zurich Insurance Company Limited and Alliance Ayudhya Insurance Public Company Limited filed a petition to become a joint plaintiff in the case. The Court of Appeal issued an order granting permission. The case is still under consideration and hearing of evidence by the Court of First Instance.

Currently, both cases are under consideration by the court. The Company's management and legal advisors are of the opinion that the outcome of the lawsuit is uncertain and inconclusive currently. Therefore, the damage value has not been estimated.

The Company and other subsidiaries have no other legal disputes that may negatively affect assets of the Company and its subsidiaries that amount to more than 5% of equity and/or have no significant impact on business operations.

5.4 Regularly Contacted Financial Institutions

Bangkok Bank Plc.

333 Silom Road, Silom Subdistrict, Silom District, Bangkok 10500

Siam Commercial Bank Plc.

9 Ratchadaphisek Road, Chatuchak District, Bangkok 10900

Part 2

Corporate Governance

6. Corporate Governance

6.1 The policy and guidelines of good corporate governance

6.1.1 Policies and guidelines related to company directors, executives and employees.

The Board of Directors consists of persons with knowledge, expertise and experience suitable for the Company. It also adheres to the following principles of good corporate governance:

1. The Board of Director, the management and all the employees have determined to apply the main principle in the good corporate governance in the six aspects as the principle in the practice are:
 - 1.1) It has accountability for its decision-making.
 - 1.2) It takes responsibility for the duty performance with the existing capability and sufficient efficiency.
 - 1.3) It has transparency that can be verified.
 - 1.4) It has fairness and equity for the stakeholders.
 - 1.5) It has a vision to create long-term value.
 - 1.6) It has virtue, ethics and code of conduct in the business operations
2. The Board of Director, the management and all of the employees determined to apply the practice on the principle of good corporate governance of the company, business ethics and code of conduct of the directors, the management and the employees as guidelines in the operation.
3. The Board of Director, the management and all of the employees determined to apply the practice on the principle of good corporate governance of the company, business ethics and code of conduct of the directors, the management and the employees as guidelines in the operation.
4. The Board of Director encourages participation and designation of the channel that can communication with the shareholders, the investors, the supervision agency, the stakeholders, including giving general information to the interested persons.
5. The Board of Director provided an operation for the managerial structure of the company by designating the duty and responsibility of each board of directors and the management clearly.
6. The Board of Director shall provide the system of risk management and the internal audit to be at the suitable and efficient level, including the accounting system and a report on finance with accuracy and reliability

The Board of Directors

1. Components of the Board of Directors

1.1 It shall consist of the directors with diverse qualifications on the skills, experience and specialization that benefit the company.

1.2 It shall consist of a minimum of five persons, but no more than 12 persons.

1.3 It must have a director who is not in the Executive Committee Member a minimum of one person with experience in the business or main industry of the company.

1.4 It must have a minimum of four external directors or one-third of The Board of Directors, who can provide an opinion on the working of the management independently.

1.5 It must have the directorship term each time for three years. In the case of reinstating the directorship, it shall be presented to the annual general meeting (AGM) for approval.

1.6 It shall be the elector of the chairman of the board who is an outsider.

1.7 It shall set up the guidelines for the outside directors who can hold the directorship in other registered companies for no more than three places. It shall consider on the efficiency of working by the directors holding the title in multiple companies to make sure that they can dedicate their time on performance of the duty to the company sufficiently.

1.8 The director who is in the management can hold the directorship in other registered companies by no more than two other places.

1.9 The director has the complete qualifications and no prohibiting characteristics in accordance with the Public Company Limited Act and the Securities and Exchange Act, including no characteristics to show the lack of suitability to receive trust in the management

2. Qualifications of the board of Directors

2.1 They shall possess the complete qualifications and no prohibited characteristics pursuant to the Public Company Limited Act 1992 or the relevant laws, including the requirement of the SET and the SEC.

2.2 They shall be an authoritative person with the knowledge, skills and experience that can benefit the business operations of the company.

2.3 They shall have the leadership and independence on decision-making for a maximum benefit of the company and the overall shareholders.

2.4 They shall have responsibility for performing the duty of the directorship and can sacrifice their time in the performance of the directorship duty fully, including having the responsibility for the shareholders and deciding with circumspection and maintaining the interests of the company.

2.5 They shall perform the duty with honesty, integrity, ethics and virtue under the legal framework, including the guidelines on the good governance and code of conduct.

3. Term of the Directorship

The term of the directors is specified by the Public Limited Company Act 1992 and its bylaws in the AGM of the shareholders. The company has to rotate the positions for one-third of the total number of the directors. The longest serving directors shall be rotated first. However, if the number of the directors cannot be divided into three exact numbers, it can be rounded up to the nearest number of one-third, but the rotated directors can be reinstated. Meanwhile, the recruitment and setting the remuneration committee can select and nominate the suitable names to the Board of Directors and the meeting of the shareholders for approval later.

4. The Meetings of the Board of Directors

4.1 The Board of Directors shall hold a board meeting a minimum of four times a year and implement the meeting to comply with the regulation of the company, the Public Limited Company Act 1992 and the SET regulations. While the chairman of the Board of Directors as the chairman of the meeting shall encourage to use the discretion that is prudent and allocate the time sufficient for the management to present the matter and sufficient for the directors can discuss the important problems with prudence. Including recording the minutes of the meeting each time for the directors and the relevant persons can verify. The directors have a duty to attend the board meeting each time except there is a special reason.

4.2 Before the Board of Directors meeting each year, the company secretary shall prepare a meeting schedule for the board of directors to acknowledge on the meeting in advance throughout the year, so the directors can plan in advance and allocate the time to attend the meeting.

4.3 In setting the number of times on the board meeting, the company shall consider the suitability with the duty and responsibility of its board. While the company secretary has shall prepare the annual schedule with stating the matter for consideration in each meeting, so the board can acknowledge on the details to consider in each meeting in advance. For instance, in the meeting in February shall have an approval on the annual financial budget and the schedule on the AGM, it is included the schedule on closing the register suspending the transfer of the company's shares. The meetings in May, August and December shall approve the verified financial budget on the quarterly basis at the 1, 2 and 3 quarters, etc.

4.4 In each meeting, the board secretary shall submit the meeting documents to the directors for consideration in advance a minimum of seven days before the meeting and shall prepare the documents and information to supplement the meeting.

4.5 Organizing the meeting shall comply with the bylaws of the company and the Public Limited Company Act 1992 strictly. It shall open an opportunity for the directors to discuss important problems prudently and widely. It shall have the company secretary to attend the meeting and record the minutes of the meeting, questions and recommendations of the directors as well. So the directors and the relevant persons can follow up and verify them.

4.6 In each board meeting, the chairman of the board shall spend the time in the meeting about 1-2 hours, which is sufficient for the management to present the matter for consideration, and the directors can discuss the important problems with circumspection thoroughly. Nevertheless, the Chairman of the Board has encouraged the directors in the meeting to use the careful discretion and can inquire from the meeting if there is someone to have a question additionally or there is an alternative opinion in the meeting on any item.

4.7 The meeting of the Board of Directors must have a minimum quorum. While voting at each Board of Directors meeting There are not less than two-thirds of the total number of directors.

5. Self-Assessment of the Board of Directors

The company secretary shall consider on suitability in preparing the "Corporate Governance (CG) Self-Assessment" to be presented to the Board of Directors for consideration on an individual basis to consider the work products and addressing the various problems, including improving the efficiency and the better working effectiveness.

6. Independence of the Board of Directors and the management

The Board of Directors shall promote the good governance by designating the "Chairman of the Board" may not be the same person with "The Chief Executive Officer". It includes having separation of duty clearly, so the board can have the checks and balances with the management independently.

7. Development of the Directors and the Management

7.1 The Board of Directors has promoted and provided convenience to have training for development and knowledge to the relevant directors, including the directors in the various committees, so the improvement is continuous.

7.2 The company secretary has provided the manual on the directorship and guidelines on the disclosure of the information, records on possessing the securities, a change of the securities possession, etc. It shall submit each time with a change of the new director.

7.3 The Board of Directors shall require the Chief Executive Officer to prepare a regular report on the plan for development and successive jobs to prepare for readiness on the successor in the case they cannot perform the duty.

7.4 The Board of Directors has set up the structure for the development of the management by assigning the Chief Executive Officer to report annually for the things that they have performed during the year and consideration in parallel with the plan on job succession

6.1.2 Policy and guidelines related to shareholders and stakeholders

The Board of Director supervises the organization of the shareholders meeting in accordance with the law, bylaws and relevant regulations strictly, with support and provides convenience to the shareholders of every group, including the institution investors in attending the shareholder meeting. Moreover, the board also has set up a policy on taking care of the right of the shareholders for protection, promotion, support and no derogation of the right of all the shareholder groups as follows.

1. Meeting of the shareholders

1.1 Annual general meeting {AGM} of the shareholders: The Board of Director has designated the AGM once a year by no more than four months following the date of ending the financial year of the company. However, if there is necessity/emergency to present a special agenda, which affects or involves with the interests of the shareholders or related to the condition or guidelines on the applicability, it shall require prior approval from the shareholders.

1.2 Propagation of the information to supplement the shareholder's meetings: The company shall disseminate the information to complement the agenda of the shareholder meeting in advance by about one month before the meeting date in the website of the shareholders at www.patkol.com.

Moreover, it shall explain the right of the shareholders in the attendance of the meeting and the right to vote by the shareholders as well.

1.3 Providing convenience on the exercise of the right to the shareholders and the institution investors: The Company shall provide convenience to the shareholders and the institution investors to exercise the right by organizing the meeting venue of the shareholders that is convenient for the travel, with opening an opportunity for the shareholders and the institution investors to send a question related to the meeting agenda to the Board of Director a minimum of 90 days before the meeting date via the website of the company or by

fax number 02-328-1245. It shall notify via the news system of the SET with dissemination of the letter of invitation to the AGM of the shareholders.

1.4 Proxy: In the case the shareholders cannot attend the meeting by themselves, The Board of Director shall prepare a proxy statement in the form that is easy to fill the information that the shareholders can select the directors by themselves or use an alternative by presenting the name of the independent director or other people in giving the proxy by using a proxy statement that the company has sent with a meeting appointment. Moreover, the shareholders can download the proxy statement via the website of the company by another way as well. As for the shareholders who are institution investors or foreign investors and have appointed a custodian in Thailand shall be the depositor and caretaker of the company shares to coordinate on the document and evidence to show before attending the meeting in advance to register on the meeting date with convenience and speedier.

2. Implementation on the shareholder's meeting date

2.1) The Board of Director encourages to apply the technology with the AGM on registering the shareholders on counting the scores and show the results, so that the meeting can be conducted expediently, correctly and accurately with voting by the show of hands for more accuracy.

2.2) The company shall encourage all the directors to attend the shareholder meeting, which the shareholders can inquire the chairman of the committees in the relevant matters.

2.3) In the shareholder meeting, it shall provide voting separately for each item. In case that item contains multiple names, e.g. the item on the appointment of individual directors, etc.

2.4) The Board of Director shall encourage on an independent counting person or inspector of the voting scores in the AGM and the extraordinary general meeting (EGM) and disclose to the meeting for acknowledgement with recording in the meeting report.

2.5) The Board of Director shall encourage using the ballots in the important items, e.g. making the related items, making an item of acquisition or disposal of assets, etc. for transparency and accountability, in the case there is an argument later on.

2.6) The chairman of the meeting shall allocate the appropriate time and encourage the shareholders to have a chance to express their opinions and ask a question(s) in the meeting on the relevant matter with the company.

2.7) The company has prepared a VDO on the meeting of the shareholders throughout the meeting time, so the shareholders who have a question can follow up on the meeting of the shareholders.

3. Preparation of the minutes of the meetings and disclosure of the resolutions of the meeting to the shareholders.

31) The minutes of the meeting of the shareholders shall record the explanations of the procedure on voting and the method of showing the scores to the meeting for acknowledgement before conducting the meeting, including open an opportunity for the shareholders to set an issue or inquiry. Moreover, it shall record the questions and answers as well as the results on voting in each item if the shareholders agree or disagree or abstain from voting. It includes the recording of the names of the attending directors and the directors taking leave.

32) As for convenience of the shareholders to provide registration by using the bar code system to show the registration number of each shareholder on the proxy statement, so the procedure on the registration shall be speedy.

33) Exercising the right to vote on each item by using the method of collecting the ballots of the voting shareholders who disagreed and abstained. At the end of the meeting, the shareholders can request for verification.

34) The company shall disclose to the public on the results of voting of each item in the AGM and the EGM in the next working day on its website.

35) The company has prepared the minutes of meeting within 14 days from the date of conducting the AGM, which has been submitted to the SET and the Ministry of Commerce within the specified time.

Equitable Treatment of Shareholders

The Board of Directors considers the treatment of the shareholders with equity, so it has set up the following policies: -

Policy in the equitable treatment of shareholders

The Board of Directors has a duty to respect the right of the shareholders and the equitable treatment, regardless of being the major or minor or foreign shareholders. Meanwhile, the only types of the shares that can vote with equality consisted of 1 common share per 1 vote and 100 preferred shares per 1 vote. Moreover, the Board of Directors also has a duty to promote and encourage the shareholders to exercise the right on the various matters on the AGM and provide convenience to the shareholders on the various matters as well

1. Giving information before the shareholders meeting

1.1) The Board of Director shall take care of the company to notify the schedule on the shareholder meeting with the agenda and its opinions to the SET and disseminate it via the website of the company about one month before the appointment date of the shareholder meeting.

1.2) The Board of Director shall take care of the company to notify the shareholders for acknowledgement of the various guidelines used in the meeting, procedure on voting, including the right to vote in accordance with each type of the share.

1.3) The Board of Director shall supervise the company to prepare a letter of invitation to the shareholders in the complete Thai languages.

2. Protection of the right of the minor shareholders

2.1) The Board of Director shall provide convenience to the minor shareholders by setting up guidelines on the method of giving the right to the shareholders to present the subject to fill the agenda of the AGM in advance before the meeting date a minimum of 90 days via its website or the fax number 02-328-1245 through the news system of the SET.

2.2) The Board of Director shall provide convenience to the minor shareholders by setting up the guidelines on the method of giving the right to present the name of the persons to be considered in the election as directors in the AGM in advance before the meeting date a minimum of 90 days in advance. It is made through the website or the email of the company secretary or the fax number 02-328-1245 through the news system of the SET.

2.3) The company has no policy to increase the agenda that has not been notified in advance without necessity, especially the important item that the shareholders have to spend time to study the information before making the decision.

2.4) The Board of Directors opens an opportunity for the shareholders to exercise the right to appoint the directors on an individual basis.

The Directors' Conflict of interest

The company has realized the importance on management related to a conflict of interest of the relevant person carefully, fairly and transparently, which means the board of directors, the management and the employees. The board of directors has set up a policy and guidelines on the conflict of interest as follows:

Policy and practice on conflict of interest

1. It designates the directors and the senior management (from the E16 level and up and the accounting and finance director) shall report on the conflict of interest related to the management of the company or its affiliate when holding the title of directorship or the senior management for the first time and report each time when there is a change of information on the conflict of interest, including reporting annually. However, the secretary of the company shall send a copy of the report on the conflict of interest to the chairman of the board and the chairman of audit for acknowledgement within 7 days from the date of receiving the report to comply with the Securities and Exchange Act 1982, and to use such the information in the examination and the prevention of a conflict of interest.

2. There is a disclosure of the structure on shareholding of the affiliates, subsidiaries, joint venture and other companies clearly, including the authorized shareholders to make sure that the company has the shareholding structure that is clear, transparent and no cross holding with the major shareholders to cause a conflict of interest to either party.

3. In a board meeting, if a director has a conflict of interest on the matter under consideration, that director shall not participate in making such the decision. They cannot attend the meeting or have to omit voting so the decision of the board shall be fair or for the true benefit of the shareholders.

The Board of Director has realized of the right of stakeholders and shall take care of it to make sure, that such the right both specified by the law or by a joint agreement shall be protected and implemented strictly included suitable compensation suitably, if the interest of stakeholder's interests is violated.

Policy and Guidelines on Taking Care of the Vested Interests

The company has newly designated the Vested Interests to become a policy and measures to take care of them, which are classified into seven groups as follows:

- 1) Employees
- 2) Customers
- 3) Shareholders
- 4) Trade partners (included the consultants and subcontractors)
- 5) Creditors
- 6) Governmental agencies
- 7) Communities around the factory

The Board of Directors has set up a policy and guidelines on the care of the Vested Interests as follows:

1) Employee

Policies on taking care of the employees

1. The Company has a policy to recruit employees based on knowledge, ability and suitability of the individual with the nature of the work and position without discrimination on the basis of race, religion, ethnicity, caste, colour, sex, age, nationality, sexual preference, marital status or physical disability, which have no effect on the position and duties to be performed.

2. The company gives compensation to its employees by holding on to the principle of consideration with fairness and can measure the result, e.g. monthly income, income from overtime, commissions, annual bonus, provident fund, savings cooperative, life insurance and health insurance, etc.

3. The company intends to promote and develop its personnel to have knowledge and skills continuously, i.e. to have training and seminar of the management and the employees at all levels for the whole year, etc.

4. The company has treated all of its employees with equity, e.g. assessment of the employees, keeping the secret of the working experience and the exercise of their various rights, etc.

5. The company considers the right of the employees as priority and opens an opportunity for its employees to file a complaint in the case they are not treated fairly through the various channels, e.g. the complaint box, the Human Resources Department (HR), etc.

6. The company has a duty to take care of the working environment to have safety, hygiene and suitable for working with effectiveness, e.g. the company manages to have implementation on the 5 S (1. Clearing up, 2. Organizing, 3. Clearing, 4. Standardizing and 5. Training & Discipline). It has set up the safety unit to control and take care of the occupational health and safety health, etc.

2. Customers

Policies on taking care of the customers

1. The company has a duty to build up long-term relations and cooperation with the customers by adhering to the integrity, sincerity with the customers, trust and reliability to each other.

2. The company has a duty to make maximum satisfaction for its customers by taking responsibility, attention, goods sales and service with friendliness and priority to the problems and demands of the customers.

The management and all of its employees shall comply with the following measures:

- Adhering to the presentation and delivery of the product that meet the standards and qualities

corresponded to the demand of the customers.

- Adhering to the various conditions made with the customers' utmost.
- Offering the trade prices and conditions to the customers in the same group with equity.

3. Shareholders

Policies on taking care of the shareholders

1. The company has a duty to protect and respect the basic rights of the shareholders, e.g. the right to trade or transfer shares, share the profits of the business, receive news and information on the business sufficiently, and attend the shareholders' meeting or appoint or remove the directors, appoint the auditor, allocate the dividends, setting up or amending the bylaws or the memorandum of association, reduction or increase of the capital and approve of the special items, etc.
2. The company has a duty to promote and encourage the shareholders to exercise their rights on the various matters in the annual general meeting (AGM) i.e. the right to present an item in the AGM in advance, the right to nominate a candidate to be elected as the directors in advance, the right to submit a question to the meeting in advance before the meeting, the right to express an opinion and ask a question with the meeting, etc.
3. The company shall not do anything to violate or limit the right of the shareholders.

4. Trade Partners (including the consultants and subcontractors)

Policies on taking care of the trade partners (including the consultants and the subcontractors)

1. The company has a duty to create good relations with all the trade partners.
2. The company has a duty to open an opportunity to all the trade partners to present the goods or service equally, while the management and its relevant employees with the trade partners shall comply with the following measures:
 - It has to work with the trade partners with integrity and equity.
 - The consideration and decision-making shall be based on the basis of comparison of quality and various conditions considering the company's interests both on the short term and long term.
 - It has to keep the secrets of the trade partners by prohibiting from accepting a bribe or commission from the trade partners, including being prohibited from disclosing information or a proposal from one or multiple trade partners for acknowledgement directly and indirectly.

5. Creditors

Policies on taking care of the creditors

1. The company has a duty to build up relations and practice on the creditors by adhering to the principle on integrity, reliability and mutual trust.
2. The company has a duty to take responsibility, attention and priority on the various conditions on the agreement with the creditors at the best.

6. Governmental Agencies

Policies on taking care of the governmental agencies

1. The company shall operation follow the law and any conditions that was determined. Moreover, we shall operation over than the law and/or any condition that was determined.
2. The company shall support the activities in the various occasions of the government agencies as appropriate.
3. The company has a policy of prohibiting from giving or receiving a bribe to the governmental authorities, which specified in the policy and guidelines on resist fraud and corruption of the company and its affiliates in Patkol group.

7. Communities around the Factory

Polices on taking care of the communities around the factory

1. The company and its employees have to adhere to the behavior of being good citizens and benefit the society and communities
2. The company and its employees have a duty to behave good to the communities residing nearby with friendliness, help and support the communities to have good living, including taking responsibility for addressing in case of a problem derived from the operations of the company with equity.
3. The company and its employees have a duty to take care and support of the activities with a benefit to the society and cooperation with the public sector and the various agencies with willingness and sacrifice for the benefit of the public.

Mechanisms for Participation by the Stakeholders

The company has opened a channel for the interested person to show their opinions/ recommendations/ complaints with the Audit and Risk Management Committee and/or secretary of the company on the matter that is beneficial, including the matter involved with the good corporate governance. For instance, on the law or ethics, financial report or the defective internal audit via the channel of receiving the complaint and advice specified in this policy.

Whereas the complainant shall state details of the matter to express the opinion/advice/ complaint with evidence or sufficient information for the verification and notification of the name, address and telephone number that can be contacted to the channel of receiving the matter as follows:

- (1) Notify via the telephone 02-328-1035
- (2) Send a letter in the suggestion box inside the company at the canteen area at all plants.
- (3) Send a letter to Patkol at Secretary of Audit and Risk Management Committee, Patkol Public Co., Ltd. No. 348, Chaloem Plra Kiat Ratchakan Thi 9 Rd., Nong Bon Sub-district, Prawet District, Bangkok, Thailand.

Disclosure of Information and Transparency

The company has taken care on the disclosure of the important information involved both the financial information and others correctly, completely, transparently, widely and in time according to the requirement of the SEC and the SET. It can help the shareholders, investors, customers and the interested persons to access the information easily to have equity and reliability with the revelation as follows:

1. Disclosure of the Information by the Board of Directors

1.1 It has a system that takes care of the disclosed information to the investors to be correct without misunderstanding but sufficient for the decision-making of the investors.

1.2 It has to provide a report on the results of the operations in accordance with the policy on good governance, business ethics, risk management and policy on social and environmental care approved in summary. The results on the compliance with such the policy, including in the case it cannot comply with such the policy with the reason by reporting via the various channels, e.g. the annual report and its company website.

1.3 It has to provide a report on the liability of the board of directors on the financial report to show in parallel with the auditor's report in the annual report.

1.4 It has to disclose the explanations and analysis of the management discussion and analysis (MD&A) to complement the revelation of the financial statement every quarter.

1.5 It has to disclose the cost of the audit and other service costs provided by the auditor.

1.6 It has to disclose the role and duty of the board of directors and its committees, the number of the meetings and the number that the directors have attended the meeting in the past year. It included the training and development on the profession continuously by the board in the annual report.

1.7 It has to disclose the policy on the payment of the remuneration by the directors and the senior management that reflects the duty and responsibility for each person, including the compensation that each director has received from holding the directorship of the affiliates

2. Disclosure of Information on the Website of the Company

The Board of Directors has disclosed the information on its website on www.patkol.com both in Thai and English languages by updating it constantly.

6.2 Business Ethics

Patkol Public Company Limited and its subsidiaries the “companies” have established good practice guidelines for directors, executives and all employees “personnel” to use as guidelines for achieving business goals along with ethical standards. including the relevant rules as follows:

1. Code of Conduct Towards the Company

- The Company's personnel must work under the concept of "Commitment to delivering quality-service with sincerity using friendly engineering."
- The Company's personnel must maintain the quality of the Company's products. Plan their work according to the work manual for inspection control at every stage of production.
- The Company's personnel must focus on their work with determination and dedication. They must be disciplined. Everyone will keep track of task progress regularly until the task is completed on time without succumbing to obstacles.
- The Company's personnel must comply with the Company's regulations/rules and not act in violation of the law and/or contrary to good ethics.
- The Company's personnel must make the most of the company's assets and not cause unnecessary waste, early-degradation, or loss.
- The Company's personnel must not engage in any business or investment that is competitive or causes a conflict of interest with the Company or be a permanent employee or temporary employee of other organizations operating in the same line of business as the Company or have a conflict of interest with the Company.
- The Company's personnel must maintain the Company's confidentiality by refraining from disclosing confidential information, news and technology or information affecting the Company's business to other external entities.
- The Company's personnel must maintain a safe workplace and good working environment.
- The Company's personnel must cooperate and comply with the Company's good corporate governance policy as well as the Company's anti-corruption policy.

2. Code of Conduct Towards Customers

- The Company is responsible for building long-term relationships and cooperation with customers under the concept of commitment to delivering quality-service using friendly engineering.
- The company is responsible for generating the highest level of customer satisfaction with good-quality and reliable products, using the right design with the right raw material to meet their needs. Careful planning and continuous product improvement are made in all stages of production. Manuals are written and used for inspection and control at all stages of production.
- The Company's personnel must serve customers with accuracy and speed. They must dress appropriately and be on-time for their appointments. They should be ready to provide services and be able to resolve issues without causing repeated problems.
- The Company's personnel must focus on their work, be committed and dedicated. They should keep track of task progress regularly until it is completed and are responsible for finishing the job on time.
- The Company's personnel must work sincerely and honestly, providing customers with useful information in a straightforward way. They must deliver work/goods to customers in line with the detailed agreement by cooperating fully with each other to achieve a common goal.
- The Company's personnel must adhere to the principles of friendly engineering, i.e., deliver products and services according to good engineering principles and provide customers with advice as if they are the customer's partner in doing business. We will satisfy our customers using technology that suits each customer and their environment.

3. Code of Conduct Towards Shareholders

- The Company will protect and respect the basic rights of shareholders with determination and sincerity. We encourage shareholders to exercise their rights, in particular, the right to attend shareholders' meetings.
- The Company's personnel must focus on working earnestly and sincerely and uphold the company's interests like their own. Each person will use their knowledge, competence and management skills to ensure that the Company thrives and generates appropriate returns to shareholders.
- The Company will enable shareholders to receive news, such as financial statements and details about any business performance in full. We will provide information adequately, with determination and sincerity in accordance with the regulations of the supervisory authorities in order for shareholders to be informed correctly, transparently, clearly, and fairly.

4. Code of Conduct Towards Employees

- The Company will compensate employees fairly based on their work. Considerations will be made earnestly, sincerely and quantitatively, such as monthly pay, overtime pay, commissions, annual bonuses, pension funds, retirement cooperatives, life insurance, health insurance, etc.
- The Company aims to promote and provide professional development to personnel earnestly and sincerely so that employees can continuously improve their skills and knowledge. For example, the Company will provide training for the company's personnel throughout the year.
- The Company will treat all employees with fairness and equality, such as evaluating their work, as well as maintaining the confidentiality of work history and supporting employees to exercise their rights.
- The Company takes into account the rights of employees and allows employees to submit complaints.
- The Company will treat employees with respect by creating a safe, hygienic and conducive working environment.

5. Code of Conduct Towards Business Partners

- The Company's personnel must cooperate in the exchange of useful information with business partners. They must also comply with the agreed terms and conditions. If there is a situation that results in an inability to comply with any of the terms of the agreement where the Company is not able to comply with any of the terms, they will inform our partners as soon as possible to find a solution.
- The Company's personnel must be able to receive feedback and suggestions as well as convey accurate information to partners.
- The sourcing, purchasing, or hiring of partners is in accordance with the procurement policy. There are auditable processes and criteria for selecting partners fairly and transparently. We will support business operations with partners who operate legally with determination and sincerity.
- The Company's personnel must not request, accept, or offer any benefits that are indications of dishonest actions against the partner.

6. Code of Conduct towards Creditors

- The Company will build good relationships and treat creditors based on honesty, reliability and mutual trust.
- The Company will take responsibility, care and value the conditions in which the agreement is made with the creditors to the best of our abilities. If there is a situation that results in an inability to comply with any of the terms of the agreement resulting in the Company unable to comply with any of the terms, we will inform the creditors as soon as possible to work on a solution.

7. Code of Conduct for Society, Environment and Local Communities

- The Company will cooperate and support the activities of the government and private sectors as appropriate for projects that benefit the community and society as a whole.
- The Company will conduct business within the framework of the law. We shall avoid unlawful business and will not cooperate or support any individual who conducts transactions that are a threat to society and national security.
- The Company will evaluate environmental risks and potential impacts, as well as mitigate the environmental risks. The Company will treat nearby communities with compassion and support their well-being. In case there is any problem where the local community is affected by the company's actions, the Company will handle the amendments equally and fairly.
- The Company strives to preserve the environment, such as promoting the economic and sustainable use of eco-friendly resources and energy for the society, community and environment.
- The Company will provide a safe workplace and hygienic working areas for employees and contractors in accordance with occupational health and safety management standards. This includes supporting activities, such as safety awareness training, risk assessment, analysis of accident statistics, accident preparedness, accident control and accident prevention.
- The Company will develop information technology and communication systems to efficiently manage resources.

8. Code of Conduct Regarding Intellectual Properties

- The Company will make use of appropriate information technology under the Copyright Act B.E. 2537 (1994) and the Computer Crime Act B.E. 2550 (2007), as well as related laws.
- The Company will comply with intellectual property laws and will not infringe on the intellectual property of others. The Company will protect the Company's intellectual property against infringement by other parties.
- Intellectual property resulting from duties assigned by the Company or work used for the Company are owned by the Company. The company's personnel must turn over the work to the Company regardless of the format used to store information, work or copyright.

9. Code of Conduct for the Prevention of Conflicts of Interest and Protection of Confidential information

- The Company's personnel must avoid acting in conflict with the Company's interests, such as actions that result in loss or reduced profit for the Company.
- The Company will comply with the laws and regulations relating to the connected transactions of the SET and the Securities and Exchange Commission.
- In case of a connected transaction, the Company will record the transaction as if it were completed with a third party. Directors and executives who are involved in the transaction shall have no part in the approval.
- The Company's personnel must protect the Company's confidential information, especially any internal information that has not been made public, or information that affects the Company's business operations or stock prices.
- The company's personnel must protect internal information. They must not use inside information for their own benefit in trading the Company's shares or provide inside information to other persons for the benefit of trading shares of the Company and its subsidiaries.
- The Company's personnel must protect the Company's confidential information. The Company's confidential information must not be disclosed to competitors or third parties even after employment ends.

10. Code of Conduct Regarding Interactions with Regulatory Authorities and Government Agencies While Maintaining Political Neutrality

- The Company will abide by the relevant laws and regulations as well as follow the guidance of regulators and government agencies to conduct business properly.
- The Company is politically neutral. It does not support any political party, political group or politician, either directly or indirectly.
- The Company's personnel have the right to freely participate in political activities under the provisions of the law as long as their participation is done outside of business hours and the personnel does not wear the Company's uniform or use the Company's assets.

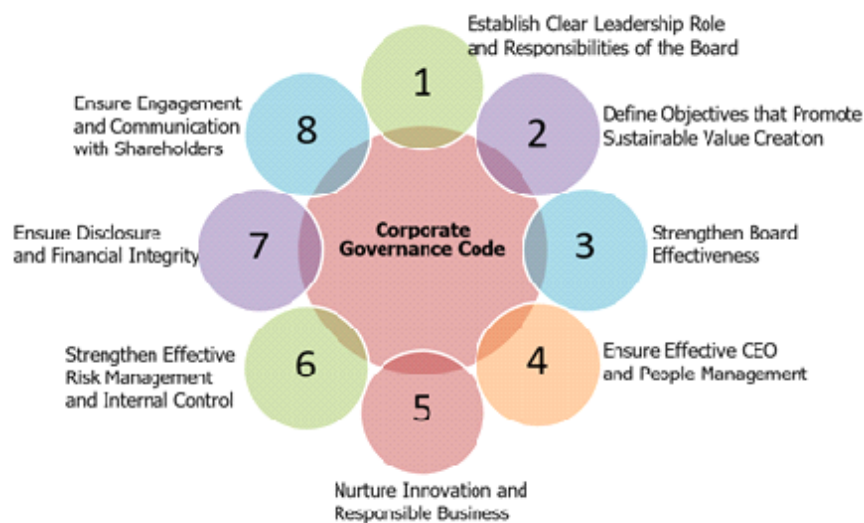
11. Code of Conduct Towards Competitors

- The Company will operate within the framework of good, fair and equal competition.
- The Company will not seek confidential information of competitors.
- The Company will not damage the reputation of its competitors by making malicious allegations.

6.3 Major Changes and Developments of Policy, Practices and Corporate Governance System in the past year

The Board of Directors has realized and reviewed the principles of the good corporate governance for listed companies in 2017 (CG Code 2017). In accordance with the guidelines of the Securities and Exchange Commission by reviewing and improving the roles and duties of the Audit Committee, Risk Management Committee and the Remuneration Committee in accordance with the principles of good corporate governance in accordance with the following guidelines:

Corporate Governance Code 2017

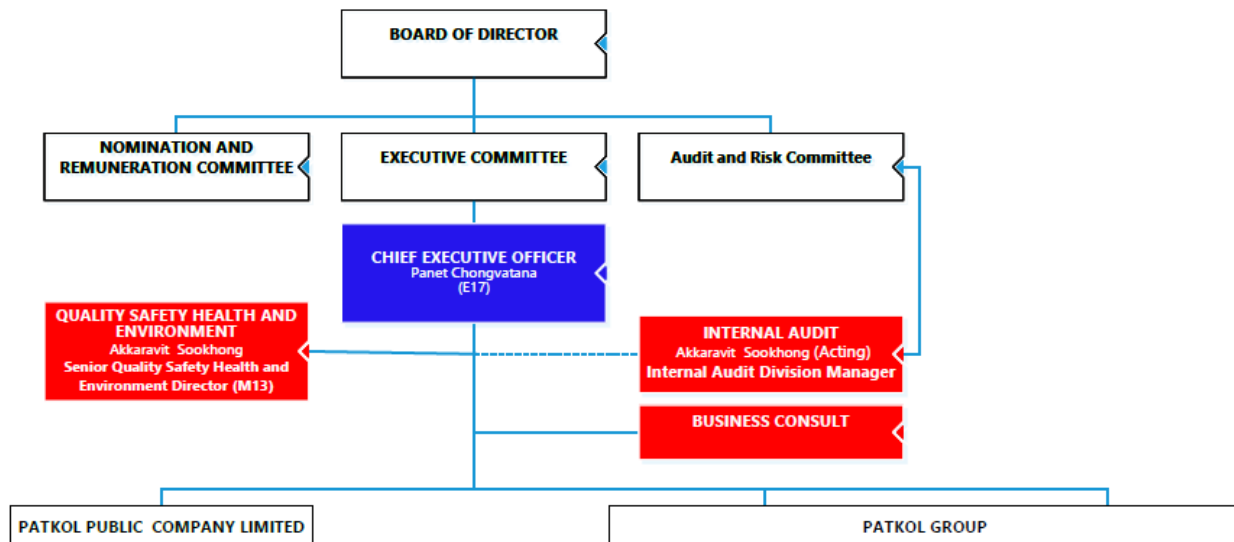


The Company plans to consider and review such principles. To increase the efficiency of governance and to demonstrate that the Company has raised the level of corporate governance standards of the company to be more in line with the principles of good corporate governance for listed companies in 2017 (CG Code).

7. Management Structure and important information about the board, Sub-committees, management, employees and others

7.1 Management structure

Internal management structure (As defined by SEC)



7.2 Information of Directors

Board of Directors

According to the company's article of association there must be at least 5 directors and no less than half of the total number of directors must reside in the country.

As at 31 December 2023, the Board of Directors There are a total of 10 directors who are highly qualified in the areas of skills, knowledge and experience that are beneficial to the operation

- 4 independent directors (equal to two-five of the total number of directors)
- 9 non-executive directors
- 1 executive directors

List of Board of Directors as follows:

Name	Position
1.Mr. Petipong pungbun na ayudhya	Chairman of the board, independent director
2.Mr. Sangchai chotchuangchutchaval	Chief executive committee, vice chairman of the board
3.Mr. Panet chongvatana	Chief executive officer, director
4.Mr. Paradon chulajata	Director
5.Miss nongluck sakdakrai	Director
6.Mr. Rangsarn thammaneeuwong	Director
7.Ms. Natiya chongvatana	Director
8.Mr. Virachai srikajon	Independent director, audit committee
9.Mr. Pairoj sanyadechakul	Independent director, chairman of the audit committee
10.Ms. Boonnada kuhakarn***	Independent director, audit committee
11. Mr. Preecha chantrangkul*	Director, Audit and Risk Management Committee Member (Independent Director)
12.Mrs. Anongsiri chaiyakul**	Director
13.Mr. Sumet jiambutr*	Director

Note: *Mr. Preecha Chantarakul and Ms. Anongsiri Chaiyakul, members of the Audit and Risk Management Committee and Chairman of the Nomination and Compensation Committee The director retired on April 27, 2023

.**Director Mr. Sumet Jiambutr resigned on August 11, 2023

***Ms. Bunnada Kuhakarn was appointed as a member of the Audit and Risk Committee on August 15, 2023.

Authorized Directors at present

According to the Company's certificate dated December 1, 2023, the authorized directors are:

(1) Mr. Sanngchai Chotchuangchatchaval and Mr. Panet Chongvatana jointly sign and affix the Company's seal; or

(2) Mr. Sanngchai Chotchuangchatchaval or Mr. Panet Chongvatana co-sign with Mrs. Anongsiri Chaiyakul or Mr. Paradorn Chulajata or Mr. Sumet Jiambutr or Ms. Natiya Chongvatana, any one of them, totaling two. and affix the company's seal

The Authorities and Duties of the Board of Directors

The Board of Directors is primarily responsible to the shareholders regarding the Company's business operations. And have the roles and responsibilities to supervise the work of the management in accordance with the objectives and the company's article of association, compliance with law and shareholders' resolutions, as well as careful care of the interests of all parties concerned equally under the duty of honesty, prudence and prudence, considering the maximum benefit of the Company and fairness to all shareholders. The scope of powers and duties are as follows:

- 1) Provide the business of the company to comply with the legal, objectives and the company's article of association, including resolutions of the shareholders' meeting, with honesty and be careful to maintain the interests of the company.
- 2) Responsible to shareholders on a regular basis and operate by maintaining the maximum benefit of the shareholders, and also disclosed the information's to investors accurately, fully, standard and transparent.
- 3) Determine and amend the list of authorized directors of the Company.
- 4) Appoint sub-committees to help monitor and control the management of the company in matters of essence.
- 5) The Board of Directors has assigned the Chief Executive Officer to be responsible for the Company's business and assign the management to reports on the performance of the Board of Directors at every meeting.
- 6) The Board of Directors may authorize to one or more persons to perform any act representational the Board as the Board deems appropriate, and within the time that the Board deems appropriate. The Board may revoke the revocation change or modify that power.
- 7) Prepare annual report and responsible for the preparation and disclosure of financial statements to reflect the financial position and the results of the past year to propose to the shareholders meeting.
- 8) Meet at least 3 months for decision of the Board of Directors' meeting is the majority vote. Any director who has a vested interest in any matter shall not have the right to vote on that matter and the Annual General Meeting of Shareholders within 4 months from the end of the fiscal year.
- 9) To set up a succession plan for the top management. To be prepared in case of top management cannot work.
- 10) Provide appropriate channels for communication with each group of shareholders and evaluate the disclosure to ensure accuracy, clarity, transparency and reliability.

- 11) Leadership and -role model in good performance consistent with good corporate governance and the corporate social responsibility approach.
- 12) Encourage the company operates to combat all types of corruption and corruption to maximize the Company's business and stakeholders.
- 13) Provide a Code of Conduct for Directors, Executives and Employees.

In case of any matter that any director or person may have a conflict according to the Securities and Exchange Commission (SEC) and I or the Stock Exchange of Thailand There is a part of the conflict or a conflict of interest. No authority to authorize such action for the benefit of the company and overall shareholders are important.

7.3 Information of Sub-committees

Sub-committees

Board of Directors' Sub-committees have been appointed to support and facilitate the work of the Board of Directors. Now 3 at present, namely

1. Audit and Risk Management Committee
2. Executive Committee
3. Nomination and Remuneration Committee

1) Audit Committee and Risk management Committee Definition Audit Committee and Risk management

Committee

Audit Committee and Risk management Committee means the person appointed by the Board of Directors or shareholders of the Company to be the Audit Committee. The Audit Committee members must be independent directors, not being a director assigned by the Board of Directors to make decisions on the operations of the Company, its parent company, subsidiaries, affiliated companies, subsidiaries, or a potentially conflicting entity, and not the director of the parent company, subsidiaries and subsidiaries of the same order. It also has the same qualifications and functions as those set forth in the Securities and Exchange Commission (SEC) and regulations of the Stock Exchange of Thailand (SET) on the qualifications and scope of work of the Audit Committee. They must have sufficient knowledge and experience to be able to review the reliability of the financial statements, including other duties as a member of the Audit Committee.

List of Audit Committee and Risk management Committee as follows:

Name	Position
1. Mr. Pairoj Sanyadechakul	Chairman of the Audit and Risk management Committee
2. Mr. Veerachai Srikajon	Audit and Risk management Committee Member
3. Ms. Boonnada kuhakarn**	Audit and Risk management Committee Member
4. Mr. Preecha Chantrangkul*	Audit and Risk management Committee Member

Note: *Mr. Preecha Chantarakul and Ms. Anongsiri Chaiyakul, members of the Audit and Risk Management Committee and Chairman of the Nomination and Compensation Committee The director retired on April 27, 2023

**Ms. Bunnada Kuhakarn was appointed as a member of the Audit and Risk Committee on August 15, 2023.

Qualifications and Requirements of Audit and Risk management Committee

Same the qualifications of the Company's independent directors.

Scope of Authority and Duties of the Audit and Risk management Committee

- 1) Review the Company financial reporting in accordance with the accounting standards prescribed by law is accurate and adequate.
- 2) Review the Company an appropriate and effective internal control and internal audit system are in place, and the adequacy of the risk management process.
- 3) Review the Company to comply with the Securities and Exchange Act and the Stock Exchange of Thailand (SET) regulations, and the law related to the business of the company.
- 4) To consider connected transactions or transactions that may lead to conflicts of interests in accordance with the laws and regulations of the Stock Exchange of Thailand (SET).
- 5) Review and consider with the management regarding major defects detected and management response.
- 6) Have the power to investigate and investigate related parties within the scope of authority of the Audit Committee, and have the power to hire or bring specialized experts to help investigate and investigate by following the rules from the company.
- 7) To prepare a corporate governance report of the Audit Committee to be disclosed in the Company's annual report. The report must be signed by the Chairman of the Audit Committee.
- 8) To consider, select and nominate an independent person to be the Company's auditor and propose the compensation of such person. Also, attend meetings with the auditors without the management at least once a year.
- 9) Consider the scope of audit and audit plan of the auditor. And the internal audit section is related and

complementary and reduces redundancy in respect of financial audits.

- 10) Approve charter, budget audit plan, training plan, and the power of the internal audit.
- 11) Consider, appoint, transfer and evaluate the annual performance of the head of internal audit.
consider the independence of the internal audit.
- 12) Review the effectiveness and effectiveness of information technology systems related to internal control and risk management.
- 13) In performing duties of the Audit Committee. If there are any inquiries or doubts, there are transactions or actions that may have a material impact on the Company's financial position and performance.
 - (1) Transaction that causes a conflict of interest.
 - (2) Fraud or irregularity or defect in the internal control system
 - (3) Violation of the Securities and Exchange Act, the Stock Exchange of Thailand (SET) regulations or laws relating to the business of the Company.

The Audit Committee shall report to the Board of Directors to implement the amendment within the period of time the Audit Committee deems appropriate. If the board of directors or the management fails to do so, it should rectify it within a reasonable time. A member of the Audit Committee may report any such transaction or action to the Securities and Exchange Commission SEC and/ or the Stock Exchange of Thailand (SET).

- 14) To perform any other act as assigned by the Board of Directors with the approval of the Audit Committee.

Tenure and Vacancy

- 1) The Audit Committee has a term of office of 3 years, including the appointment, removal and removal from the Audit Committee.
- 2) Audit Committee members who vacated office by rotation May be re-appointed as the Board deems appropriate.
- 3) The Audit Committee vacates office upon
 - (1) The expiration of the term
 - (2) Die
 - (3) Resignation
 - (4) The Board of Directors has resolved to vacate office.
 - (5) Not being qualified as an audit committee in accordance with the charter of the audit committee or the rules and regulations of the Capital Market Supervisory Board; the Stock Exchange of

Thailand (SET) And various regulators set up.

4) If the Audit Committee member(s) wish to resign before the end of the term should report to the Board of Director before at less 1 month in advance with the reason(s) for the Board of Directors to consider the appointment of another qualified person(s) to replace.

5) When a member of Audit Committee retires the Audit Committee cannot stay until the term. As a result, the number of Audit Committee member is less than 3 persons. The Board of Directors will immediately appoint the new Audit Committee of delayed within 3 months from the date the number of committees is incomplete. To ensure continuity in the work of the Audit Committee and the person who becomes a member of the Audit Committee will be in the position only for the remaining term of the member of the Audit Committee.

2) Executive Committee

Qualifications and Requirements of Executive Committee

- 1) Members of the Executive Committee shall be appointed by the Board of Directors, with the consideration of the appropriate number of members. The Executive Committee shall possibly consist of the Board of Directors, executives of the company, and/or members of any third party.
- 2) The Executive Committee shall compulsorily consist of the minimum requirement of 3 members.
- 3) The Board of Directors shall be required to appoint members of the Executive Committee, where one of the entire members shall be a member of the Board of Directors to hold the position of Chairman of the Executive Committee.
- 4) Members of the Executive Committee shall possess desirable knowledge and experience required for the roles and responsibilities while being able to devote great effort in implementing required tasks. All members are also expected to refrain from any illegal actions required by law.

List of Executive Committee as follows:

Name	Position
1. Mr. Sangchai Chotchuangchutchaval	Chairman of the Executive Committee
2. Mr. Panet Chongvatana	Vice Chairman of the Executive Committee
3. Mr. Rangsan Thammanee Wong	Executive Committee Member
4. Ms. Nongluck Sakdakrai	Executive Committee Member
5. Mr. Paradorn Chulajata	Executive Committee Member

Scope of Authority of the Executive Committee

- 1) Determine the policy, target, strategy, operating plan, investment project, annual budget and other management authorization to be proposed to the Board of Directors for approval.
- 2) Supervise and monitor the company' business operations consistent to the policy, target, strategy, operating plans, investment projects and the annual budget with approved by the Board of Directors to be effective and augment the business condition with giving consultation, introduction, management and report the operating results to the board meeting for acknowledgement.
- 3) Regulate the organizational structure and management with efficiency covering the recruitment, training, employment and termination of the employees, who are the management or senior executive. It may assign the chairman of the board of the Chairman of the Executive Committee as the authorized person to sign the employment contract.
- 4) Supervise and approve the matter related to the operations of the company such as,
 - 4.1) Consider approving the sales from 100-300 million baht.
 - 4.2) Consider approving the sales of the property, including the investment valued from 10-30 million baht.
 - 4.3) Consider deciding in the case there is a problem in delivering jobs to customers with the total project value is more than 50 million baht, and cannot deliver the job by exceed 180 days.
 - 4.4) Consider setting guidelines on taking legal actions,
 - In the case the company has become a plaintiff or defendant in the civil case with the capital exceed 10 - 30 million baht.
 - In the case the company has become a plaintiff or defendant in the criminal cases with the capital exceed 10 - 30 million baht or criminal cases with imprisonment.
 - 4.5) Consider accepting a fine and/or return of the goods with the total project value by more than 10 - 30 million baht.
- 5) Consider approving the financial transactions with a financial institution to open or close the account, lending/borrowing, pledging, mortgage, guarantee and anything, including a transaction, registration of land ownership to do the normal transaction of the company under the authorized amount of 10 million baht.
- 6) Consider screening all types of the jobs presented to the Board of Director except the job under the responsibility and/or authority of Sub-committees of the company to become the screener to present to the Board of Director directly.
- 7) It has the power to appoint and supervise the operations of the Management Committee appointed

according to the set policy and target.

- 8) It may assign someone or a Management Committee with the power to act on behalf of the Executive Committee as it deems appropriate, and may cancel, revoke and change or revise such the power.
- 9) Perform other duties as assigned by the Board of Directors.
- 10) Consider and screen the list of directors of subsidiaries to propose to the Board of Directors for approval.
- 11) Consider setting policies and frameworks for managing operational risks (Operational Risks), including other risks, and report to the Audit and Risk Management Committee for information and consideration.

Whereas, the power of the board shall not include approving any item for any director or a person with a conflict of interest or vested interests or a subsidiary according to the guidelines of the SEC and the SET. Meanwhile, such the approved items shall be presented to the board meeting and/or the shareholders' meeting to approve in accordance with the relevant law.

Tenure and Vacancy

- 1) Members of the Executive Committee deemed as members of the company's Board of Directors shall remain effective in the position for a 3-year term. When the term is due, the Board of Directors shall be allowed to re-appoint the same members to return to the position plausibly and appropriately.
- 2) Members of the Executive Committee deemed as members of the company's Board of Directors shall remain effective in the position of executive management, except as otherwise determined by the Board of Directors.
- 3) Members of the Executive Committee deemed as members of the third party shall remain effective in the position in accordance with the resolution of the company's Board of Directors and shall be altered as appropriate. Apart from the aforementioned provisions, members of the Executive Committee shall be withdrawn from the position due to the following causes;
 - 1) Death
 - 2) Resignation
 - 3) Disqualification of directorial properties, possession of any illegal action under the law on public company limited, or lack of proper qualifications required for the company's corporate management, where shareholders are selected in accordance with the requirements cited in Article 89/3 of the Securities and Exchange Act (No. 4) B.E. 2551(2008).
 - 4) The Board of Directors has resolved for retirement.Any member of the Executive Committee who intends to resign from the position shall be required to submit a resignation letter to the President of the Board of Directors. In case that the position is vacant due to any reason other than the normal expiration of tenure, the Board of Directors shall

appoint a new qualified person who possesses no illegal manner required by law to substitute the vacant position. In case that the remaining period of effective tenure is less than 2 months, the Board of Directors shall be allowed to determine not to appoint any person to substitute the vacant position as the substituted member shall remain effective in the position for the remaining period of effective term only.

3) Nomination and Remuneration Committee

Qualifications and Requirements of Nomination and Remuneration Committee

- 1) The Nomination and Remuneration Committee consists of at least 3 members of the Board of Directors and at least 1 Nomination and Remuneration Committee must be independent directors.
- 2) Can devote sufficient time to the work of the Nominating and Remuneration Committee.
- 3) Independent directors who are the Chairman of the Nomination and Remuneration Committee. Qualifications of independent directors must be fully fulfilled in accordance with the Notification of the Capital Market Supervisory Board.

List of Nomination and Remuneration Committee as follows:

Name	Position
1. Mr. Preecha Chantarangkul	Chairman of the Nomination and Remuneration Committee
2. Mr. Paradorn Chulajata	Nomination and Remuneration Committee Member
3. Ms. Nongluck Sakdakrai	Nomination and Remuneration Committee Member
4. Mr. Preecha Chantrangkul*	Audit and Risk management Committee Member

Note: *Mr. Preecha Chantarangkul members of the Audit and Risk Management retired on April 27, 2023

Scope of Authority and Duties of the Nomination and Remuneration Committee

1. Determine procedures for annual performance appraisal of the Chief Executive Officer and propose criteria and evaluation results to the Board of Directors for consideration and approval in determining remuneration.
2. Determine procedures and standards for offering remuneration to the Board of Directors and the sub-committee fairly and reasonably to be proposed to the meetings of the Board of Directors and shareholders accordingly.

3. Determine procedures and standards for nominating members of the Board of Directors and the sub-committee and consider the qualifications of persons nominated for the above positions by considering knowledge, competence, experience and expertise that are appropriate and beneficial to the business operations of the Company and Group to be proposed to the meetings of the Board of Directors.
4. Select a qualified candidate who deserves to be nominated as a new director and the sub-committee by
 - 4.1 Proposing to the Board of Directors' meeting to consider and propose to the shareholders' meeting to appoint the directors who retire by rotation and/or increasing the number of directors
 - 4.2 Proposing to the Board of Directors' meeting to appoint a director to replace the vacant position in the event that the director resigns or is unable to perform his duties
5. Select and determine remuneration for qualified persons to be in the position of Chief Executive Officer to be proposed to the meetings of the Board of Directors.
6. Consider and comment on the succession plan of the Chief Executive Officer and present to the Board of Directors' meeting for approval.
7. Perform other tasks as assigned by the Board of Directors The Board of Directors has the power to change roles, duties and responsibilities of the Nomination and Remuneration Committee as necessary or appropriate.

Tenure and Vacancy

- 1) The Nomination and Remuneration Consideration Committee shall remain effective in the tenure for 3 financial years and shall be re-appoint to return to the position plausibly and appropriately.
- 2) When a member of the Nomination and Remuneration Consideration Committee is dismissed from the position or shall not be able to remain effective throughout the tenure, the Board of Directors shall appoint a new member to substitute a vacant position within a period of 3 months following the date of position vacancy. The newly appointed member shall remain effective in the position for the remaining period of effective tenure only.
- 3) The discharge of the Nomination and Remuneration Consideration Committee shall be considered from the termination of normal tenure and
 - 1) Death
 - 2) Resignation
 - 3) Disqualification of directorial properties, possession of any action or lack of proper qualifications required for the company's Director.

The directors' remuneration for the year 2023 in amount but not exceed 9 million baht as follows:

Position	Remuneration for the Board (Baht/Month)	Attendance Meeting (Baht/Times)
Chairman of the Board	80,000	15,000
Director	35,000	10,000
Chairman of the Executive Committee	20,000	12,000
Executive Committee Member	20,000	10,000
Chairman of the Audit and Risk Management Committee	24,000	12,000
Audit and Risk Management Committee Member	24,000	10,000
Chairman of the Nomination and Remuneration Committee	15,000	12,000
Nomination and Remuneration Committee Member	15,000	10,000

Management Team

The management team consists of

1. Mr. Panet	Chongvatana	Chief Executive Officer
		Chief Strategy Officer
2. Ms. Wannapond	Trinwisutthikun	Chief Administrative Officer
		Company Secretary
3. Mr. Chakkrachong	Chaosuan	Chief International Business Officer
4. Mrs. Siwapron	Dumronglaohapun	Managing Director of Tygienic Company Limited
5. Mr. Thawatchai	Tootabong	Managing Director of Patkol Food Industry Partner Company Limited
6. Mr. Phitak	Chomchuen	Deputy Managing Director, S panel Company Limited.
7. Mr. Thitpat	Nithichotpurinat	Deputy Managing Director of Heataway Company Limited
8. Ms. Yupaporn	Pongpetchdit	Accounting and Finance Executive Director

Note : Management as defined by the Securities and Exchange Commission (SEC) mean the first four executive management positions following the Chief Executive Officer, include those who are equivalent to the fourth level and includes those who hold executive positions in accounting or finance.

Scope of Authority and Duties of Chief Executive Officer

- 1) Define business plan, investment plan and annual budget plan to propose to the Executive Committee and/or Board of directors.
- 2) Overall management responsibility and consider various management policies of the company to achieve the company's goals under the policy framework, business plans and budget plans approved by the Board of Directors.
- 3) Approve the implementation or approve spending money for various actions according to the authority of approval of the company or according to annual budget approved by the Board of Directors.
- 4) Recruiting, hiring, transferring, suspending and dismissing executives and employees in all positions; Including the scope of authority and reasonable return for equivalent positions from senior director upwards, report to the Board of Directors for acknowledgment, equivalent level positions are managed by the Internal Audit Department, with the opinion of the Audit Committee.
- 5) Appoint the authorized signer in various documents the company's accounting, finance, procurement, production, sales and general administration, including other important documents.
- 6) Modify, amend and abolish rules, orders, announcements, regulations, penalties, and internal controls for serve as a guideline for all employees and to ensure that the management within the organization is in accordance with the company policy.

Patkol Public Company Limited

- 7) Appointment of consultants, necessary to operate for the benefit of the company and includes the authority to appoint a lawyer to prosecute or enter into litigation involving the company.
- 8) Assign to other persons to perform or act on their behalf as deemed appropriate and it can be revoked, revoked, changed or modified.
- 9) Performance reports the progress of the projects and as well as financial status to the Executive Committee and Board of Directors.
- 10) Perform other actions according to the Executive Committee or the Board of Directors.

In the case of any action taken by the Chief Executive Officer or who may have conflicts Have any interest or conflict of interest. The Chief Executive Officer has no authority to authorize any such action.

Management Remuneration (E14-E16)

Total remuneration of the Company's management and the company groups of companies in 2023 in the amount of 39.4 million Baht.

7.4 Employees

Employees

Number of employee's companies in Patkol group as of 31 December 2023, there are 945 people as detailed below:

Group	Executive (E14-E17)	Management (M12-M13)	Operation (S11-D1)	Total
International Business Officer	3	1	9	13
Strategy Group	1	4	18	23
Administrative Officer	5	8	54	67
Management	1	2	12	15
PK ICE Solutions Co., Ltd.	4	12	268	284
S Panel Co., Ltd	1	3	60	64
Heataway Co., Ltd	1	2	77	80
Patkol Food Industry Partner Co., Ltd	3	11	223	237
Tygienic Co., Ltd	1	4	120	125
Patkol Philippines Coporation Co., Ltd.	1	-	9	10
PT. Indonesia Patkol Service LTD.	-	-	14	14
PATKOL Malaysia Sdn Bhd	-	-	9	9
PT. Indonesia Patkol Refrigeration	-	1	3	4

Employee benefits

The totalling amount benefit of employees of the Company and the company groups as of 31 December 2022 in the amount of 453,935,866.18 Baht as detailed below:

Type of Benefits	Total (Baht)
Wages / Salary	417,396,693.92
Incentive	15,663,400.90
Provident fund	11,801,854.09
Social security fund	9,073,917.28

7.5 Other Important Information

Company Secretary

The Board of Directors has resolved to appoint, Ms. Wannapond Trinwisutthikun Company Secretary from 9 November 2018 onwards, such person is knowledgeable, and have practical experience in performing duties. They have been trained in necessary and relevant courses in the company secretarial duties and provide legal advice and rules and to oversee the affairs of the Board of Directors to coordinate and follow up the implementation of resolutions of the Board of Directors.

Scope of Authority and Duties of Company Secretary

- 1) To perform the meeting of the Board of Directors and subcommittees including the shareholders meeting to comply with the Company's article of association and the laws.
- 2) Supervise the company and the Board of Directors has a consistent implementation and in accordance with the law, regulations and the Company's article of association as well as resolutions of the Board of Directors, shareholders and good corporate governance as well as policies and code of conduct.
- 3) Supporting the provision of knowledge and training for directors / executives and related to the duties of directors and specific directors.
- 4) Provide training / orientation and provide necessary information for the current and reappointed members.
- 5) Advise on regulatory requirements to the Board of Directors and management.
- 6) Provide an assessment of the performance of the Board of Directors.
- 7) Prepare and keep the important documents of the company as follows.

(A) Register of Directors.

(B) Invitation letter of the Board of Directors' Meeting, Minutes and Annual Reports.

(C) Invitation letter of Shareholders Meeting and Minutes.

(D) Keeping a report of interest reported by a director or management.

8) Perform other actions assigned by the Board of Directors and comply with the regulations announced by the Capital Market Supervisory Board.

Head of Internal Audit

The company appointed Ms. Suksiri Suttisabai to hold the position from July 1, 2022 to present. The person has knowledge and experienced which useful in performing the duties, having completed the training courses and seminars that required and relevant in performing internal audit duties. Provide risk management advice to the Board of Directors, and overseeing the board of directors' business, as well as coordinating and monitoring the compliance with the Resolutions of the Board of Directors.

Responsibilities

- 1) Prepare the audit plan in accordance with the company's policies, as well as to implement the operational plan effectively.
- 2) To work according to the annual audit plan in accordance with internal audit professional standards.
- 3) Review, analyze and comment on accuracy of data or report, and evaluate adequacy, efficiency and effectiveness of the company's processes and internal control.
- 4) To investigate and suggest how to prevent leakage or fraud of the Company's funds and assets
- 5) To review the conduct of clarifications, statements or observations of the external auditor.
- 6) Conclude the preliminary investigation to draw conclusions and determine recommendations before closing the audit.
- 7) Follow up on the recommendations in the audit report and coordinate with the Company's auditors to ensure the effective performance of both parties.

Audit fee

1) Audit fee for the year 2023

The Audit Committee has selected the Company's auditors based on the Company's independent appraisal standards, namely: And the auditor is qualified according to the announcement of the Stock Exchange of Thailand. The Board of Directors has selected Karin Audit Company Limited.

The details of the certified auditors are as follows:

Auditor's Name			CPA Registration No.
1.	Mr.Jesada	Hungsapruek	3759 and/or
2.	Ms.Kannika	Wipanurat	7305 and/or
3.	Mr.JiroteSirirorote		5113 and/or
4.	Ms.Nonglak	Pattanabundith	4713 and/or
5.	Mrs.Sumana	Senivongse	5897 and/or
6.	Mr.Komin	Linphrachaya	3675 and/or
7.	Mr.Worapol	Wiriyakulapong	11181 and/or
8.	Mr.Pojana	Asavasontichai	4891 and/or
9.	Mr.Wichian	Proongpanich	5851 and/or
10.	Ms.Kojchamon	Sunhuan	11536 and/or
11.	Mr.Supoj	Mahantachaisakul	12794 and/or
12.	Ms.Kanwarat	Saksribawarn	13273 and/or
13.	Ms.Bongkotrat	Sruamsiri	13512 and/or
14.	Mr.Thanathit	Raksatienraphap	13646 and/or
15.	Mr.Somchai	Lertyongyuth	13314

(The additional Auditor of the
Subsidiaries Company)

One of the auditors shall have the authority to auditing and to give opinion on the financial statement of the Company. There are no auditing serve more than 5 years, The proposed of auditing fees for the company and subsidiaries totalling 6 companies, The total fees for financial statement for the year 2023 are in the amount not exceed of 5,736,588 Baht.

2) Others Fee (Non-Audit fee)

-none-

8. Corporate Governance Report

8.1 Summary of the Board's Performance in the past year

8.1.1 Nomination, development and evaluation of the Board's performance of duties

In appointment of directors, The Nomination and Remuneration Committee has responsible for the selection and screening. Persons who are qualified according to the Company's Articles of Association and who nominate qualified candidates to acquire professional and diverse directors based on the structure, size and composition of the board. The proposed number is equal to the number of directors who complete their term. And propose opinions to the Board of Directors To seek approval from the directors Then the names of the aforementioned directors will be presented to them. The shareholders' meeting shall elect directors according to the following rules.

The Nomination and Remuneration Committee has considered the nature of the business. And future plans, the qualifications of the directors are determined. They must have knowledge and experience for at least 5 years. In addition, the Nominating Committee provides shareholders with opportunities to participate in nominating qualified directors.

Disclosure of the election of directors through the shareholders' meeting in voting for the election of directors The Company allows shareholders to use ballot papers to elect directors individually by requiring the shareholders to cast all their votes to elect persons nominated as directors one by one.

8.1.2 Meeting attendance and remuneration of individual committees Meeting attendance of the directors for the year 2023

Name	Position	Meeting	
		Board of Director (Meeting/ Attendance)	Annual General Meeting (Meeting/ Attendance)
1.Mr. Petipong pungbun na ayudhya	Chairman of the board	5/6	1/1
2.Mr. Sangchai chotchuangchutchaval	Chief executive committee	12/12	1/1
	Vice chairman of the board	6/6	
3.Mr. Panet chongvatana	Chief executive officer	12/12	1/1
	director	6/6	
4.Mr. Paradon chulajata	Nomination and Compensation Committee	3/3	1/1
	Executive committee	11/12	
	Director	6/6	
5.Miss nongluck sakdakrai	Nomination and Compensation Committee	3/3	1/1
	Executive committee	12/12	
	Director	6/6	
6.Mr. Rangsan thammaneewong	Executive committee	12/12	1/1
	Director	6/6	
7.Ms. Natiya chongvatana	Director	6/6	1/1
8.Mr. Virachai srikajon	audit committee	5/5	1/1
	Nomination and Compensation Committee	3/3	
	Director	6/6	
9.Mr. Pairoj sanyadechakul	chairman of the audit committee	5/5	1/1
	Director	6/6	
10.Ms. Boonnada kuhakarn***	audit committee	2/2	0/1
	Director	2/2	
11. Mr. Preecha chantrangkul*	Audit and Risk Management Committee	3/3	1/1
	Director	3/3	
12.Mrs. Anongsiri chaiyakul**	Director	2/2	1/1
13.Mr. Sumet jiambutr*	Director	3/3	1/1

Note: *Mr. Preecha Chantarakul and Ms. Anongsiri Chaiyakul, members of the Audit and Risk Management Committee and Chairman of the Nomination and Compensation Committee The director retired on April 27, 2023

**Director Mr. Sumet Jiambutr resigned on August 11, 2023

***Ms. Bunnada Kuhakarn was appointed as a member of the Audit and Risk Committee on August 15, 2023.

Remuneration for Directors of Directors for the year 2023

Name	Remuneration for the Board (Baht)	Remuneration for the Audit and Risk Management Committee	Remuneration for Nomination and Remuneration Committee (Baht)	Remuneration For Executive Committee (Baht)	Attendance the Meeting (Baht)				Total (Baht)
					Board	Audit and Risk Management Committee	Nomination and Remuneration Committee	Executive Committee	
1.Mr. Petipong pungbun na ayudhya	960,000	-	-	-	75,000	-	-	-	1,035,000
2.Mr. Sangchai chotchuanhchutchaval	420,000	-	-	240,000	60,000	-	-	180,000	900,000
3.Mr. Panet chongvatana	420,000	-	-	240,000	-	-	-	-	660,000
4.Mr. Paradon chulajata	420,000	-	180,000	240,000	60,000	-	30000	110,000	1,040,000
5.Miss nongluck sakdakrai	420,000	-	180,000	240,000	60,000	-	30000	120,000	1,050,000
6.Mr. Rangsan thammaneewong	420,000	-	-	240,000	60,000	-	-	120,000	840,000
7.Ms. Natiya chongvatana	420,000	-	-	-	60,000	-	-	-	480,000
8.Mr. Virachai srikajon	420,000	288,000	180,000	-	60,000	50,000	36000	-	1,034,000
9.Mr. Pairoj sanyadechakul	420,000	288,000	-	-	60,000	60,000	-	-	828,000
10.Ms. Boonnada kuhakarn***	175,000	120,000	-	-	20,000	50,000	-	-	365,000
11. Mr. Preecha chantrangkul**	175,000	288,000	-	-	30,000	50,000	-	-	543,000
12.Mrs. Anongsiri chaiyakul*	70,000	-	-	-	20,000	-	-	-	90,000
13.Mr. Sumet jiambutr**	175,000	-	-	-	30,000	-	-	-	205,000
Total									9,070,000

Note: *Mr. Preecha Chantarakul and Ms. Anongsiri Chaiyakul, members of the Audit and Risk Management Committee and

Chairman of the Nomination and Compensation Committee The director retired on April 27, 2023

.**Director Mr. Sumet Jiambutr resigned on August 11, 2023

***Ms. Bunnada Kuhakarn was appointed as a member of the Audit and Risk Committee on August 15, 2023.

8.1.3 Supervision and operations of the affiliates and subsidiaries

The directors of the company have the power in the control, supervision, management and responsibility for the operations of the affiliates, which our company has supervision over the affiliates and the subsidiaries to have a policy and operation plans to be consistent. They also support the policy and the main plans of the company, which invests and prioritizes the business that it has skills and in the business that is similar to its business. Thus, for the supervision and management shall be efficient, the management shall supervise by sending the management team to join in setting the policy, budget, market and production plans closely. So that they can share information and use the existing resources of the company to be beneficial and complementary to the overall business better later.

The Company considered sending 4 directors and 2 executives to be directors in 5 subsidiaries, Patkol Ice Solutions Company Limited, Patkol Food Industry Partner Company Limited, S Panel Company Limited, Heat Away Company Limited and Tygienic Company Limited, with such directors and executives approved by the Board of Directors' meeting. The Board of Directors will consider sending the personnel to look after the benefits from time to time.

8.1.4 Compliance with corporate governance policies and practices

The Company realizes the importance of good corporate governance by being able to formulate policies and guidelines. Relevant to corporate governance, ready for complete action to build confidence of all stakeholders.

(1) Policy and practice on conflict of interest

1. It designates the directors and the senior management (from the E16 level and up and the accounting and finance director) shall report on the conflict of interest related to the management of the company or its affiliate when holding the title of directorship or the senior management for the first time and report each time when there is a change of information on the conflict of interest, including reporting annually. However, the secretary of the company shall send a copy of the report on the conflict of interest to the chairman of the board and the chairman of audit for acknowledgement within 7 days from the date of receiving the report to comply with the Securities and Exchange Act 1982 , and to use such the information in the examination and the prevention of a conflict of interest.

2. There is a disclosure of the structure on shareholding of the affiliates, subsidiaries, joint venture and other companies clearly, including the authorized shareholders to make sure that the company has the shareholding structure that is clear, transparent and no cross holding with the major shareholders to cause a conflict of interest to either party.

3. In a board meeting, if a director has a conflict of interest on the matter under consideration, that director shall not participate in making such the decision. They cannot attend the meeting or have to omit voting so the decision of the board shall be fair or for the true benefit of the shareholders.

(2) Supervision on the use of internal information

The company has the system of internal control that is rules and procedures in all systems, including having the internal audit, which audits the performance to make sure that the operations shall be effective regularly in all systems throughout the year. It has the independence and consistency with the international standards reporting directly to the CEO and the audit and risk committee according to the emphasis on preventive policy. It includes there is an update of the internal audit and a review on the guidelines and the methods on the use of the internal information constantly to prevent the important and accumulated data from being lost and/or the inside/outside persons from using the data personally. In the case an employee or the management reveals the important information or used it personally or acted that may cause a conflict of interest, the employee or the management shall be punishable according to the rules of the company.

Prevention of internal information

The board of directors has designated measures to prevent from using the inside information by the relevant persons, which means its board directors, senior management and the employees at the relevant units (including the spouse and underage offspring of such the people) as follows:

Measures on prevention from using the inside information

- 1) It is prohibited the relevant persons from trading in the securities of Patkol (PK) within 30 days before there is disclosure of the quarterly and annual financial statements within 24 hours after the blackout period.
- 2) In the case of learning of any information that is not yet revealed, which may have an impact on the securities price of the company, they shall not trade on the securities of the company until passing 24 hours from the disclosure of such the information to the public entirely. It includes prohibiting the management or agencies from receiving the inside information to be revealed to the outsiders or unauthorized persons or from utilizing the inside information illegally.
- 3) In the case the board and the management, which means to include their spouse and underage offspring, when there is a change in the number of shareholdings shall notify the change on the holding with the SEC and the SET pursuant to Section 59 of the Security Exchange Act 1990, within three days from the trading, transferring or transferred date.

- 4) The company has designated its directors and senior management (from the E15 level and up as well as the director of accounting and finance) to notify the trade on securities of the company to the board each quarter, including revealing it in the annual report.

(3) Anti-Corruption

The company has a policy on the operations according to the good corporate governance by virtue and ethics, integrity and transparency, also has awareness of the problems on dishonesty and corruption. Meanwhile, the corruption still increases in intensity and has caused damage to the economic and social developments very much. As a result, the Thai private sector consists of the Thai Institute of Directors, The Thai Chamber of Commerce and Board of Trade of Thailand, Thai Listed Companies Association, The Federation of Thai Industries, etc. have established a "Project Private Sector Collective Action Coalition against Corruption, "CAC," which is consistent with the business operations policy of the company. Thus, the meeting of the Board of Directors No. 6 / 2019 on 9 August 2019 resolved for the company to sign up to show the intention for not participation in corruption and bringing the company into the certification by the CAC membership to join the anti-corruption effort.

The company announced its intention to join the Private Sector Collective Action Coalition against Corruption on September 1 , 2019. In order for the business operations that may have a risk on corruption, which shall be treated carefully, the company has appointed "the Anti-Corruption Committee on 2 December 2019 to operate for such the purpose. In addition, the companies in the group have prepared "the manual on policy and guidelines on anti-corruption" with the intention for its directors, the management and all of the employees and the companies in the group to have knowledge and understanding as well as realization of their role, duty and responsibility They can adhere to it as guidelines on corruption in the various forms via the propagation through the communication channel of the company. It includes training to give knowledge and announce this intention to a third party. It has also provided for a whistleblower and measures to protect the informants. Nevertheless, this is to raise the level of country development by reducing the occurred corruption later.

At the meeting of the Thai Private Sector Collective Action Coalition Against Corruption Committee for Q4/2020 on March 31, 2021, the meeting resolved to certify the Company as a member of the Thai Private Sector Collective Action Coalition against Corruption. Such certification will be valid for 3 years from the date of approval.

8.2 The performance of the Audit Committee in 2023

List of Board of Directors and Attendance the Meeting

Name	Position	Attendance the Meeting (times)
1. Mr. Pairoj Sanyadechakul	Chairman of the Audit and Risk Management Committee	5/5
2. Mr. Veerachai Srikajorn	Audit and Risk Management Committee Member	5/5
3. .Ms. Boonnada kuhakarn	Audit and Risk Management Committee Member	2/2
3. Mr. Preecha Chantrangkul	Audit and Risk Management Committee Member	3/3

Note: Mr. Preecha Chantarangkun resigned from the Audit and Risk Management Committee on August 11, 2023. The Company appointed Ms. Bunnada Khuhakarn to act in him placePerformance of Audit and Risk Management Committee.

In 2023, Audit Committees performed their duties as assigned by the Board of Directors in accordance with the requirements of the Stock Exchange of Thailand. There were 4 meetings of the Committee, with discussions with management, internal auditors and auditors on related matters. The essence of the duties can be summarized as follows

1. Review financial reports

The Audit Committee has reviewed the quarterly financial statements and annual financial statements of Patkol Public Company Limited together with the auditors every quarter, asking the auditor for opinions and observations in the audit of the financial statements. To ensure that the preparation of financial statements is accurate enough and that it complies with generally certified accounting laws and standards in the preparation of financial statements in accordance with international standards and that the financial statements are disclosed adequately and timely to benefit investors or users of financial statements.

Additionally, this article The Audit Committee has commented on the preparation of the report, explanation and analysis. management to provide clear information. Performance analysis and factors that may have a comprehensive impact on operations

2. Reviewing the internal control system

The Audit Committee has reviewed Patkol Public Company Limited. There is an adequate, appropriate and effective internal control system and internal audit system, as well as a summary of significant issues proposed to the Board of Directors.

3. Reviewing compliance with applicable laws and regulations

The Audit Committee has reviewed Patkol Public Company Limited and its subsidiaries. Compliance with securities and exchange laws Regulations of the Stock Exchange of Thailand and/or laws relating to the Company's business. The Audit Committee has been informed of reports of compliance with laws relating to the business operations of Patkol Public Company Limited and its subsidiaries from management, as well as the results of the audit of compliance with applicable laws and regulations from the audit body. The audit has provided useful recommendations in order to effectively supervise the compliance with applicable laws and regulations, ensuring that the Company in Patkol Public Company Limited is fully compliant with the relevant laws and regulations.

4. Internal Audit Supervision

The Audit Committee has approved the audit annual audit plan using the criteria for auditing according to the risk assessment results, which are consistent with the significant risks and operational direction of Patkol Public Company Limited, as well as reviewing the site audit report. Audit of outstanding receivables, which are constantly considering important audit issues, including regular monitoring of revised adjustments. The internal audit division is an independent agency. Focus on effective and effective preventive inspections in accordance with international standards.

In addition, the Audit Committee Charter is reviewed annually, as well as to determine the adequacy of the man power rate of the internal audit unit.

5. To consider and propose the appointment of auditors of Patkol Public Company Limited and meetings with auditors.

The Audit Committee has considered the appointment of Arin Audit Co., Ltd. as an auditor of Patkol Public Company Limited as well as to consider the remuneration proposal in 2022. In addition, attended a meeting with the auditor and inspection agencies without the participation of the management to acknowledge the auditor's audit plan including problems or obstacles in the performance of the audit In order to suggest guidelines for improvements, which in 2022 had 4 meetings together.

The Audit Committee has carefully provided comments and recommendations which promote good corporate governance and benefit the Company's operations as well as to preserve the interests of shareholders and all stakeholders.

The location is perfect. Missions performed in 2023, as mentioned above. Audit Committee Here's a summary of your comments:

- Accounting system and financial reports of the Company It's accurate. Reliable and accurate disclosure of important, adequate and timely information.
- The Company's internal control system is adequate and appropriate. Continuous improvement of internal control system to suit the company's business operations. current and future and comply with relevant laws and regulations.
- The company's auditor, Arin Audit Co., Ltd., is independent and experienced in verifying the company's financial reports to be accurate. Reliable and accurate disclosure of important, adequate and timely information.
- By reviewing connected transactions or transactions that may have conflicts of interest, the Audit Committee deems that the Company has disclosed the information correctly and that it is a list with reasonable conditions and prices. Approved by management or the Board of Directors prior to the transaction.

8.3 The performance of Sub-committees in 2023

1) Executive Committee

List of Executive Committee and Attendance the Meeting

Name	Position	Attendance the Meeting (times)
1. Mr. Sangchai Chotchuangchutaval	Chairman of the Executive Committee	12/12
2. Mr. Panet Chongvatana	Vice Chairman of the Executive Committee	12/12
3. Mr. Rangsang Thammaneeuwong	Executive Committee Member	12/12
4. Ms. Nongluck Sakdakrai*	Executive Committee Member	12/12
5. Mr. Paradon Chulajata*	Executive Committee Member	11/12

Performance of the Executive Committee

The Executive Committee considers and approved policies, goals, strategies, operational plans, investment projects, budgets and administrative powers of the Company for the year 2023 for submission to the Board of Directors for approval and monitor and supervise the Company's business operations to comply with the policies, goals, strategies, operational plans, investment projects and the annual budget 2022 approved by the Board of Directors to be efficient and conducive to business conditions. Ready to give advice and advice on management to senior management. And to report the operating results to the Board of Directors meeting for acknowledgment.

In 2023, Executive Committee supervise and approve the matter related to the operations of the company such as

- 1.) Consider approving the sales from 100-300 million baht by considered
- 2.) Consider setting guidelines on taking legal actions
 - In the case the company has become a plaintiff or defendant in the civil case with the capital exceed 10-30 million baht.
 - In the case the company has become a plaintiff or defendant in the criminal cases with the capital exceed 10 - 30 million baht or criminal cases with imprisonment.

3.) Revise the provision authorizing signatories to sign important legal documents at Patkol Group in 2023

4.) Consider screening all types of the jobs presented to the Board of Director except the job under the responsibility and/or authority of Sub-committees of the company to become the screener to present to the Board of Director directly.

2) Nomination and Remuneration Committee

List of Nomination and Remuneration Committee and Attendance the Meeting

Name	Position	Attendance the Meeting (times)
1. Mr. Veerachai Srikajorn	Chairman of the Nomination and Remuneration Committee	3/3
2. Mr. Paradorn Chulajata	Nomination and Remuneration Committee Member	3/3
3. Ms. Nongluck Sakdakrai	Nomination and Remuneration Committee Member	3/3

Performance of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee selects the persons who deserve to be nominated as directors in accordance with the criteria for recruiting directors of the Company. Consider guidelines for remuneration offered to the sub-committee and Determine procedures and standards for offering remuneration

to members of the Nomination and Remuneration Consideration Committee and the sub-committee fairly and reasonably to be proposed to the meetings of the Board of Directors and shareholders accordingly.

In 2023, Nomination and Remuneration Committee supervise and approve the matter related to the operations of the company such as

1.) To consider and propose the appointment of directors to replace those who retire by rotation in 2023 to the Board of Directors No. 2/ 2023 for approval. According to the Public Limited Companies Act 1992 and Article 14 of the Company's Articles of Association and Article 32, that at every annual general meeting, one-third or close to one-third of the directors shall resign from their positions. In year 2023, there were 4 directors who completed their term:

- | | |
|----------------------------|---|
| 1.Mr. Panet chongvatana | Chief executive officer director |
| 2.Mr. Paradon chulajata | Nomination and Compensation Committee Executive committee, Director |
| 3.Miss nongluck sakdakrai | Nomination and Compensation Committee Executive committee, Director |
| 4.Mr. Pairoj sanyadechakul | chairman of the audit committee, Director |

It will be proposed to shareholders to consider and approve the appointment of directors to replace directors who must retire by rotation in 2024 at the 2024 annual shareholder meeting for further approval.

2.) Determine the annual performance appraisal of the Chief Executive Officer and the first time to apply and evaluation for the Chief Executive Officer.

3.) Consider the remuneration for the directors, directors who perform duties in the Company's sub-committees and Chief Executive Officer fairly and reasonably. And proposed to the Board of Directors and the shareholders' meeting for approval. By comparing the remuneration of directors for the year 2023 from information on the remuneration of various committees of companies in the same industry as the company. Therefore, it is proposed to pay the remuneration to the directors with the details as follows:

Position	Remuneration for the Board (Baht/Month)	Attendance Meeting (Baht/Times)
Chairman of the Board	80,000	15,000
Director	35,000	10,000
Chairman of the Executive Committee	20,000	12,000
Executive Committee Member	20,000	10,000
Chairman of the Audit and Risk Management Committee	24,000	12,000
Audit and Risk Management Committee Member	24,000	10,000
Chairman of the Nomination and Remuneration Committee	15,000	12,000
Nomination and Remuneration Committee Member	15,000	10,000

This will propose the shareholders to consider the rate of directors 'remuneration for the year 2024 in the 2023 shareholders' meeting for approval.

9. Internal control and related transactions

9.1 Internal control

The Audit Committee Meeting No. 1/2024 on 20 February 2024 assessed the sufficiency of the internal audit of the company according to COSO framework by summarizing the opinions on sufficiency of the internal audit into five parts as follows:

Part 1 Organization and the environment

The target on the business operations of the company was specified clearly with the possibility and measurement of the results. The company has organized its structure for helps the management to work with efficiency to achieve the established goal. It has the requirement and punishment, forbidding the management and its employees to do in the way that may cause a conflict of interest with its business. The company has a policy and procedure on the operations of finance, purchasing and risk management considering fairness to its trade partners for the company benefit.

Part 2 Risk Management

The company's risk management is prepared by assessing of the risks in the business operations both the internal and external factors regularly. It analyzes the cause and effect, designating the risk management, including the follow-up on the operations according to the risk management plans.

Part 3 Control of the Operations of the Management

The operation of the management has absolutely divided the duty and responsibility for approval of the records of accounting items, information and storing of the assets separately. Approval of the transactions of the company with the major shareholders, the directors, the management or the relevant persons shall consider the maximum benefit of the company and as if the items were made with the general public.

Part 4 Information Technology and Communication Systems

The company shall provide important information sufficiently to supplement the decision-making of the committee. The board of directors shall receive an appointment for the meeting or supplemental document that states necessary and sufficient information before the meeting on the average of 7 days in advance. The documents supplementing the various recordings shall be kept in groups and prepared in accordance with the accounting policy as refer to the general accepted accounting principles and suitable with the business characteristics.

Part 5 Follow-up System

The company has organized the follow-up on the general operations by comparing with the target on the business operations. The audit shall comply with the internal control system organized regularly by the internal auditor shall prepare the result on the examination to be presented directly to the management, the audit committee and the audits. In the case there is a discovery of an irregularity in the essence, it shall report to the audit committee and the management within a reasonable time, including reporting the advance in the address of such the shortcomings.

9.2 Related transaction

Person with possible conflict of interest	Transaction	Transaction value (Million Baht)		Reasonable of the transaction
		2023	2022	
Mr. Rangsan Thammanee Wong <i>The business consultant provider</i>	<u>Service Fee</u> The Company has renewed of service contract in the field of consulting, defining, transferring and recommending the knowledge related to the determination, preparation, change, improvement, development of forms, methods, tools and information related to problem solving. and business process development and any other related work for the Company and its affiliates (Form 1 January 2022 to 31 December 2023)	1.8	1.8	<p>The management committee meeting resolved to approve the transaction between the Company and Mr. Rangsan Thammanee Wong in the extension of the service contract.</p> <p>The aforementioned list of service fees is for developing work processes and benefits in the Company's business operations. Prices and settlement terms are normal business rates. Such items are necessary. And reasonable and in the best interest of the company</p> <p>The Audit Committee does not have a different opinion from the management team.</p>

Patkol Public Company Limited

Person with possible conflict of interest	Transaction	Transaction value (Million Baht)		Reasonable of the transaction
		2023	2022	
Mr. Sumet Jiambutr <i>The business consultant provider</i>	<u>Service Fee</u> The Company has entered into an employment service agreement for consulting services. Introduce knowledge, develop patterns, methods, tools and information related to problem solving. And the development of business processes of the production business group with Mr. Sumet Jiambutr (Form 1 January 2022 to 31 December 2023)	1.75	2.04	The management committee meeting approved the transaction between the Company and Mr. Sumeth Chiambut in entering into the service contract The aforementioned list of service fees is for developing work processes and benefits in the Company's business operations. Prices and settlement terms are normal business rates. Such items are necessary. And reasonable and in the best interest of the company The Audit Committee does not have a different opinion from the management team.

Other inter-related transactions, including pricing and interest rate policies, determined by PATKOL and its subsidiaries, joint venture firms, and other related organizations, are shown in the Footnotes to Financial Statement No. 33.

For inter-related transactions or items with possible conflicts of interest, the company has clearly designated the authority for granting an approval by considering the balance and flexibility of implementation based on the normal business operations. The company has also developed its effective internal control systems, where rules, regulations, and procedures have been reviewed by the Internal Audit Committee on a regular basis. In addition, for proceeding with inter-related transactions, PATKOL is always committed to providing the highest benefits to all parties involved.

Required Measures and Procedures in Granting Approval for Inter-Related Transactions in the Future

In case that there shall be any inter-related transaction implemented by the company or its subsidiaries, joint venture firms, and other related organizations that may possibly cause any conflict of interest in the future, the Internal Audit Committee shall necessarily provide comments and suggestions on such implemented inter-related transaction with regard to its appropriate price by considering required conditions complying with the nature of business existed in the industry and the comparison of the price proposed by any third party or the current market price if necessary. The Internal Audit Committee shall deploy independent experts or auditors of the company to provide productive comments and suggestions on such implemented inter-related transaction to be used as reference to the Internal Audit Committee's verdict.

Admittedly, such comments and suggestions provided by the Internal Audit Committee, independent experts, or auditors shall also be used as reference to the verdict of the Board of Directors or shareholders depending on cases. The Board of Directors who are interested person are unauthorized to cast a vote on such implemented inter-related transaction as it shall be disclosed in the Footnotes to Financial Statement verified by the company's internal auditors.

Part 3

Financial Statement for the year 2022

Independent Auditor's Report

To The Shareholders of Patkol Public Company Limited

Opinion

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

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

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and separate financial statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the 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 separated financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separated financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Deferred Tax Assets

As described in the Note 16 to the consolidated financial statements, the Group Company recorded deferred tax assets of Baht of 160.99 million, and Baht of 54.26 million in the statement of financial position. The recognition of deferred tax assets is based on possibility of actual utilization and subject to management's judgment. Expected benefits from such assets depend on many factors, including appropriateness of temporary difference and sufficiency of future taxable profit.

Risk Responses of Auditor

The audit procedures are as follow;

- Evaluated the Company management's judgment regarding sufficiency of future taxable profit that will be available to utilize tax losses. Evaluation focused on the reasonableness of future cash flow projection and preparation process of cash flow projection;
- Tested reliability of calculation and compared with the latest annual budget approved by the Company's board of directors;
- Enquired the Company's management regarding a key assumption, long term growth rate, and compared with historical performance, economic conditions, and industrial trend;
- Consider the adequacy of the disclosures in the notes to the financial statements.

Revenue recognized under the percentage of completion

The Company's business features that reflect the risk of the contract, which requires significant judgment in evaluating the financial performance of both present and future contracts. Revenue and profits are recognized on completion of the contract for each contract with calculating the proportion of the total cost incurred up to the date of the financial statements compared to estimated total cost of the contract. The status of the contracts is always evaluated and adjusted to a constant current. In this regard, the management must exercise judgment in assessing the value of the contract, completeness and accuracy of cost estimates until the job will be completed and the ability to work under contract to be completed within the planned deadlines. Profits and losses, be possible in most of the contracts, may be calculated out many of the quite wide ranges and such ranges may be significant. In addition, changes in management's judgment and changes in estimates involved that occurs when contracts be progressing steadily may significantly result in improved revenue and profit, which may be either an increase or decrease in revenue and profit.

Risk Responses of Auditor

My audit procedures responded to the risk referred to above are as follows:

- evaluated and tested the design of control systems and navigation control used for the recognition of revenue and profit from the contract.
- tested control to determine whether the control has been effective in practice all year round.
- selected contracts by sampling to check that the accuracy of the results of operations based on present and future contracts, as follows, assessed the reasonableness of the estimated costs until completion, assessed ability to deliver on time according to the schedule plan, evaluated the repayment of debt from receivable under contract, reviewed the loss and cost of job to be incurred until the job on completion and including assessment of the allowance for losses on contracts.
- Check the actual cost. Compare it to an assessment by an engineer;
- Consider the completeness of all costs through a post-period data review;
- Consider the adequacy of the disclosures in the notes to the financial statements.

Emphasis of matters

I draw attention to Note 37 Litigation to the consolidated financial statement.

- 1.1 On 14 January 2019, the second defendant's, a subsidiary, was sued as a civil case by Samutprakarn provincial court. about the claim of damages from fire the warehouse, which the subsidiary installed refrigeration equipment, indemnity of 246.42 million Baht plus interest rate at 7.5% of the amount, is the following day of the lawsuit. The case is currently under consideration by the court. The Company's management and lawyer have an opinion that there are uncertain of solution at present. Therefore, the amount of damages has not yet been determined.
- 1.2 On January 11, 2019, a subsidiary was sued as a civil case by the Civil Court. about the claim of damages from fire the warehouse, which the subsidiary installed refrigeration equipment, indemnity of 143.12 million Baht plus interest rate at 7.5% of the amount of the money, is the following day of the lawsuit. The court issued a judgment on June 8, 2020 to dismiss the plaintiff, but the plaintiff has appealed. Subsequently, The Court of Appeal dismissed the appeals of the plaintiffs on April 26, 2022. However, the plaintiff filed a petition and a request for permission to petition on November 25, 2022. The case was trialing. The Company's management and lawyer have an opinion that there are uncertain of solution at present. Therefore, the amount of damages has not yet been determined.

Other matter

The consolidated and separate statements of financial position as at December 31, 2022 of Patkol Public Company Limited and its subsidiaries. The consolidated and separate statements of comprehensive income,

changes in shareholders' equity and cash flows for the year then ended, presented here with for comparative purpose only, were audited by another in my firm whose report dated on February 28, 2023, expressed an unqualified opinion on those financial statement.

Other Information

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

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

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

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

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

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated 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 ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated 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 Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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 and separate financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the 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.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Jedsada Hungsapruek

(Mr. Jedsada Hungsapruek)

Certified Public Accountant

Registration No. 3759

Karin Audit Company Limited

Bangkok, Thailand

February 23, 2024

PATKOL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2023

Patkol Public Company Limited

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

		In Baht			
		Consolidated financial statements		Separated financial statements	
		December 31,	December 31,	December 31,	December 31,
	Notes	2023	2022	2023	2022
Assets					
Current assets					
Cash and cash equivalents	5	144,789,472	78,429,960	14,922,683	9,479,308
Trade and other current receivables, net	6,33.3	329,612,779	470,214,586	215,463,462	323,651,456
Current portion of finance lease receivable	7	249,388,325	213,626,055	249,388,325	213,626,055
Contract assets, net	8,33.3	68,233,993	123,743,210	37,731,390	77,519,244
Short - term loans from related parties	33.3	-	-	9,300,000	15,000,000
Inventories, net	9	325,913,235	444,046,522	14,957,374	58,923,346
Current tax assets		12,582,829	2,573,160	11,689,011	-
Other current assets		2,207,416	13,887,168	487,841	927,602
Total current assets		1,132,728,049	1,346,520,661	553,940,086	699,127,011
Non - current assets					
Non - current financial assets	10	24,603,066	29,641,767	4,270,262	6,281,190
Investments in subsidiaries, net	11	-	-	444,083,751	338,848,474
Trade and other non-current receivables, net	33.3	633,319	-	51,694,951	80,602,670
Trade installment receivables, net	6.2	-	7,538,368	-	7,538,368
Finance lease receivable, net	7	584,128,854	740,142,728	584,128,854	740,142,728
Investment property, net	12	82,755,828	90,063,775	237,551,243	183,491,779
Property, plant and equipment, net	13	1,370,248,037	1,413,000,531	751,830,730	827,930,981
Right of use, net	14	24,755,131	24,582,961	1,413,349	13,787,374
Intangible assets, net	15	34,899,884	49,264,688	27,890,462	39,586,848
Deferred tax assets	16	160,994,586	145,209,433	54,255,573	72,222,655
Other non - current assets, net	17	78,916,303	80,349,699	53,519,697	60,709,042
Total non - current assets		2,361,935,008	2,579,793,950	2,210,638,872	2,371,142,109
Total assets		3,494,663,057	3,926,314,611	2,764,578,958	3,070,269,120
Liabilities and equity					
Current liabilities					
Bank overdrafts and short - term loans					
from financial institutions	18	222,341,305	371,991,625	100,161,322	215,836,853
Trade and other current accounts payable	19,33.3	396,915,230	510,097,874	171,112,427	286,963,932
Contract liabilities	8,33.3	367,991,226	301,332,208	32,061,053	58,216,727
Short - term borrowing from related parties	33.3	-	-	7,000,000	-
Current portion of long - term loans					
from financial institutions, net	20	263,332,635	282,207,778	152,210,000	147,108,000
Current portion of lease liabilities, net	21	13,696,580	17,034,893	1,443,885	6,748,108
Income tax payable		-	1,019,002	-	-
Current provisions for employee benefits	22	7,098,378	2,834,975	1,239,686	2,834,975
Provision for liabilities		19,426,830	20,743,215	11,265,766	15,615,806
Total current liabilities		1,290,802,184	1,507,261,570	476,494,139	733,324,401

Patkol Public Company Limited

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONT.)

		In Baht			
		Consolidated financial statements		Separated financial statements	
		December 31,	December 31,	December 31,	December 31,
Notes		2023	2022	2023	2022
<u>Liabilities and equity (cont.)</u>					
Non - current liabilities					
Long - term loans from financial institutions, net	20	385,747,000	462,062,000	385,747,000	459,012,000
Lease liabilities, net	21	15,358,450	14,797,279	194,129	7,218,571
Deferred tax liabilities	16	204,952,736	203,591,363	148,997,846	151,843,921
Provisions for employee benefits	22	149,362,266	157,842,696	34,656,451	72,485,762
Total non - current liabilities		755,420,452	838,293,338	569,595,426	690,560,254
Total liabilities		2,046,222,636	2,345,554,908	1,046,089,565	1,423,884,655
Equity					
Share capital					
Authorised share capital					
79,487,456 preferred shares of Baht 1 each		79,487,456	79,487,456	79,487,456	79,487,456
520,756,281 common shares of Baht 1 each		520,756,281	520,756,281	520,756,281	520,756,281
Issued and paid - up share capital					
79,487,456 preferred shares of Baht 1 each	24	79,487,456	79,487,456	79,487,456	79,487,456
520,756,281 common shares of Baht 1 each	24	520,756,281	520,756,281	520,756,281	520,756,281
Premium on preferred shares	24	4,555,919	4,555,919	4,769,247	4,769,247
Premium on common shares	24	14,911,575	14,911,575	14,911,575	14,911,575
Discount on common shares	24	(22,088,943)	(22,088,943)	(22,088,943)	(22,088,943)
Company's shares held by a subsidiary					
Preferred shares	25	(3,555,477)	(3,555,477)	-	-
Retained earnings (deficit)					
Appropriated - legal reserve	27	60,024,374	60,024,374	60,024,374	60,024,374
Unappropriated		114,937,167	241,650,684	458,372,954	382,951,433
Other components of shareholders' equity		652,468,560	658,888,045	602,256,449	605,573,042
Equity attributable to owners of the parent		1,421,496,912	1,554,629,914	1,718,489,393	1,646,384,465
Non - controlling interest		26,943,509	26,129,789	-	-
Total equity		1,448,440,421	1,580,759,703	1,718,489,393	1,646,384,465
Total liabilities and equity		3,494,663,057	3,926,314,611	2,764,578,958	3,070,269,120

Patkol Public Company Limited

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2023 AND 2022

	Notes	In Baht			
		Consolidated financial statements		Separated financial statements	
		2023	2022	2023	2022
Revenue from ongoing projects		583,126,641	970,459,123	337,328,638	1,414,931,952
Revenue from sales and services		1,148,577,551	2,008,367,135	93,163,024	89,232,578
Total Revenue		1,731,704,192	2,978,826,258	430,491,662	1,504,164,530
Costs of good sold and services		(1,277,382,869)	(2,522,523,883)	(367,838,975)	(1,379,959,983)
Gross profit		454,321,323	456,302,375	62,652,687	124,204,547
Other income	30	85,026,567	71,351,609	290,330,559	148,662,478
Income before expenses		539,347,890	527,653,984	352,983,246	272,867,025
Distribution costs		(373,563,767)	(318,331,276)	(85,694,168)	(127,887,669)
Administrative expenses		(261,789,362)	(310,101,260)	(147,054,557)	(273,248,323)
Total expenses		(635,353,129)	(628,432,536)	(232,748,725)	(401,135,992)
Profit (Loss) before financial cost and income tax		(96,005,239)	(100,778,552)	120,234,521	(128,268,967)
Finance cost		(55,963,155)	(51,188,678)	(38,031,464)	(33,060,712)
Profit (Loss) before income tax		(151,968,394)	(151,967,230)	82,203,057	(161,329,679)
Income (expense) tax	32	7,821,737	23,310,570	(14,116,432)	26,181,522
Profit (Loss) for the years		(144,146,657)	(128,656,660)	68,086,625	(135,148,157)
Other comprehensive income :					
Items that will be reclassified to profit or loss :					
Exchange differences on translating financial statements		(3,102,892)	(766,605)	-	-
Items that will never be reclassified to profit or loss :					
Revaluation surplus on fixed assets	26	-	47,761,998	-	38,981,920
Profit on remeasurement of defined benefit plans - net from tax		14,927,167	29,807,974	4,018,303	14,441,026
Total other comprehensive income for the years - net from tax		11,824,275	76,803,367	4,018,303	53,422,946
Total comprehensive income (expense) for the years		(132,322,382)	(51,853,293)	72,104,928	(81,725,211)
Profit (loss) attributable to					
Owners of the parent		(144,801,585)	(130,438,666)	68,086,625	(135,148,157)
Non - controlling interest		654,928	1,782,006	-	-
		(144,146,657)	(128,656,660)	68,086,625	(135,148,157)
Total comprehensive income (expense) attributable to					
Owners of the parent		(132,977,310)	(54,054,995)	72,104,928	(81,725,211)
Non - controlling interest		654,928	2,201,702	-	-
		(132,322,382)	(51,853,293)	72,104,928	(81,725,211)
Basis Profit (loss) per share of the parent					
Net Profit (loss) (Baht per shares)	29	(0.278)	(0.250)	0.131	(0.260)
Weighted average number of common shares (shares)		520,756,281	520,756,281	520,756,281	520,756,281

OPATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2023 AND 2022

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Patkol Public Company Limited

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2023 AND 2022

In Baht

		Separate financial statement									
		Issued and paid - up share capital				Retained earnings (deficit)			Other components of shareholders' equity		
									Total other comprehensive income		
									(expense) for the period		
									Gain (losses) on		
									remeasurement of		
									post - employment		
									benefit obligations		
									on fixed assets		
									Revaluation surplus		
									Total other components		
									shareholders' of equity		
									Total		
Notes	Preferred shares	Common shares	Premium on preferred shares	Premium on common shares	Discount on common shares	Appropriated - legal reserve	Unappropriated				
Balance as at January 1, 2022	79,487,456	520,756,281	4,769,247	14,911,575	(22,088,943)	60,024,374	536,317,945	-	569,666,531	569,666,531	1,763,844,466
Cash paid for dividend	-	-	-	-	-	-	(35,734,790)	-	-	-	(35,734,790)
Additional property depreciation	-	-	-	-	-	-	3,075,409	-	(3,075,409)	(3,075,409)	-
Transferred to retained earnings for the year	-	-	-	-	-	-	14,441,026	(14,441,026)	-	(14,441,026)	-
Comprehensive income (expense) for the year	-	-	-	-	-	-	(135,148,157)	14,441,026	38,981,920	53,422,946	(81,725,211)
Balance as at December 31, 2022	79,487,456	520,756,281	4,769,247	14,911,575	(22,088,943)	60,024,374	382,951,433	-	605,573,042	605,573,042	1,646,384,465
Additional property depreciation	-	-	-	-	-	-	3,316,593	-	(3,316,593)	(3,316,593)	-
Transferred to retained earnings for the year	-	-	-	-	-	-	4,018,303	(4,018,303)	-	(4,018,303)	-
Comprehensive income (expense) for the year	-	-	-	-	-	-	68,086,625	4,018,303	-	4,018,303	72,104,928
Balance as at December 31, 2023	79,487,456	520,756,281	4,769,247	14,911,575	(22,088,943)	60,024,374	458,372,954	-	602,256,449	602,256,449	1,718,489,393

Patkol Public Company Limited

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2023 AND 2022

Notes	In Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit (Loss) before income tax	(151,968,394)	(151,967,230)	82,203,057	(161,329,679)
Adjustments				
Adjusted trade and other current receivables decrease	158,652,306	168,503,214	191,887,022	223,351,350
Adjusted Trade and other non current receivable (increase) decrease	(633,319)	-	28,907,719	19,904,294
Adjusted finance lease receivable (increase) decrease	120,251,605	(483,393,370)	120,251,604	(483,393,369)
Adjusted contract assets decrease	68,851,878	263,438,649	53,130,516	250,386,743
Adjusted inventories decrease	135,859,596	156,159,249	67,337,356	238,543,158
Adjusted other current financial assets (liabilities) decrease	167,679	(167,679)	-	-
Adjusted other current assets (increase) decrease	11,512,073	(5,233,899)	439,761	(1,265,554)
Adjusted other non - current assets (increase) decrease	1,656,721	(500,215)	(120,869)	1,184,828
Adjusted trade and other current payables (decrease)	(111,623,192)	(229,908,963)	(168,373,926)	(256,722,614)
Adjusted contract liabilities increase (decrease)	66,659,018	(89,421,152)	(26,155,674)	(209,182,687)
Adjusted rehabilitation liabilities (reversal)	-	(19,102,913)	-	(19,102,913)
Adjusted depreciation	43,810,261	51,685,847	13,294,731	19,065,777
Adjusted amortization	18,049,752	17,902,198	15,078,659	15,463,960
Adjusted depreciation for right of use	12,460,061	10,022,247	4,441,980	5,701,068
Adjusted amortization income tax	-	401,520	-	-
Adjusted allowance for expected credit losses (reversal)	(27,384,264)	(8,677,913)	(48,845,727)	24,644,919
Adjusted allowance for withholding income tax	7,043,444	-	7,043,444	-
Adjusted (gain) loss on declining in value of inventories	4,358,273	(6,255,316)	(1,362,171)	(9,588,546)
Adjusted loss on impairment of assets (reversal)	(2,331,476)	(2,382,512)	(2,331,476)	(415,918)
Adjusted unrealized on exchange rate	5,405,734	2,824,721	4,105,841	3,399,501
Adjusted (gain) on sale of fixed assets	(7,069,465)	(2,314,041)	(20,700,800)	(1,675,380)
Adjusted loss from write off fixed assets	6,120,627	3,446	5,883,025	3,446
Adjusted (gain) on sale of intangible assets	(20,559)	-	(81,086)	-
Adjusted loss from write off intangible assets	432	-	409	-
Adjusted (gain) on sale of investment property	(630,971)	-	-	-
Adjusted loss on devaluation of investment (reversal)	-	-	(25,238,376)	5,013,762
Adjust (gain) from cancel finance lease agreement	(597,091)	-	(595,910)	-
Adjusted provision for liabilities (reversal)	(1,316,385)	2,613,609	(4,350,040)	483,021
Adjusted employee benefit expenses (reversal)	45,124,735	21,828,457	(28,385,594)	9,772,189
Adjusted interest income	(36,907,332)	(17,173,337)	(42,113,549)	(25,189,565)
Adjusted financial cost	55,963,157	51,188,678	38,031,464	33,060,712
Adjusted dividend income	-	-	-	(3,959,680)
Total adjustment of profit (loss)	421,464,904	(269,926,705)	263,381,390	(321,847,177)

Patkol Public Company Limited

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2023 AND 2022

		In Baht			
		Consolidated financial statements		Separate financial statements	
	Notes	2023	2022	2023	2022
Net cash provided by (use in) operating activities					
		36,907,332	17,173,337	45,059,966	37,371,767
		(55,884,657)	(51,669,816)	(38,024,225)	(33,060,712)
		-	20,582,519	-	-
		(24,431,807)	(32,500,789)	(11,689,010)	(14,290,605)
		(30,682,804)	(8,827,838)	(6,016,128)	(6,684,022)
Net cash provided by (use in) operating activities		347,372,968	(325,169,292)	252,711,993	(338,510,749)
Cash flows from investing activities					
		5,038,701	26,834,923	2,010,928	102,893
		-	-	15,188,205	194,000,000
		-	-	-	(134,000,000)
		7,313,615	3,466,558	23,881,006	2,268,624
		7,592,722	-	-	-
		34,645	-	136,619	-
		(8,813,058)	(14,920,570)	(1,234,518)	(5,439,644)
		(107,000)	-	-	-
		(84,990)	(5,103,750)	(6,740)	(970,000)
		-	-	(79,996,900)	-
		-	-	-	3,959,680
Net cash provided by (used in) investing activities		10,974,635	10,277,161	(40,021,400)	59,921,553
Cash flows from financing activities					
		(110,542,025)	138,686,691	(123,347,236)	125,144,660
		695,697,600	1,016,429,700	229,500,000	554,860,000
		-	-	42,000,000	-
		-	191,749,000	-	191,749,000
		(755,977,600)	(1,112,189,700)	(243,000,000)	(653,700,000)
		-	-	(35,000,000)	-
		(95,190,143)	(156,890,489)	(68,163,000)	(99,832,000)
		(17,470,397)	(16,397,637)	(5,000,636)	(6,846,452)
		3,100	-	-	-
		-	(36,640,267)	-	(35,734,790)
Net cash provided by (used in) financing activities		(283,479,465)	24,747,298	(203,010,872)	75,640,418
Net increase (decrease) in cash and cash equivalents		74,868,138	(290,144,833)	9,679,721	(202,948,778)
	5	78,429,960	372,166,119	9,479,308	216,384,699
The effects of exchange rates on cash and cash equivalents		(8,508,626)	(3,591,326)	(4,236,346)	(3,956,613)
	5	144,789,472	78,429,960	14,922,683	9,479,308
Supplementary information for cash flows					
Non - cash transaction					
		29,159,402	18,117,381	2,682,406	12,733,220
		21,171,705	-	21,171,705	-
		-	-	52,694,941	30,614,451

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2023



1. GENERAL INFORMATION

- 1.1 The Company was incorporated as a limited company on November 28, 1965 with registration no. 372/2508 and changed to a public limited company on June 28, 1993 with registration No. 0107536000587.
- 1.2 The Company's office is located at 348 Chalermprakit Rama 9 Road, Nongbon, Prave, Bangkok 10250, and factory is located at 79/1 Moo 14, Soi King Kaew 33 Rachathewa, Bang Phli, SamutPrakan 10540, Thailand.
- 1.3 The Company has branches in 5 namely Khon Kaen, Surat Thani, King Kaew, Charoen Nakhon and Lumphun.
- 1.4 The Company has representative offices in 1 branch, namely Vietnam.
- 1.5 The Company is engaged in the trading and services of engineering products which include turnkey sales of services in design, manufacturing and installation of various types of industrial refrigeration for the ice making industry and supermarket, dairy and ice - cream processing, as well as food related processing plant and supplies made to order.
- 1.6 For reporting purposes, the Company and its subsidiaries are referred to as "the Group".

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS AND PRINCIPLES OF CONSOLIDATION

2.1 Basis for preparation of financial statements

The financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

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

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's group accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separated of financial statements are disclosed in Note 4.

An English version of the consolidated and separated of financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2023



2.2 Principles of consolidation

The consolidated financial statements include the financial statements of Patkol Public Company Limited and its subsidiary which are under its control with more than 50 percent voting rights as follows:

	Percentage of holding (%)		Nature of business
	As at December 31, 2023	As at December 31, 2022	
Patkol Ice Solutions Co., Ltd.	99.99	99.99	Manufacture and sale of food related processing equipment and service.
Patkol Food Industry Partner Co., Ltd. (Formerly known as Patkol Trading Co., Ltd.) *	99.99	99.98	Manufacture and sale machine in refrigeration and food business, including sale of the electric system equipment. *
S Panel Co., Ltd.	80.00	80.00	Manufacture and sale, import and export, including services for assembling insulation sheets, foam sheets, galvanized steel sheets, Stainless steel sheets used for cold storage business.
Heataway Co., Ltd.	99.99	99.99	Sale of evaporative condenser, spare parts and equipment for evaporative condenser.
Tygienic Co., Ltd.	99.99	99.99	Design, manufacture, installation, maintenance and sale of pressure/no pressure tank/heat exchanger.
Patkol Philippines Corporation Co., Ltd.	60.00	60.00	Machinery sales representative, including providing machinery installation and maintenance services.
Indonesia Patkol Service Corporation Co., Ltd.	99.99	99.99	Machinery installation and maintenance services.
Patkol Malaysia Sendirian Berhad Co., Ltd.	100.00	100.00	Machinery sales representative, including maintenance services.
Patkol Myanmar Co., Ltd.	100.00	100.00	Running a business to provide business services for the business group, Refrigeration, Food processing and Liquid food processing.
PT Indonesia Patkol Refrigeration Co., Ltd.	86.80	86.80	Machinery sales representative, including maintenance service and installation in refrigeration business

*On May 8, 2023, the company registered a change in business objectives. (originally had a purpose "sales spare parts, materials, and equipment for ice machines and refrigeration")

Significant transactions with subsidiaries have been eliminated in the consolidated financial statements.

The consolidated financial statements have been prepared with the same accounting policies for the separate financial statements for the same accounting transactions or accounting events.

2.3 Foreign currency translation

2.3.1 Functional and presentation currency

The financial statements are prepared and presented in Thai Baht, which is the Company's and the Group's functional and presentation currency. The financial statement presented in Thai Baht has been rounded to the nearest thousand or million in the notes unless otherwise stated.

2.3.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or the date of revaluation where items are re - measured.

Foreign exchange gains and losses resulting from foreign currency transactions of monetary assets and liabilities are recognised in the profit or loss.

Any exchange component of gains and losses on a non - monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non - monetary item.

2.4 New financial reporting standards

2.4.1 Financial reporting standards that became effective in the current year

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

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

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

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2024. These financial

reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenses recognition

Revenue's recognition

A) Sales of goods are recognised when the Group has transferred the control of the goods of ownership have passed to the customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled construct is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfilment of the obligation to the customer.

The Group sells its products and delivers goods to the agreed destination as specified in the contracts. The Group considers that the delivery of goods (Points in time) is not a separate performance obligation; therefore, the Group has only one performance obligation for this type of sales. The Group then recognises revenue from sales of goods at a point in time when a control of goods transferred to the customer at the agreed destination.

B) Revenue from installment sales are recognised on effective interest rate method according to the agreement the Group and subsidiaries will stop the recognition when it is defaulted on payment more than three years.

C) Construction revenue includes contracts to provide construction services. Revenue is recognised over time and used the input method to measure progress referencing the physical proportion of contract work completed as per the conditions agreed with customers. the Group satisfies a performance obligation by transferring such services and control of those services to customer over time.

Construction revenue for changes in the scope of work e.g. additional work and contract modification price changes, is recognised as if it were a part of the existing contract. The effect that the contract modification and measurement of progress toward satisfactory completion of the performance obligation, is

recognised as an increase in or a reduction of revenue at the date of the contract modification.

Claims, variations and liquidated damages are accounted for as variable consideration and are included in contract revenue provided that it is highly probable that a significant reversal will not occur in the future.

The recognised revenue which is not yet due per the contracts has been presented under the caption of “Unbilled trade accounts receivable” in the statement of financial position. The amounts recognised as contract assets are reclassified to other receivables when the Company’s right to consideration is unconditional. The obligation to provide to a customer for which the Company has received from the customer is presented under the caption of “Unearned Income” in the statement of financial position. Contract liabilities are recognised as revenue when the Company perform under the contract.

Percentage of completion

Construction revenue or construction - type service contracts or service contracts where a defined output is promised, is recognised using the percentage of completion method. The stage of completion is generally determined as the percentage of cost incurred up until the reporting date relative to total estimated cost, adjusted with uninstalled materials that the customer accepts and takes control but not yet installed. Where the stage of completion is not reliably measured, revenue is only recognised up to the amount of contract costs expensed, provided it is recoverable.

- D) Revenue from service is recognised as revenue when the service is rendered based on the stage of completion which requires additional judgement in determining the timing of the transfer of control - at a point in time or over time.
- E) Rental income is recognised on an accrual basis by the straight - line method over the term of the lease.
- F) Interest income is recorded based on period by considering the effective interest rate until maturity and remaining outstanding principal.
- G) Other income is recognised on an accrual basis.

Expenses recognition

- Expense is recognised on an accrual basis.

Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, short - term highly liquid investments with maturities of three months or less from the acquisition date and bank overdrafts.

In the statement of financial position, bank overdrafts are shown in current liabilities.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Mostly of trade receivables have due 0 - 30 days, so trade receivables are shown in the current list.

The Group will be recognised initially at the amount of consideration which is unconditional payment. Unless in case of the lists, they contain the financial components significantly. They will be recognised by the present value of consideration and the group will measure them subsequently at amortized cost because the group intends to receive the payment following the contract.

The Group applies the TFRS 9 simplified approach to measuring expected credit losses which uses a simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward -looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP, the unemployment rate and the consumer price index of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. The impairment losses are recognised in profit or loss within administrative expenses.

Contract assets

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

Financial assets and financial liabilities

Classification and measurement of financial assets

The classification of financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group classifies its debt instruments in the following categories:

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- Those to be measured at amortized cost.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

The equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss (FVPL), or ii) at fair value through other comprehensive income (FVOCI) without reclassify to profit or loss.

At initial recognition, the Group measures a financial asset at its fair value plus or minus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- Amortized cost: A financial asset will be measured at a mortised cost when the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. In addition, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in financial income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented in profit or loss.
- FVOCI: A financial assets will be measured at FVOCI when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In addition, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and related foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised on other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of comprehensive income.
- FVPL: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

- Dividends from such investments continue to be recognised in profit or loss when the Group's right to receive payments is established.
- Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Classification and measurement of financial liabilities and equity

Financial instruments issued by the Group must be classified as financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

At initial recognition, the Group measures financial liabilities at fair value. The Group reclassifies all financial liabilities as subsequently measured at amortized cost, except for derivatives.

Recognition and derecognition

The Group shall recognise a financial asset or a financial liability in its statement of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade - date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets.

Impairment

The Group assesses on a forward - looking basis the expected credit loss associated with its debt instruments carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Group applies general approach for credit - impaired consideration.

Inventories

Inventories are valued at the lower of cost or net realizable value. The cost of goods is calculated by:

- Finished goods and work in process are recorded on a specific method.

- Raw material, spare parts and supplies are recorded on a weighted average method.

The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, rebates and other similar items. The cost of finished goods and work in progress comprises raw materials, direct labor costs, other direct costs and related production overheads based on normal operating capacity. It excludes borrowing costs.

Net realizable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for slow - moving, obsolete and defective inventories.

Investment in subsidiaries

Investments in subsidiaries only financial statements are stated in Balance sheet at cost less allowance for impairment in value. The devaluation of investment is presented as impairment loss of investment, which reflected in the statement of comprehensive income.

Investment properties

Investment property is measured initially at cost, including directly attributable costs and borrowing costs. Subsequently, they are carried at cost less accumulated depreciation and impairment (if any).

Land is not depreciated.

Property, plant and equipment

The Company initially recorded property, plant and equipment at cost. In 2004, the Company hired an independent appraiser to revalue land by market approach and plant by cost approach and revised the asset value. The Company recorded increased amount occurred from the revaluation as "increment of assets" together with "revaluation surplus on fixed assets" under the shareholders' equity in balance sheets. The depreciation on assets which were stated at cost method is recorded in the statements of comprehensive income and depreciation on increment of fixed assets will be recorded in revaluation surplus on fixed assets account. Therefore, revaluation surplus on fixed assets will be decreased by depreciation on increment of fixed assets and has no effect to retained earnings. The Company has complied with the Federation of Accounting Professions' notification No. 25/2549 dated October 11, 2006 and the Government Gazette's announcement dated October 30, 2006 regarding "Accounting for Revaluation" by applying cost basis.

After the revaluation, the Company stated land at the new value less provision for impairment of assets (if any). Buildings are stated at the new value less accumulated depreciation and provision for impairment of assets (if any). Equipment is stated at cost less relevant accumulated depreciation and provision for impairment of assets

(if any).

Building and equipment are depreciated by the straight - line method over the estimated useful lives of the assets as follows:

	<u>Number of years</u>
Building and improvement	10 - 50
Machinery and equipment	5 - 20
Machinery for lease	10
Office equipment	3 - 5
Vehicles	5

Land and work in progress are not depreciated.

The Group present interest from long - term borrowings for acquisition of fixed assets are capitalized as part of fixed assets and stopped to recognise as cost of fixed assets when the assets are ready for use.

Gains or losses on disposal land building and equipment calculated by comparing the net consideration received from the disposal of assets with the book value of the asset and is recognised in other income or expense in the statement income.

Lease

Lease - where the Group is the lessee

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

The assesses the lease term for the non - cancellable period as stipulated in lease contract or the remaining period of active leases together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercise by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

A) Right of use asset

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

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Depreciation of right-of-use assets is calculated by reference to their costs on the straight - line basis over the lease term or their estimated useful lives in case of the ownership of the leased asset is transferred to the Company at the end of the lease term.

	<u>Number of years</u>
Office building and factory	According to the lease term
Vehicles	According to the lease term
Machinery and equipment	According to the lease term
Office equipment	According to the lease term

B) Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the group of Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

C) Short - term leases and leases of low - value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low - value assets is recognised as expenses on a straight - line basis over the lease term.

Leases - where the Group is the lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfer substantially all of the

risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight - line basis over the lease term.

Intangible other assets

Intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses (if any). Intangible assets with finite lives are amortized on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method of such intangible assets are reviewed at least at each financial year end. The amortization expense is charged to profit or loss.

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

	<u>Number of years</u>
Computer Software	5 - 10
Patent	5

Impairment of assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment, right-of-use asset, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre - tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an

appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment, if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

Borrowings

Borrowings are recognised initially at the fair value, net of transaction costs incurred.

Borrowings are subsequently stated at amortized cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective yield method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw - down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre - payment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

Trade and other payables

Trade and other payables are stated at cost.

Contract liabilities

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

Employee's benefits

A) Short - term employee benefits

Short - term employee benefit obligations, which include salaries, wages, bonuses, and contributions to the social security fund, are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company 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.

B) Post - employment benefits

The Company records post - employment benefits through a defined contribution plan (under the Provident Fund Act B.E. 2530 (1987)) and a defined benefit plan (obligations for retired employees under the Thai Labor Protection Act B.E. 2541 (1998)).

Defined contribution plan

A defined contribution plan contribution plan is a post - employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the years during which services are rendered by employees.

Defined benefit plan

A defined benefit plan is a post - employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior years. Such benefits are discounted to determine its present value using the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid. The calculation is performed by an independent actuary using the Projected Unit Credit Method.

The Company recognised immediately all actuarial gains or losses arising from defined benefit plans in profit or loss.

C) Other long - term employee benefits

The Company'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 years, that benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the year in which they arise.

D) Termination benefits

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

Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Group operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

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 following 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 jointly - controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Company to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on

different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

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 utilized. 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 realized.

Provision for liabilities

The Group recognise a provision for liabilities when an entity has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits resources will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. If some or all the expenditure is required to settle a provision, is expected to be reimbursed when it is virtually certain that reimbursement will be received if company's group settles the obligation. The amount recognised should not exceed the amount of the provision.

Share Capital

Ordinary shares with discretionary dividends are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Earnings (loss) per share

Basic earnings (loss) per share are calculated by dividing the net profit (loss) for the year by the weighted average number of ordinary shares issued and paid up.

Dilution earning (loss) per share

Profit (loss) per share is adjusted by calculating by dividing the net profit (loss) that belongs to the shareholder Average common share which is sold and requested to pay during improving year by the affect from the right to buy share.

Segment information

Operating segments are reported in the same manner as internal reports presented to the chief operating decision maker. Chief operating decision maker makes strategic decisions. Business segments provide products and services that are subject to risks and returns that are different from those of other business segments. Geographic segments provide products or services within a particular economic environment that is subject to risks and returns that are different from those of components operating in other economic environments.

Segment information is presented by business segments and geography segments of the Group's operations.

Related parties

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

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

Fair value measurement

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

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

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

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

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

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

4. USE OF ACCOUNTING ESTIMATES

Preparation of financial statements in conformity with generally accepted accounting principles required the management to make several estimation and assumption which affect the reported amounts in the financial statements and notes related thereto. Consequent actual results may differ from these estimates.

Allowance for expected credit losses of trade receivables and contract assets

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

Allowance for declining of inventory

In order that financial statements report present value of inventory and performance. The Group have reviewed and revised policy for impairment of inventory to cover all inventories, which include finished goods, raw material, spare part and supply. The impairment is considered when book value of inventory is higher than its net realizable value and when the inventory has no movement for a certain period, whichever is practical.

Allowance impairment of investments in subsidiaries

The Company treats investments in subsidiaries as impaired if the business operations of such companies are severely impacted by an economic crisis and the investments may take some time to recover their value. The management determines the amount by which such investments have been devalued based on judgement. The use of different estimates and assumptions could affect the amounts of the allowances for impairment of investments in subsidiaries and adjustments to the allowances may therefore be required in the future.

Determining the lease term with extension and termination options - the Company as a lessee

In determining the lease term, the management is required to exercise judgment in assessing whether the Company is reasonably certain to exercise the option to extend or terminate the lease, considering all relevant factors and circumstances that create an economic incentive for the Company to exercise either the extension or termination option. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

Depreciation plant and equipment and right-of-use assets and amortization of intangible assets.

In determining depreciation of plant and equipment and right-of-use assets and amortization of intangible assets, the management is required to make estimates of the useful lives and residual values (if any) and to review useful lives and residual values when there are any changes.

Impairment of assets

The Group determines assets as impaired when there is any indication of impairment and a significant decline in the fair value of those assets. The Group will estimate recoverable amount of assets basing on the

management's judgment.

Deferred tax assets

The Group recognise deferred tax assets which is calculate on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts that it is probable that future taxable profit will be available. The management needs to make judgment and estimates, based on consideration of the taxable profits that are expected to occur in the future in each period.

Post - employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate. In determining the appropriate discount rate, management selects an interest rate that reflects the current economic situation. The mortality rate is based on publicly available mortality rates in Thailand. However, the actual post - employment benefits may differ from the estimates.

Estimated of revenues from project and project cost

In estimation of revenues from project, management are required to make judgement based on their best knowledge of the current events and arrangements and their experience of the business in order to estimate the percentage of completion, based on information from the engineers/project managers. The Company estimate costs of projects based on details of the construction work, taking into account the volume and prices of construction materials to be used in the project, labor costs and other miscellaneous costs to be incurred to completion of service, taking into account the direction of the movement in these costs. Estimates are reviewed regularly or whenever actual costs differ significantly from the figures used in the original estimates.

Provision for losses on projects

Management applied judgment in estimating the loss they expect to be realized on each construction projects, based on estimates of anticipated costs that take into account the progress of the project and actual costs incurred to date, together with fluctuations in costs of construction materials, labor and the current situation.

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5. CASH AND CASH EQUIVALENTS

Consist of:

	<i>In Thousand Baht</i>			
	Consolidated		Separated financial statements	
	<i>As at</i>	<i>As at</i>	<i>As at</i>	<i>As at</i>
	<i>31, 2023</i>	<i>31, 2022</i>	<i>31, 2023</i>	<i>31, 2022</i>
Cash	40	373	-	303
Cash at bank - current accounts	14,261	17,310	951	3,163
Cash at bank - saving accounts	115,488	60,747	13,972	6,013
Deposit in transit	15,000	-	-	-
Total cash and cash equivalents	<u>144,789</u>	<u>78,430</u>	<u>14,923</u>	<u>9,479</u>

As at December 31, 2023 and 2022 the interest rates on saving deposits with banks were 0.20% to 0.60% per annum and 0.10% to 0.35% per annum respectively.

6. TRADE AND OTHER CURRENT RECEIVABLES, NET

Consist of:

	<i>In Thousand Baht</i>			
	Consolidated		Separated financial statements	
	<i>As at</i>	<i>As at</i>	<i>As at</i>	<i>As at</i>
	<i>31, 2023</i>	<i>31, 2022</i>	<i>31, 2023</i>	<i>31, 2022</i>
Trade and other receivables - third parties,	291,036	432,233	97,012	217,365
Trade and other receivables - related				
(Note 33.3)	-	-	88,738	74,744
Trade installment receivables, net	8,159	8,167	8,159	8,167
Retention receivables, net	30,418	29,815	21,554	23,375
Total trade and other current receivables,	<u>329,613</u>	<u>470,215</u>	<u>215,463</u>	<u>323,651</u>

6.1 Trade and other current receivables - third parties, net

	<i>In Thousand Baht</i>			
	Consolidated financial		Separated financial statements	
	<i>As at</i>	<i>As at</i>	<i>As at</i>	<i>As at</i>
	<i>31, 2023</i>	<i>31, 2022</i>	<i>31, 2023</i>	<i>31, 2022</i>
Trade receivables	274,854	458,505	143,616	266,084

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<u>Less</u> Allowance for expected credit	(87,544)	(98,116)	(62,647)	(74,492)
Trade receivables, net	187,310	360,389	80,969	191,592
Other receivables				
Prepaid expenses	52,261	30,718	11,997	15,912
Deferred service costs	1,293	6,367	1,131	3,178
Revenue department debtor	31,396	31,683	-	5,727
Other	19,914	4,056	3,385	1,936
<u>Less</u> Allowance for expected credit	(1,138)	(980)	(470)	(980)
Other receivables, net	103,726	71,844	16,043	25,773
Total trade and other current				
receivables - third parties, net	291,036	432,233	97,012	217,365

Trade receivables are classified by aging as follows:

	<i>In Thousand Baht</i>			
	<i>Consolidated financial</i>		<i>Separated financial statements</i>	
	<i>As at</i>	<i>As at</i>	<i>As at</i>	<i>As at</i>
	<i>31, 2023</i>	<i>31, 2022</i>	<i>31, 2023</i>	<i>31, 2022</i>
Not yet due	82,093	236,592	29,297	130,277
- Over 3 months	95,545	75,082	48,395	16,996
- 3 months to 6 months	6,371	29,718	-	27,434
- 6 months to 12 months	158	14,113	8	13,648
- Over 12 months	5,998	25,511	5,998	15,128
Debt acceptance	-	2,112	-	2,112
Under legal action	84,689	75,377	59,918	60,489
Total trade accounts receivables	274,854	458,505	143,616	266,084
<u>Less</u> Allowance for expected credit losses	(87,544)	(98,116)	(62,647)	(74,492)
Trade receivables, net	187,310	360,389	80,969	191,592

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Allowance for expected credit losses have changed during the years are as follows:

	<i>In Thousand Baht</i>			
	<i>Consolidated financial</i>		<i>Separated financial statements</i>	
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
Beginning balance	98,116	97,292	74,492	71,986
Written - off bad debt	-	(523)	-	(415)
Increase (decrease)	(10,572)	1,347	(11,845)	2,921
Ending balance	87,544	98,116	62,647	74,492

6.2 Trade installment receivables, net

	<i>In Thousand Baht</i>			
	<i>Consolidated financial statements</i>		<i>Separated financial statements</i>	
	<i>As at</i>	<i>As at</i>	<i>As at</i>	<i>As at</i>
	<i>31, 2023</i>	<i>31, 2022</i>	<i>31, 2023</i>	<i>31, 2022</i>
Trade installment receivables	19,502	27,041	19,502	27,041
<u>Less</u> Allowance for expected credit	(11,343)	(11,336)	(11,343)	(11,336)
Net	8,159	15,705	8,159	15,705
<u>Less</u> Current portion	(8,159)	(8,167)	(8,159)	(8,167)
Total trade installment receivables,	-	7,538	-	7,538

Allowance for expected credit losses have changed during the years are as follows:

	<i>In Thousand Baht</i>			
	<i>Consolidated financial statements</i>		<i>Separated financial statements</i>	
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
Beginning balance	11,336	11,336	11,336	11,336
Increase (decrease), net	7	-	7	-
Ending balance	11,343	11,336	11,343	11,336

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6.3 Retention receivables, net

	In Thousand Baht			
	Consolidated financial statements		Separated financial statements	
	As at December	As at December	As at December	As at December
	31, 2023	31, 2022	31, 2023	31, 2022
Retention receivables	31,397	34,774	21,554	23,375
<u>Less</u> Allowance for expected credit	(979)	(4,959)	-	-
Total retention receivables, net	30,418	29,815	21,554	23,375

Allowance for expected credit losses have changed during the years are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separated financial statements	
	2023	2022	2023	2022
Beginning balance	4,959	8,320	-	-
Increase (decrease), net	(3,980)	(3,361)	-	-
Ending balance	979	4,959	-	-

7. FINANCE LEASE RECEIVABLES, NET

Consist of:

	In Thousand Baht			
	Consolidated financial		Separated financial statements	
	As at December	As at December	As at December	As at December
	31, 2023	31, 2022	31, 2023	31, 2022
<u>Current portion</u>				
Finance lease receivables	249,388	213,626	249,388	213,626
Total current portion, net	249,388	213,626	249,388	213,626
<u>Non - current portion</u>				
Finance lease receivables	584,129	740,143	584,129	740,143
Total non - current portion, net	584,129	740,143	584,129	740,143
Total finance lease receivables, net	833,517	953,769	833,517	953,769

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8. CONTRACT ASSETS / CONTRACT LIABILITIES

8.1 Balance contract

	<i>In Thousand Baht</i>			
	Consolidated financial		Separated financial statements	
	<i>As at December</i>	<i>As at December</i>	<i>As at December</i>	<i>As at December</i>
	<i>31, 2023</i>	<i>31, 2022</i>	<i>31, 2023</i>	<i>31, 2022</i>
Contract assets				
<i>Unbilled receivables - third parties</i>	68,930	137,781	38,427	91,213
<i>Unbilled receivables - related parties (Note 33.3)</i>	-	-	-	344
<i>Less Allowance for expected credit losses</i>	(696)	(14,038)	(696)	(14,038)
Total contract assets, net	68,234	123,743	37,731	77,519
Contract liabilities				
<i>Unearned income - third parties</i>	24,903	46,918	14,585	21,281
<i>Unearned income - related parties (Note 33.3)</i>	-	-	-	436
<i>Advanced receivables - third parties</i>	343,088	254,414	17,476	36,457
<i>Advanced receivables - related parties (Note 33.3)</i>	-	-	-	43
Total contract liabilities	367,991	301,332	32,061	58,217

Allowance for expected credit losses has changed during the year as follows:

	<i>In Thousand Baht</i>			
	Consolidated financial statements		Separated financial statements	
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
Beginning balance	14,038	15,729	14,038	15,729
Increase (decrease), net	(13,342)	(1,691)	(13,342)	(1,691)
Ending balance	696	14,038	696	14,038

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8.2 Unbilled receivables

As at December 31, 2023, the Group had outstanding balances of unbilled receivables amount to Baht 68.23 million and Baht 37.73 million in the consolidated and separated financial statements, respectively, expected to be paid within one year.

9. INVENTORIES, NET

Consist of:

	<i>In Thousand Baht</i>			
	<i>Consolidated financial statements</i>		<i>Separated financial statements</i>	
	<i>As at December</i>	<i>As at December</i>	<i>As at December</i>	<i>As at December</i>
	<i>31, 2023</i>	<i>31, 2022</i>	<i>31, 2023</i>	<i>31, 2022</i>
Finished goods	8,616	49,229	-	-
Raw materials, spare parts and supplies	288,488	341,750	14,504	42,860
Work in process	41,188	52,961	3,115	18,729
Goods in transit	78	8,205	-	1,358
	<u>338,370</u>	<u>452,145</u>	<u>17,619</u>	<u>62,947</u>
<u>Less</u> Allowance for declining of inventories	(10,788)	(7,930)	(2,662)	(4,024)
<u>Less</u> Allowance for long - work in process	(1,669)	(168)	-	-
	<u>(12,457)</u>	<u>(8,098)</u>	<u>(2,662)</u>	<u>(4,024)</u>
Total inventories, net	<u>325,913</u>	<u>444,047</u>	<u>14,957</u>	<u>58,923</u>

Allowance for declining in value of inventories have changed during the years are as follows:

	<i>In Thousand Baht</i>			
	<i>Consolidated financial statements</i>		<i>Separated financial statements</i>	
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
Beginning balance	7,930	20,568	4,024	13,612
Increase (decrease), net	2,858	(12,638)	(1,362)	(9,588)
Ending balance	<u>10,788</u>	<u>7,930</u>	<u>2,662</u>	<u>4,024</u>

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Allowance for decline in goods in process has changed during the year as follows:

	<i>In Thousand Baht</i>			
	<i>Consolidated financial statements</i>		<i>Separated financial statements</i>	
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
Beginning balance	168	1,745	-	-
Increase (decrease), net	1,501	(1,577)	-	-
Ending balance	1,669	168	-	-

10. NON - CURRENT FINANCIAL ASSETS

As at December 31, 2023 and 2022, the Group had other non - current financial assets are restricted deposits with financial institutions in the consolidated financial statement of Baht 24.60 million and Baht 29.64 million, in the separate financial statement of Baht 4.27 million and Baht 6.28 million, respectively. Use it as collateral for the credit limit and use the letter of guarantee as guarantee for the bank.

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11. INVESTMENTS IN SUBSIDIARIES, NET

Consist of:

Company	Paid - up capital		Proportion of investment		Cost method		Dividend income	
	(In Million Baht)		(%)		(In Thousand Baht)		(In Thousand Baht)	
							For the years ended	
	As at	As at	As at	As at	As at	As at	December	December
	December	December	December	December	December	December	December	December
	31, 2023	31, 2022	31, 2023	31, 2022	31, 2023	31, 2022	31, 2023	31, 2022
Subsidiaries: -								
- Patkol Ice Solutions Co., Ltd.	100.00	100.00	99.99	99.99	99,999	99,999	-	-
- Patkol Food Industry Partner Co., Ltd. (Formerly know as Patkol Trading Co., Ltd.)	110.00	30.00	99.99	99.98	109,996	29,999	-	-
- S Panel Co., Ltd.	40.00	40.00	80.00	80.00	32,000	32,000	-	3,960
- Heataway Co., Ltd.	100.00	100.00	99.99	99.99	99,997	99,997	-	-
- Tygienic Co., Ltd.	65.00	65.00	99.99	99.99	65,000	65,000	-	-
- Patkol Philippines Corporation Co., Ltd.	5.36	5.36	60.00	60.00	5,362	5,362	-	-
- Indonesia Patkol service Co., Ltd.	26.85	26.85	99.00	99.00	26,854	26,854	-	-
- Patkol Malaysia Sendirian Berhad Co., Ltd.	7.96	7.96	100.00	100.00	7,960	7,960	-	-
- Patkol Myanmar Co., Ltd.	1.61	1.61	100.00	100.00	1,615	1,615	-	-
- PT Indonesia Patkol Refrigeration Co., Ltd	5.34	5.34	86.80	86.80	4,876	4,876	-	-
<u>Less</u> Impairment of investment					(9,575)	(34,814)	-	-
Total investments in relate parties, net					444,084	338,848	-	3,960

The aforementioned subsidiaries' financial statements as at December 31, 2023, brought into the preparation of consolidated financial statements were audited by the auditor already, except the foreign subsidiaries' financial in Myanmar prepared by the management were not reviewed by the auditor.

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Patkol Myanmar Co., Ltd. had requested for liquidation with Directorate of Investment and Company Administration and it was under liquidation process.

As the Executive Committee Meeting No. 11/2023 held on November 28, 2023. Resolved to approve PT Indonidia Patkol Refrigeration Co., Ltd. to dissolution of the company.

As the Board of Directors Meeting No. 3/2023 held on May 11, 2023. Resolved to approve additional investment in Patkol Food Industry Partner Co., Ltd. (subsidiary), formerly known as Patkol Trading Co., Ltd. to the original proportion. On April 27, 2023, as the annual general meeting of shareholders of Patkol Food Industry Partner Co., Ltd. No. 1/2023, resolved to approve the capital increase from Baht 30 million to Baht 110 million by issuing 800,000 ordinary shares of Baht 100 each. The subsidiary registered the increase of share capital on June 28, 2023 and the Company has paid for 100% of the shares, amounting to Baht 80 million.

Non - controlling interests

Details of non - wholly owned subsidiaries which have material non - controlling interests as at December 31, 2023 and 2022, are as follows:

In Thousand Baht								
Company	Proportion of equity interest held by non - controlling interests		Accumulated balance of non - controlling interests		Profit/loss allocated to non - controlling interests during the year		Dividend paid to non - controlling interests during the year	
	non - controlling interests		non - controlling interests		during the year		during the year	
	For the year ended December 31,		For the year ended December 31,		For the year ended December 31,		For the year ended December 31,	
	2023	2022	2023	2022	2023	2022	2023	2022
	(%)	(%)						
S Panel Co., Ltd.	20.00	20.00	19,078	17,532	1,392	(1,859)	-	990
Patkol Philippines Corporation Co., Ltd.	40.00	40.00	3,682	4,510	(342)	3,600	-	-

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The summarized financial information before intragroup eliminations of each non - wholly owned subsidiary which has material non - controlling interests are as follows:

	In Thousand Baht			
	S Panel Co., Ltd.		Patkol Philippines Corporation Co., Ltd.	
	2023	2022	2023	2022
Condensed statement of financial position				
As at December 31,				
Current assets	99,574	110,202	38,519	26,283
Non - current assets	89,075	107,138	40	353
Current liabilities	85,255	118,585	29,110	15,255
Non - current liabilities	8,002	11,099	244	106
Equity attributable to owners of the Company	80%	80%	60%	60%
Non - controlling interests	20%	20%	40%	40%
Condensed statement of profit or loss and other comprehensive income				
For the year ended December 31,				
Revenues	339,214	410,420	43,339	63,011
Expenses	(332,253)	(419,717)	(44,195)	(54,011)
Profit (loss) for the years	6,961	(9,297)	(856)	9,000
Profit (loss) attributable to:				
Owner of the parent	5,569	(7,438)	(514)	5,400
Non - controlling interests	1,392	(1,859)	(342)	3,600
Total comprehensive income (expense)				
for the years:				
Owner of the parent	620	557	-	-
Non - controlling interests	155	139	-	-
Total comprehensive income (expense) attributable to:				
Owner of the parent	6,189	(6,881)	(514)	5,400
Non - controlling interests	1,547	(1,720)	(342)	3,600

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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	In Thousand Baht			
	S Panel Co., Ltd.		Patkol Philippines Corporation Co., Ltd.	
	2023	2022	2023	2022
Condensed statement of cash flows				
Net cash provided (used in) from operating activities	31,179	7,386	2,298	(996)
Net cash provided (used in) from investing activities	9,600	(13,347)	-	(229)
Net cash provided (used in) from financing activities	(44,077)	8,548	-	(1,535)
Net cash flow increase (decrease)	(3,298)	2,587	2,298	(2,760)

12. INVESTMENT PROPERTY, NET

Consist of:

	In Thousand Baht		
	Consolidated financial statements		
	Land	Building and improvement	Total
Assets - cost			
As at December 31, 2022	81,833	29,421	111,254
Purchase	-	-	-
Disposal	(6,041)	(1,770)	(7,811)
Transfer in (Transfer out)	-	-	-
As at December 31, 2023	75,792	27,651	103,443
Accumulated depreciation			
As at December 31, 2022	-	(20,149)	(20,149)
Depreciation for the year	-	(347)	(347)
(Transfer in) Transfer out	-	850	850
As at December 31, 2023	-	(19,646)	(19,646)
Allowance for impairment of assets			
As at December 31, 2022	(1,041)	-	(1,041)
Increase	-	-	-
Decrease	-	-	-

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As at December 31, 2023	(1,041)	-	(1,041)
Net book value of assets			
As at December 31, 2023	74,751	8,005	82,756
As at December 31, 2022	80,792	9,272	90,064
	In Thousand Baht		
	Consolidated financial statements		
	Land	Building and improvement	Total
Assets - cost			
As at December 31, 2021	75,792	27,650	103,442
Purchase	-	-	-
Disposal	-	-	-
Transfer in (Transfer out)	6,041	1,771	7,812
As at December 31, 2022	81,833	29,421	111,254
Accumulated depreciation			
As at December 31, 2021	-	(18,822)	(18,822)
Depreciation for the year	-	(642)	(642)
(Transfer in) Transfer out	-	(686)	(686)
As at December 31, 2022	-	(20,150)	(20,150)
Allowance for impairment of assets			
As at December 31, 2021	(1,278)	-	(1,278)
Increase	-	-	-
Decrease	237	-	237
As at December 31, 2022	(1,041)	-	(1,041)
Net book value of assets			
As at December 31, 2022	80,792	9,272	90,064
As at December 31, 2021	74,514	8,828	83,342

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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	In Thousand Baht		
	Separated financial statements		
	Land	Building and improvement	Total
Assets - cost			
As at December 31, 2022	138,178	95,611	233,789
Purchase	-	-	-
Disposal	-	-	-
Transfer in (Transfer out)	39,423	29,837	69,259
As at December 31, 2023	177,600	125,448	303,048
Accumulated depreciation			
As at December 31, 2022	-	(48,358)	(48,358)
Depreciation for the year	-	(1,804)	(1,804)
(Transfer in) Transfer out	-	(13,396)	(13,396)
As at December 31, 2023	-	(63,558)	(63,558)
Allowance for impairment of assets			
As at December 31, 2022	(1,939)	-	(1,939)
Increase	-	-	-
Decrease	-	-	-
As at December 31, 2023	(1,939)	-	(1,939)
Net book value of assets			
As at December 31, 2023	175,661	61,890	237,551
As at December 31, 2022	136,239	47,253	183,492

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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	In Thousand Baht		
	Separated financial statements		
	Land	Building and improvement	Total
Assets - cost			
As at December 31, 2021	137,501	94,521	232,022
Purchase	-	-	-
Disposal	-	-	-
Transfer in (Transfer out)	677	1,090	1,767
As at December 31, 2022	138,178	95,611	233,789
Accumulated depreciation			
As at December 31, 2021	-	(46,886)	(46,886)
Depreciation for the year	-	(1,471)	(1,471)
As at December 31, 2022	-	(48,357)	(48,357)
Allowance for impairment of assets			
As at December 31, 2021	(2,355)	-	(2,355)
Increase	(47)	-	(47)
Decrease	463	-	463
As at December 31, 2022	(1,939)	-	(1,939)
Net book value of assets			
As at December 31, 2022	136,239	47,253	183,492
As at December 31, 2021	135,146	47,635	182,781

As at December 31, 2023, investment property consist of non - performed land and land with its construction of the Company and subsidiaries at present by cost in the consolidated and separated amount of Baht 103.44 million and 303.05 million respectively, (appraised value based on reports of the independent appraise in the year 2022, appraised value Market method in the consolidated and separated amount of Baht 166.68 million and 183.25 million respectively), and used for guarantee of overdraft and short - term loans from financial institutions (Note 18) and contingent liabilities (Note 36.3).

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

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13. PROPERTY, PLANT AND EQUIPMENT, NET

Consist of:

Consolidated financial statements (In Thousand Baht)										
	Land		Building and improvement		Machinery and	Machinery for	Office		Assets in	
	Cost	Revaluation	Cost	Revaluation	equipment	lease	equipment	Vehicles	progress	Total
Assets - cost										
As at December 31, 2022	152,586	655,189	703,713	174,625	328,247	270	120,610	72,606	13,617	2,221,463
Purchase	-	-	490	-	4,779	-	-	-	3,517	8,786
Disposal	-	-	(17)	-	(15,387)	-	(18,695)	(29,547)	(6,102)	(69,748)
Transfer in (Transfer out)	-	-	-	-	786	-	-	5,081	(3,650)	2,217
As at December 31, 2023	152,586	655,189	704,186	174,625	318,425	270	101,915	48,140	7,382	2,162,718
Accumulated depreciation										
As at December 31, 2022	-	-	(282,449)	(46,637)	(238,336)	-	(117,788)	(71,471)	-	(756,681)
Depreciation for the year	-	-	(12,543)	(3,581)	(22,662)	-	(3,017)	(1,659)	-	(43,462)
Depreciation for disposal	-	-	15	-	13,858	-	19,509	(4,061)	-	29,321
Depreciation for transfer out	-	-	-	-	-	-	-	29,548	-	29,548
As at December 31, 2023	-	-	(294,977)	(50,218)	(247,140)	-	(101,296)	(47,643)	-	(741,274)
Allowance for impairment of assets										
As at December 31, 2022	-	(898)	(14,515)	(35,783)	(585)	-	-	-	-	(51,781)
Increase	-	-	-	-	-	-	-	-	-	-
Decrease	-	-	-	-	585	-	-	-	-	585
As at December 31, 2023	-	(898)	(14,515)	(35,783)	-	-	-	-	-	(51,196)
Net book value of assets										
As at December 31, 2023										
Owned assets	152,586	654,291	394,694	88,624	55,134	270	619	497	7,382	1,354,097
Right-of-use assets	-	-	-	-	16,151	-	-	-	-	16,151
	152,586	654,291	394,694	88,624	71,285	270	619	497	7,382	1,370,248
As at December 31, 2022										
Owned assets	152,586	654,291	406,749	92,205	69,999	270	2,822	1,135	13,617	1,393,674
Right-of-use assets	-	-	-	-	19,327	-	-	-	-	19,327
	152,586	654,291	406,749	92,205	89,326	270	2,822	1,135	13,617	1,413,001

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Consolidated financial statements (In Thousand Baht)

	Land		Building and improvement		Machinery and	Machinery for	Office	Vehicles	Assets in	
	Cost	Revaluation	Cost	Revaluation	equipment	lease	equipment	Vehicles	progress	Total
Assets - cost										
As at December 31, 2021	152,586	605,784	703,406	164,329	331,490	270	126,214	66,263	11,177	2,161,519
Purchase	-	49,405	220	10,296	8,194	-	593	-	6,626	75,334
Disposal	-	-	-	-	(11,967)	-	(6,197)	(7,224)	(711)	(26,099)
Transfer in (Transfer out)	-	-	87	-	530	-	-	13,567	(3,475)	10,709
As at December 31, 2022	152,586	655,189	703,713	174,625	328,247	270	120,610	72,606	13,617	2,221,463
Accumulated depreciation										
As at December 31, 2021	-	-	(269,519)	(43,303)	(224,771)	-	(117,851)	(65,387)	-	(720,831)
Depreciation for the year	-	-	(12,930)	(3,334)	(25,185)	-	(6,099)	(3,464)	-	(51,012)
Depreciation for disposal	-	-	-	-	11,192	-	6,162	6,980	-	24,334
Depreciation for transfer out	-	-	-	-	428	-	-	(9,600)	-	(9,172)
As at December 31, 2022	-	-	(282,449)	(46,637)	(238,336)	-	(117,788)	(71,471)	-	(756,681)
Allowance for impairment of assets										
As at December 31, 2021	-	(1,077)	(16,482)	(35,783)	(585)	-	-	-	-	(53,927)
Increase	-	-	-	-	-	-	-	-	-	-
Decrease	-	179	1,967	-	-	-	-	-	-	2,146
As at December 31, 2022	-	(898)	(14,515)	(35,783)	(585)	-	-	-	-	(51,781)
Net book value of assets										
As at December 31, 2022										
Owned assets	152,586	654,291	406,749	92,205	69,999	270	2,822	1,135	13,617	1,393,674
Right-of-use assets	-	-	-	-	19,327	-	-	-	-	19,327
	152,586	654,291	406,749	92,205	89,326	270	2,822	1,135	13,617	1,413,001
As at December 31, 2021										
Owned assets	152,586	604,707	417,407	85,243	83,631	270	8,363	876	11,177	1,364,260
Right-of-use assets	-	-	-	-	22,503	-	-	-	-	22,503
	152,586	604,707	417,407	85,243	106,134	270	8,363	876	11,177	1,386,763

Separated financial statements (In Thousand Baht)

	Land		Building and improvement		Machinery and	Office equipment	Vehicles	Assets in	
	Cost	Revaluation	Cost	Revaluation	equipment			progress	Total
Assets - cost									

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As at December 31, 2022	45,012	534,775	281,522	146,235	55,529	90,297	69,933	7,851	1,231,154
Purchase	-	-	228	-	271	270	-	466	1,235
Disposal	-	-	-	-	(37,944)	(15,784)	(39,425)	(5,878)	(99,031)
Transfer in (Transfer out)	(3,151)	(36,272)	(19,070)	(10,767)	-	-	5,080	(1,937)	(66,117)
As at December 31, 2023	41,861	498,503	262,680	135,468	17,856	74,783	35,588	502	1,067,241
Accumulated depreciation									
As at December 31, 2022	-	-	(155,057)	(41,200)	(49,374)	(88,214)	(68,794)	-	(402,639)
Depreciation for the year	-	-	(3,161)	(3,580)	(1,563)	(1,677)	(1,509)	-	(11,490)
Depreciation for disposal	-	-	-	-	34,377	15,582	39,424	-	89,383
Depreciation for transfer out	-	-	13,396	-	-	-	(4,060)	-	9,336
As at December 31, 2023	-	-	(144,822)	(44,780)	(16,560)	(74,309)	(34,939)	-	(315,410)
Allowance for impairment of assets									
As at December 31, 2022	-	-	-	-	(585)	-	-	-	(585)
Increase	-	-	-	-	-	-	-	-	-
Decrease	-	-	-	-	585	-	-	-	585
As at December 31, 2023	-	-	-	-	-	-	-	-	-
Net book value of assets									
As at December 31, 2023									
Owned assets	41,861	498,503	117,858	90,688	1,296	474	649	502	751,831
Right-of-use assets	-	-	-	-	-	-	-	-	-
	41,861	498,503	117,858	90,688	1,296	474	649	502	751,831
As at December 31, 2022									
Owned assets	45,012	534,775	126,465	105,035	5,570	2,083	1,139	7,851	827,930
Right-of-use assets	-	-	-	-	-	-	-	-	-
	45,012	534,775	126,465	105,035	5,570	2,083	1,139	7,851	827,930

Separated financial statements (In Thousand Baht)

	Land		Building and improvement		Machinery and equipment	Office equipment	Vehicles	Assets in progress	Total
	Cost	Revaluation	Cost	Revaluation					
Assets - cost									
As at December 31, 2021	45,012	497,022	281,302	137,029	56,583	95,673	61,768	7,108	1,181,497
Purchase	-	38,430	220	10,297	719	579	-	4,633	54,878

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Disposal	-	-	-	-	(2,656)	(5,955)	(5,402)	(712)	(14,725)
Transfer in (Transfer out)	-	(677)	-	(1,091)	883	-	13,567	(3,178)	9,504
As at December 31, 2022	45,012	534,775	281,522	146,235	55,529	90,297	69,933	7,851	1,231,154
Accumulated depreciation									
As at December 31, 2021	-	-	(151,621)	(37,866)	(46,893)	(91,122)	(61,359)	-	(388,861)
Depreciation for the year	-	-	(3,436)	(3,334)	(4,788)	(3,044)	(12,592)	-	(27,194)
Depreciation for disposal	-	-	-	-	2,307	5,952	5,157	-	13,416
Depreciation for transfer out	-	-	-	-	-	-	-	-	-
As at December 31, 2022	-	-	(155,057)	(41,200)	(49,374)	(88,214)	(68,794)	-	(402,639)
Allowance for impairment of assets									
As at December 31, 2021	-	-	-	-	(585)	-	-	-	(585)
Increase	-	-	-	-	-	-	-	-	-
Decrease	-	-	-	-	-	-	-	-	-
As at December 31, 2022	-	-	-	-	(585)	-	-	-	(585)
Net book value of assets									
As at December 31, 2022									
Owned assets	45,012	534,775	126,465	105,035	5,570	2,083	1,139	7,851	827,930
Right-of-use assets	-	-	-	-	-	-	-	-	-
	45,012	534,775	126,465	105,035	5,570	2,083	1,139	7,851	827,930
As at December 31, 2021									
Owned assets	45,012	497,022	129,681	99,163	9,105	4,551	409	7,108	792,051
Right-of-use assets	-	-	-	-	-	-	-	-	-
	45,012	497,022	129,681	99,163	9,105	4,551	409	7,108	792,051

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	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,		For the year ended December 31,	
	2023	2022	2023	2022
Depreciation for the year	43,462	51,012	11,490	27,194

As at December 31, 2023 and 2022, The Group Company building and equipment at cost of Baht 259.19 million and Baht 319.34 million in the consolidated financial statements, respectively. Baht 119.78 million and Baht 178.37 million in the separate financial statements, respectively. have been fully depreciated but are still in use.

As at December 31, 2023 and 2022, land with its construction and machinery at cost of Baht 1,586.43 million and Baht 1,225.86 million in the consolidated financial statements, respectively. Baht 1,198.93 million and Baht 703.65 million in the separate financial statements, respectively are used as guarantees for bank overdrafts and short - term loans from financial institutions (Note 18) long - term loans (Note 20) and contingent liabilities (Note 36.3).

As at December 31, 2023 and 2022, lands and buildings of the Group are stated at appraised value based on reports of the independent appraiser in the year 2022. The appraised value of lands was based on market price method, while the appraised value of buildings was based on replacement cost method. Revaluation surplus of fixed assets are shown under "Shareholders' Equity" in the statement of financial position. The revaluation surplus of fixed assets is not available for dividend distribution.

Subsidiaries recorded land with appraised value and recorded revaluation surplus of fixed assets amounting to Baht 77.51 million, as the independent appraiser report dated on December 16, 2022.

As at December 31, 2023 and 2022, the fair value of the land and building were assessed in the year 2022 by the report of the appraisal assessed using the market approach by selling price of comparable land nearby to improve by using the replacement cost approach. The fair value is in the second level of the hierarchy of fair value.

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14. RIGHT OF USE ASSETS, NET

The recognised right-of-use assets relate to the following types of assets:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at December	As at December	As at December	As at December
	31, 2023	31, 2022	31, 2023	31, 2022
Book value right of use assets, Net				
Office building and factory	497	1,440	423	920
Vehicles	22,525	19,976	944	12,597
Machinery and equipment	1,372	1,757	-	-
Office equipment	361	1,410	46	270
Total	24,755	24,583	1,413	13,787

For the year ended December 31, 2023, and 2022, amounts charged to profit or loss and cash flows relating to leases are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Depreciation for the right of use assets				
Office building and factory	942	1,090	498	498
Vehicles	10,194	7,328	3,068	4,610
Machinery and equipment	802	666	-	-
Office equipment	522	1,076	316	593
	12,460	10,160	4,442	5,701
Interest expense for lease liabilities	9,126	-	345	1,563
Total	21,586	10,160	4,787	7,264

Addition to the right-of- use				
assets during the year	24,995	18,290	2,682	12,733
Subtraction on the right-of- use				
assets during the year	(12,363)	(4,416)	(10,614)	(2,167)
Total cash outflow for leases	13,308	16,397	5,000	6,846

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15. INTANGIBLE ASSETS, NET

Consist of:

In Thousand Baht					
Consolidated financial statements					
	Balance December 31, 2022	Increases	Transfer in (Transfer out)	(Decrease)	Balance December 31, 2023
<u>Cost</u>					
Computer program	171,841	13	1,425	(6,691)	166,588
Patent	7,441	-	-	(3,729)	3,712
Program during installation	70	72	(142)	-	-
Total	179,352	85	1,283	(10,420)	170,300
<u>Less Accumulated</u>	(126,761)	(18,050)	-	9,411	(135,400)
Net	52,591	(17,965)	1,283	(1,009)	34,900
<u>Less Allowance for asset</u>					
impairment	(3,326)	-	-	3,326	-
Net	49,265	(17,965)	1,283	2,317	34,900

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In Thousand Baht					
Consolidated financial statements					
	Balance December 31, 2021	Increases	Transfer in (Transfer out)	(Decrease)	Balance December 31, 2022
<u>Cost</u>					
Computer program	163,251	6,308	2,295	(13)	171,841
Patent	7,441	-	1,027	(1,027)	7,441
Program during installation	1,274	-	-	(1,204)	70
Total	171,966	6,308	3,322	(2,244)	179,352
<u>Less Accumulated</u>	(108,872)	(17,902)	-	13	(126,761)
Net	63,094	(11,594)	3,322	(2,231)	52,591
<u>Less Allowance for asset</u>					
impairment	(3,326)	-	-	-	(3,326)
Net	59,768	(11,594)	3,322	(2,231)	49,265

In Thousand Baht					
Separated financial statements					
	Balance December 31, 2022	Increases	Transfer in (Transfer out)	(Decrease)	Balance December 31, 2023
<u>Cost</u>					
Computer program	153,639	7	1,100	(6,619)	148,127
Patent	4,100	-	-	(3,729)	371
Program during installation	-	-	-	-	-
Total	157,739	7	1,100	(10,348)	148,498
<u>Less Accumulated</u>	(114,826)	(15,079)	-	9,298	(120,607)
Net	42,913	(15,072)	1,100	(1,050)	27,891
<u>Less Allowance for asset</u>					
impairment	(3,326)	-	-	3,326	-
Net	39,587	(15,072)	1,100	2,276	27,891

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In Thousand Baht					
Separated financial statements					
	Balance December 31, 2021	Increases	Transfer in (Transfer out)	(Decrease)	Balance December 31, 2022
<u>Cost</u>					
Computer program	150,374	970	2,295	-	153,639
Patent	4,100	-	-	-	4,100
Program during installation	-	-	-	-	-
Total	154,474	970	2,295	-	157,739
<u>Less Accumulated</u>	(99,362)	(15,464)	-	-	(114,826)
Net	55,112	(14,494)	2,295	-	42,913
<u>Less Allowance for asset</u>					
impairment	(3,326)	-	-	-	(3,326)
Net	51,786	(14,494)	2,295	-	39,587

In Thousand Baht				
	Consolidated financial statements		Separated financial statements	
	For the year ended December 31,		For the year ended December 31,	
	2023	2022	2023	2022
Amortization for the years	18,050	17,902	15,079	15,464

16. DEFERRED TAX ASSETS AND LIABILITIES

Consist of:

In Thousand Baht				
	Consolidated financial statements		Separated financial statements	
	As at December 31, 2023	As at December 31, 2022	As at 31, 2023	As at December 31, 2022
Deferred tax assets	160,995	145,209	54,256	72,223
Deferred tax liabilities	(204,953)	(203,591)	(148,998)	(151,844)

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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Movements in total deferred tax assets (liabilities) during the year were as follows:

	In Thousand Baht				
	Consolidated financial statements				
	(Charged) / credited to:				As at December 31, 2023
	As at December 31, 2022	Profit (loss)	Other comprehensi income	Shareholder equity	
Deferred tax assets					
Allowance for expected credit	25,931	(4,416)	-	-	21,515
Allowance for declining in value of inventories	1,620	871	-	-	2,491
Allowance for withholding income tax	-	1,409	-	-	1,409
Allowance for impairment of asset	14,016	2,015	-	-	16,031
Provision of project cost	4,148	(400)	-	-	3,748
Lease liabilities	16,006	(661)	-	-	15,345
Employee benefit obligations	31,113	2,881	(3,732)	-	30,262
Tax losses that have not been used	52,375	17,819	-	-	70,194
Total deferred tax assets	145,209	19,518	(3,732)	-	160,995
Deferred tax liabilities					
Accumulated depreciation - extension	(19,500)	(2,815)	-	-	(22,315)
Lease assets	(17,090)	762	-	-	(16,328)
Unrealized gain / (loss) from foreign exchange rate	(106)	(138)	-	-	(244)
Revaluation surplus on fixed assets	(166,895)	829	-	-	(166,066)
Total deferred tax liabilities	(203,591)	(1,362)	-	-	(204,953)
Total income (expense)		18,156	(3,732)		

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In Thousand Baht					
Consolidated financial statements					
(Charged) / credited to:					
As at	Other			As at	
December	Profit	comprehensi	Shareholder	December	
31, 2021	(loss)	income	equity	31, 2022	
Deferred tax assets					
Allowance for expected credit	27,750	(1,819)	-	-	25,931
Allowance for declining in value					
of inventories	4,463	(2,843)	-	-	1,620
Allowance for impairment of asset	11,390	2,626	-	-	14,016
Provision of project cost	3,625	523	-	-	4,148
Lease liabilities	21,253	(5,247)	-	-	16,006
Employee benefit obligations	35,899	2,667	(7,453)	-	31,113
Tax losses that have not been used	23,372	29,003	-	-	52,375
Total deferred tax assets	127,752	24,910	(7,453)	-	145,209
Deferred tax liabilities					
Accumulated depreciation -					
extension	(16,962)	(2,538)	-	-	(19,500)
Lease assets	(20,991)	3,901	-	-	(17,090)
Unrealized gain / (loss) from foreign					
exchange rate	(31)	(75)	-	-	(106)
Revaluation surplus on fixed assets	(155,723)	769	-	(11,941)	(166,895)
Total deferred tax liabilities	(193,707)	2,057	-	(11,941)	(203,591)
Total income (expense)		26,967	(7,453)		

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AS AT DECEMBER 31, 2023



In Thousand Baht					
Separated financial statements					
(Charged) / credited to:					
As at	Other			As at	
December	Profit	comprehensi	Shareholder	December	
31, 2022	(loss)	income	equity	31, 2023	
Deferred tax assets					
Allowance for expected credit	20,232	(4,024)	-	-	16,208
Allowance for declining in value					
of inventories	805	(272)	-	-	533
Allowance for withholding income	-	1,408	-	-	1,408
Allowance for impairment of asset	854	(466)	-	-	388
Provision of project cost	3,123	(870)	-	-	2,253
Lease liabilities	2,538	(2,216)	-	-	322
Employee benefit obligations	15,064	(6,880)	(1,005)	-	7,179
Tax losses that have not been used	29,607	(3,642)	-	-	25,965
Total deferred tax assets	72,223	(16,962)	(1,005)	-	54,256
Deferred tax liabilities					
Accumulated depreciation -					
extension	1,991	(142)	-	-	1,849
Lease assets	(2,442)	2,159	-	-	(283)
Revaluation surplus on fixed assets	(151,393)	829	-	-	(150,564)
Total deferred tax liabilities	(151,844)	2,846	-	-	148,998
Total income (expense)		(14,116)	(1,005)		

In Thousand Baht

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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	Separated financial statements				
	(Charged) / credited to:				
	As at	Other			As at
	December	Profit	comprehensi	Shareholder	December
	31, 2021	(loss)	income	equity	31, 2022
Deferred tax assets					
Allowance for expected credit	20,189	43	-	-	20,232
Allowance for declining in value					
of inventories	2,722	(1,917)	-	-	805
Allowance for impairment of asset	937	(83)	-	-	854
Provision of project cost	3,027	96	-	-	3,123
Lease liabilities	865	1,673	-	-	2,538
Employee benefit obligations	18,056	618	(3,610)	-	15,064
Tax losses that have not been used	2,796	26,811	-	-	29,607
Total deferred tax assets	48,592	27,241	(3,610)	-	72,223
Deferred tax liabilities					
Accumulated depreciation -					
extension	2,209	(218)	-	-	1,991
Lease assets	(832)	(1,610)	-	-	(2,442)
Revaluation surplus on fixed assets	(142,416)	769	-	(9,746)	(151,393)
Total deferred tax liabilities	(141,039)	(1,059)	-	(9,746)	(151,844)
Total income (expense)		26,182	(3,610)		

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Deferred tax assets arising from temporary differences and unused tax losses that have not been recognized in the financial statements were as follows:

	In Thousand Baht			
	Consolidated financial statements		Separated financial statements	
	As at December	As at December	As at	As at
	31, 2023	31, 2022	31, 2023	31, 2022
Loss carry forward less than 5	9,364	-	9,364	-
Deferred tax assets	9,364	-	9,364	-

As at December 31, 2023, The financial statement has deductible temporary differences totaling Baht 9.36 million. On which deferred tax assets have not been recognized as the Company's management considers that there is uncertainty whether the Company will have sufficient future taxable income to utilize such items and or they might not be used to offset taxable income in the future.

17. OTHER NON - CURRENT ASSETS - NET

Consist of:

	In Thousand Baht			
	Consolidated financial statements		Separated financial statements	
	As at December	As at December	As at December	As at December
	31, 2023	31, 2022	31, 2023	31, 2022
Deposit and guarantee, net	3,937	5,861	3,828	3,974
Withholding income tax, net	74,979	74,489	49,691	56,735
Total other non - current assets, net	78,916	80,350	53,519	60,709

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17.1 Withholding income tax, net

	In Thousand Baht			
	Consolidated financial statements		Separated financial statements	
	As at	As at	As at	As at
	December	December	December	December
	31, 2023	31, 2022	31, 2023	31, 2022
Withholding income tax	82,023	74,489	56,735	56,735
<u>Less</u> Allowance for expected credit losses	(7,044)	-	(7,044)	-
Total income tax withholding, net	74,979	74,489	49,691	56,735

18. BANK OVERDRAFTS AND SHORT - TERM LOANS FROM FINANCIAL INSTITUTIONS

Consist of:

	In Thousand Baht			
	Consolidated financial statements		Separated financial statements	
	As at December	As at December	As at December	As at December
	31, 2023	31, 2022	31, 2023	31, 2022
Bank overdrafts	28,848	139,390	2,489	125,837
Short - term loans	193,493	232,602	97,672	90,000
Loan - trust receipt	-	-	-	-
Total bank overdrafts and short - term loans from financial	222,341	371,992	100,161	215,837

Movement of short - term loans from financial institutions for the year ended December 31, 2023 are as follows:

	In Thousand Baht	
	Consolidated financial statements	Separated financial statements
Beginning balance as at December 31, 2022	232,602	90,000
<u>Add</u> Additional loans	716,689	250,672
<u>Less</u> Payment of loans	(755,978)	(243,000)
Ending balance as at December 31, 2023	193,493	97,672

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As at December 31, 2023 and 2022 The Group have credit facilities from several banks totaling Baht 2,436 million and Baht 2,863 million on Consolidated financial statements, and Baht 1,861 million and Baht 2,236 million on Separated financial statements, balance Baht 980 million and Baht 1,696 million on Consolidated financial statements and Baht 775 million and Baht 1,394 million on Separated financial statements, respectively with interest rates ranging from 4% to 15% and 2.00% to 5.35% in the consolidated and interest rates ranging from 5.35% to 15.00% and 4.25% to 4.75% respectively in the separated financial statements, respectively, the credit facilities are secured against the Group's restricted deposits in banks, investment property (Note 12), land with its construction and machinery (Note 13).

19. TRADE AND OTHER CURRENT PAYABLE

Consist of:

	In Thousand Baht			
	Consolidated financial statements		Separated financial statements	
	As at	As at	As at	As at
	December	December	December	December
	31, 2023	31, 2022	31, 2023	31, 2022
Trade and other current accounts				
payable - third parties	374,197	483,442	146,044	200,817
Trade accounts payable -				
related parties (Note 33.3)	-	-	10,334	69,975
Retention payable	22,718	26,656	14,734	16,172
Total trade and other current				
accounts payable	396,915	510,098	171,112	286,964

The fair value of trade accounts payable and other payables equals their carrying amount, as those payables had a short period of maturity.

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20. LONG - TERM LOANS FROM FINANCIAL INSTITUTIONS, NET

Consist of:

	In Thousand Baht			
	Consolidated financial statements		Separated financial statements	
	As at	As at	As at	As at
	December	December	December	December
	31, 2023	31, 2022	31, 2023	31, 2022
<u>Current portion</u>				
Long - term loans, net	263,333	282,208	152,210	147,108
Total current portion of liabilities, net	263,333	282,208	152,210	147,108
<u>Non - current portion</u>				
Long - term loans, net	385,747	462,062	385,747	459,012
Total non - current portion of liabilities, net	385,747	462,062	385,747	459,012
Total long - term loans, net	649,080	744,270	537,957	606,120

Movement of long - term loans from financial institutions for the year ended December 31, 2023 are as follows:

	In Thousand Baht	
	Consolidated financial statements	Separated financial statements
Beginning balance as at December 31, 2022	744,270	606,120
<u>Add</u> Additional loans	-	-
<u>Less</u> Payment of loans	(95,190)	(68,163)
Ending balance as at December 31, 2023	649,080	537,957

20.1 As at December 31, 2023, the Company has entered into loan agreement with the financial institutions amount of Baht 828 million with interest rate from 4.35% to 6.10%. There is each repayment of Baht 0.13 to 4.77 million. The first repayment on monthly due count from the first draw and next instalments when due each month and all repayment within 38 to 84 months. Guaranteed by agreement security which consists of the right to claims the Company's machinery rental collection, and machinery own by the Company.

On March 30, 2023, the Company had an agreement to amendment 4 loan contracts, whereby the lender agreed to allow the borrower to suspend the principal repayment from March 2023 to December 2023 and

On August 30, 2023, the Company amendment to the loan agreement. The lender agrees to allow borrowers to suspend the principal repayment from July 2023 to December 2023

20.2 As at December 31, 2023, the subsidiary has long - term credit facilities with financial institutions totaling of Baht 200 million with interest ranging from 2.00% to 7.10%. There is repayment with the principal and interest from Baht 0.01 to 1.68 million per an installment. The first repayment on monthly due count from the first draw and next installments when due each month and all repayment within 60 to 84 months. The credits were guaranteed by the mortgage of subsidiaries' land with its construction and machinery (Note 13).

On September 22, 2023, the Subsidiary amendment to the loan agreement. The lender agrees to allow borrowers to suspend the principal repayment from July 2023 to July 2024 and reduce interest rates from MLR-0.5% to MLR-1.5%

20.3 Under the loan contract according to Clause 20.2, the subsidiary must comply with certain financial conditions as specified in the contract, such as maintaining a debt-to-equity ratio. and debt-service converge ratio to be in accordance with the specified rate as follows:

	financial ratio
	As at December
	31, 2023
Contract ratio	
debt-to-equity ratio	not over than 2 : 1 2.23 : 1
debt-service converge ratio	not less than 1.25 : 1 (0.04) : 1

As at December 31, 2023, the company is unable to comply with certain conditions as stipulated in the loan agreements, but the company can repay interest and principal as usual to the loan contract. However, for the purpose of Financial Reporting Standards in preparing the financial statements for 2023, the company has classified the entire amount of the loans from financial institutions as a current liability. However, the subsidiary has received the waiver letter its inability to comply with the conditions financial as specified in the loan contract. According to the waiver letter dated February 19, 2024, the waiver letter is effective until December 31, 2024.

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21. LEASE LIABILITIES, NET

In Thousand Baht			
Consolidated financial statements			
	Lease liabilities	Interest	Net
As at December 31, 2023			
Due within one year	15,119	(1,422)	13,697
Due after one year but within five years	16,344	(986)	15,358
Total	31,463	(2,408)	29,055
As at December 31, 2022			
Due within one year	17,907	(872)	17,035
Due after one year but within five years	15,465	(668)	14,797
Total	33,372	(1,540)	31,832
In Thousand Baht			
Separated financial statements			
	Lease liabilities	Interest	Net
As at December 31, 2023			
Due within one year	1,482	(38)	1,444
Due after one year but within five years	199	(5)	194
Total	1,681	(43)	1,638
As at December 31, 2022			
Due within one year	7,219	(471)	6,748
Due after one year but within five years	7,547	(328)	7,219
Total	14,766	(799)	13,967

22. PROVISION FOR EMPLOYEE BENEFITS

An independent actuary carried out an evaluation of the Company's obligations for employees' long - term benefits using the projected unit credit method. The Group have provided the estimated for employees' long - term benefits as follows:

	In Thousand Baht			
	Consolidated financial statements		Separated financial statements	
	As at December	As at December	As at December	As at December
	31, 2023	31, 2022	31, 2023	31, 2022
Estimated current liabilities				
for employee benefits	7,099	2,835	1,240	2,835
Estimated non - current liabilities				
for employee benefits	149,362	157,843	34,656	72,486
Total provision for employee	156,461	160,678	35,896	75,321

	In Thousand Baht			
	Consolidated financial statements		Separated financial statements	
	2023	2022	2023	2022
Beginning balance	160,678	184,937	75,321	90,284
<u>Add</u> recognised amount				
Current service cost	21,213	19,953	6,702	10,211
Interest cost	5,134	4,583	1,738	2,342
<u>Add</u> (Less) past service cost	10,307	2,753	(37,659)	2,341
<u>Add</u> (Less) (Profit) Loss from paid	8,699	(5,320)	833	(5,122)
<u>Less</u> paid	(30,911)	(37,273)	(6,016)	(6,684)
<u>Add</u> (Profit) actuary assumption	(18,659)	(8,955)	(5,023)	(18,051)
Provision for employee benefits	156,461	160,678	35,896	75,321
Other comprehensive income				
Profit (Loss) actuary	18,659	8,955	5,023	18,051

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Costs of employee benefits recognised in the statement of income are as follow:

	In Thousand Baht			
	Consolidated financial statements		Separated financial statements	
	2023	2022	2023	2022
Current service cost	21,213	19,953	6,702	10,211
Interest cost	5,134	4,583	1,738	2,342
Past service cost	10,307	2,753	(37,659)	2,341
Profit (Loss) from paid				
- employee benefit	8,699	(5,320)	833	(5,122)
Total	45,353	21,969	(28,386)	9,772

The key assumptions for the actuarial estimates used in the calculation of employee benefits liability provisions are as follows:

	Consolidated financial statements		Separated financial statements	
	As at	As at	As at	As at
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Discount rate (% Per annum)	2.87 - 3.15	2.76 - 3.49	2.87	3.16
Future salary increases (% Per annum)	3.5 - 6.7	3.5 - 7	3.5 - 6.7	3.5 - 7
Retirement age (year old)	60	60	60	60
Turnover rate	Age band	Age band	Age band	Age band
Mortality rate	TMO 2017	TMO 2017	TMO 2017	TMO 2017

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The result of sensitivity analysis for significant assumptions that affect the present value of the long - term employee benefits obligations as at December 31, 2023 and 2022 are summarized below:

In Thousand Baht								
Change of the present value of the employee benefits obligations increase (decrease)								
Consolidated financial statements					Separated financial statements			
Increase		Decrease			Increase		Decrease	
2023	2022	2023	2022		2023	2022	2023	2022
Discount rate (1 %)	(14,636)	(22,526)	14,956	26,542	(3,512)	(7,831)	4,058	9,196
Salary increases rate (1 %)	12,831	23,821	(12,941)	(22,018)	3,738	8,331	(3,286)	(7,186)
Turnover rate (10 %)	(6,983)	(14,013)	5,625	14,972	(1,614)	(3,148)	1,743	3,444

The sensitivity analysis presented above may not be representative of the actual change in employee benefits obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

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As at December 31, 2023, the maturity analyses of undiscounted cash flows of benefit payments are as follows:

	In Thousand Baht	
	Consolidated financial	Separated financial
Within 1 year	6,751	1,240
Within 1 - 3 years	19,336	3,171
Within 3 - 5 years	23,156	2,479
Within 5 - 10 years	75,911	23,372
Over 10 years	288,419	82,075

23. COMPENSATION LIABILITIES - CONVERTIBLE PREFERRED SHARES

The Company recorded liabilities for obligations to pay the unpaid dividend in the amount of Baht 17,101,510 and the difference amount between the market price of the Company's shares and the offering price as at the exercise date of Baht 3.1647 per share (33,744,100 shares) amounting to Baht 106,833,875 as "compensation liabilities - convertible preferred shares" in current liabilities.

On March 30, 2011, the Company reclassified compensation liabilities - convertible preferred shares to present in liabilities under rehabilitation plan.

24. SHARE CAPITAL AND PREMIUM (DISCOUNT) ON COMMON

		As at December 31, 2023		As at December 31, 2022	
		Shares	Amount	Shares	Amount
Authorized share capital consists of					
Ordinary shares	1	520,756,281	520,756,281	520,756,281	520,756,28
Preferred shares	1	79,487,456	79,487,456	79,487,456	79,487,456
		<u>600,243,737</u>	<u>600,243,737</u>	<u>600,243,737</u>	<u>600,243,73</u>
Issued and paid - up share capital					
Ordinary shares	1	520,756,281	520,756,281	520,756,281	520,756,28
Preferred shares	1	79,487,456	79,487,456	79,487,456	79,487,456
		<u>600,243,737</u>	<u>600,243,737</u>	<u>600,243,737</u>	<u>600,243,73</u>
Issued and paid - up share capital					
Consist of					
Ordinary shares	1	520,756,281	520,756,281	520,756,281	520,756,28
Preferred shares	1	79,487,456	79,487,456	79,487,456	79,487,456

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Amount of	As at December 31, 2023		As at December 31, 2022	
	Shares	Amount	Shares	Amount
	600,243,737	600,243,737	600,243,737	600,243,73

Premium on shares

Ordinary shares	0.06	520,756,281	14,911,575	520,756,281	14,911,575
Preferred shares	0.06	79,487,456	4,769,247	79,487,456	4,769,247

Discount on common shares

Ordinary shares	1	414,607,781	(22,088,943)	414,607,781	(22,088,94
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Fair value of shares and preferred share at date of issue which pay off creditor under rehabilitation plan have its value of 1.06 Baht share as the independent appraiser financial report at August 5, 2011.

On September 21, 2011, increase shares capital are becoming registration securities (Preferred shares are not registration securities).

Under rehabilitation plan

1. The Company approve deduction share capital amount of baht 52.99 million (52,999,999 shares of Baht 1 each) to Baht 272.23 million (272,230,101 shares of Baht 1 each) by cancel non-paid-up share capital 52,999,999 shares of Baht 1 each. And approve increase authorized share capital from amount of Baht 272.23 million (272,230,101 shares of Baht 1 each) to Baht 600.24 million (600,243,737 shares of Baht 1 each). The Company has registered deduction and increase share capital with ministry of Commerce on August 10, 2011 and September 9, 2011, respectively.
2. The Company has the resolution to approve the operation by debt-to-equity conversion under rehabilitation plan splitting common share Baht 142.38 million (142,377,680 shares with the share of 1 Baht) and the preferential right of Baht 79.49 million (79,487,456 shares which is worth 1 Baht per share) in order to pay the debt in the total amount of Baht 221.87 million.

Premium on share

According to the provision of the Limited Public Company Act, B.E. 2535 (1992) section 51 in the case that the company has proposed to sell share higher than the value of the share that has been registered, the Company must set this excessive share amount as backup capital ("share value excessive part"). This share value excessive part cannot be paid as dividend.

25. COMPANY'S SHARES HELD BY SUBSIDIARIES

As at December 31, 2023 and 2022, The share of the Company that is held by subsidiary includes preferential right in the amount of 3,555,477 shares with the value of 1 Baht per share which the subsidiary has been received from transforming the

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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debt into capital under the operation according to the reorganizational plan of the Company. The said share has been shown as they deduct in the part of shareholders under the topic "share of the Company held by subsidiary" in the consolidated.

26. REVALUATION SURPLUS ON FIXED ASSETS

Consist of:

	In Thousand Baht			
	Consolidated financial statements		Separated financial statements	
	As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
Revaluation surplus on land				
Beginning balance	691,922	643,042	618,310	579,880
Increase	-	48,880	-	38,430
Decrease	-	-	-	-
Ending balance	691,922	691,922	618,310	618,310
Revaluation surplus on building				
Beginning balance	138,656	132,203	138,656	132,203
Increase	-	10,297	-	10,297
Decrease	-	-	-	-
Decrease - Depreciation	(4,146)	(3,844)	(4,146)	(3,844)
Ending balance	134,510	138,656	134,510	138,656
Revaluation surplus on fixed assets	826,432	830,578	752,820	756,966
Deferred tax liabilities	(165,286)	(166,116)	(150,564)	(151,393)
Revaluation surplus on fixed assets - net	661,146	664,462	602,256	605,573

As at December 31, 2023, the Company and a subsidiary's land and plant are stated at appraised value, reports of the independent appraiser Agency for T.A. Management Corporation (1999) Co., Ltd at date of December 16, 2022 respectively. The excess of appraised value of land and plant, which based on Market Approach and Cost Approach, are shown as "Revaluation surplus of fixed assets" under "Shareholders' Equity" in the statement of financial position. The revaluation surplus of fixed assets is not available for dividend distribution.

27. LEGAL RESERVE

According to the Public Companies Act, the Company has appropriated its reserve as a legal reserve not less than 5% of the annual net profit deducted by the total accumulated deficit brought forward (if any) until the reserve reaches an amount not less than 10% of the issued and paid-up share capital. The legal reserve may not be distributed as dividends.

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28.DIRECTOR AND MANAGEMENT REMUNERATION

Director's remuneration

Directors' remuneration is contributed to directors of the Company and subsidiaries under Section 90 of the Public Companies Act excluding salaries and related fringe benefit paid to executive directors.

Management's remuneration

Management's remuneration is salaries, remunerations and other benefits to the executive directors, in accordance with the definitions of the Office of the Securities and Exchange Commission. Management under definition includes a chief executive officer, the next four executive levels immediately below that chief executive officer and all persons in positions comparable to these fourth executive levels.

29.EARNING PROFIT (LOSS) PER SHARE

Basic earnings profit (loss) per share:

Basic earnings profit (loss) per share for the years ended December 31, 2023 and 2022, are calculated by net profit (loss) of ordinary shareholder and preferred shareholder of ordinary shares and preferred shares issued and paid up during in the year by calculated follow as:

	For the years ended December 31,			
	Consolidated financial		Separated financial statements	
	2023	2022	2023	2022
Net profit (loss) attributable to the owners				
of the parent (Thousand Baht)	(144,801)	(130,439)	68,087	(135,148)
Weighted average number of ordinary				
(Thousand shares)	520,756	520,756	520,756	520,756
Basic earnings (loss) per share				
(Thousand Bath per thousand shares)	(0.278)	(0.250)	0.131	(0.260)

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30. OTHER INCOME

Other income for the years ended December 31, 2023 and 2022, Consist of:

	In Thousand Baht			
	Consolidated financial statements		Separated financial statements	
	2023	2022	2023	2022
Rental income	-	-	19,307	13,008
Service income	849	2,779	95,277	70,118
Interest income	36,999	17,104	42,114	25,189
Gain from foreign exchange rate	2,512	2,976	694	2,474
Gain from partial business transfer	-	-	101,930	3,151
Dividend income	-	-	-	3,960
Revenue from the sale of assets	7,256	2,360	20,843	1,679
Selling scrap income	10,418	9,075	659	-
Other	26,993	37,057	9,506	29,083
Total	85,027	71,351	290,330	148,662

On November 24, 2023, the company and a subsidiary entered into Purchase Agreement of business. Engineering type that conducts integrated business in designing, building, procuring, manufacturing, and installing machine and liquid product and food processing systems. The Company as "Seller" will transfer such business within December 1, 2023, and Patkol Food Industry Partner Co., Ltd. as "Buyer" will pay for such transaction with a value of Baht 61 million within March 31, 2024.

31. EXPENSES ANALYZED BY NATURE

Expenses analyzed by nature for the years ended December 31, 2023 and 2022, Consist of:

	In Thousand Baht			
	Consolidated financial		Separated financial statements	
	2023	2022	2023	2022
Changes in inventories and work in process	58,301	75,783	15,613	98,646
Raw materials and supplies used	999,434	2,258,839	259,825	1,068,695
Staff expense	553,540	499,707	180,992	250,584
Depreciation and amortization	74,378	105,366	32,812	39,799
Allowance for expected credit losses	(22,413)	(12,947)	(43,875)	24,645
Loss declining of inventory (reversal)	4,358	(14,216)	(1,362)	(9,589)
Loss on impairment of investment (reversal)	-	-	(25,238)	(5,014)

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32. CORPORATE INCOME TAX

Income tax expense for the years ended December 31, 2023 and 2022, Consist of:

	In Thousand Baht			
	Consolidated financial		Separated financial statements	
	statements			
	2023	2022	2023	2022
Current income tax:				
Income tax for the years	3,231	6,196	-	-
Deferred income tax:				
Deferred income tax effect of				
temporary difference and the				
reversal of temporary differences	(11,053)	(29,507)	14,116	(26,182)
Operating expense (income) tax				
present in the statement of				
comprehensive income	(7,822)	(23,311)	14,116	(26,182)

Reconciliation for effectiveness tax rate

	In Thousand Baht			
	Separated financial statements			
	Rate %	2023	Rate %	2022
Profit (loss) before income tax expense		82,203		(161,330)
Income tax using the Thai corporation				
tax rate	20	16,440	20	(32,266)
Income not subject to tax		-		(2,211)
Expenses that are deductible at a		(77)		-
Expenses not deductible for tax		(10,793)		1,310
Permission to carry forward losses				
for 5 years		-		-
Tax losses that have not been used		2,080		-
Difference and the reversal of				
temporary differences		(7,650)		33,167
Total		-		-

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33. TRANSACTIONS WITH RELATED PARTIES

The Company has significant transactions with the related parties. The transactions between related parties are assets, liabilities, revenues, costs and expenses. These related parties are related through shareholdings and/or with directorship. The effect of these transactions, arose in the normal business, has been included in the financial statements whose bases agreed upon between the Company and the related parties.

33.1 Relationship

<u>Name of relate of parties</u>	<u>Relationship</u>
Patkol Ice Solutions Co., Ltd.	Subsid
Patkol Food Industry Partner Co., Ltd. (Formerly knows as Patkol Trading Co., Ltd.)	Subsid
S Panel Co., Ltd.	Subsid
Heataway Co., Ltd.	Subsid
Tygienic Co., Ltd.	Subsid
Patkol Philippines Corporation Co., Ltd.	Subsid
Indonesia Patkol Service Corporation Co., Ltd.	Subsid
Patkol Malaysia Sendirian Berhad Co., Ltd.	Subsid
Patkol Myanmar Co., Ltd.	Subsid
PT Indonesia Patkol Refrigeration Co., Ltd.	Subsid
Prudent Advisory Corporate Finance & Strategy Co., Ltd.	Common

33.2 Pricing policy

	<u>Pricing policy</u>
Sale of goods and services	The market price is equivalent to the price with third parties and costs plus profit.
Purchase of goods and services	The market price is equivalent to the price with third parties and costs plus profit.
Interest income	Cost of borrowings and administrative
Rental and services income	Agreed rate in accordance with the conditions in
Management income	Agreed rate in accordance with the conditions in
HR services income	Agreed rate in accordance with the conditions in
IT services income	Agreed rate in accordance with the conditions in
Supply chain services income	Agreed rate in accordance with the conditions in

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33.3 Assets and liabilities with related parties are as follows:

Trade and others current accounts receivable - related parties

	In Thousand Baht			
	Consolidated financial statements		Separated financial statements	
	As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
Trade receivable - related parties	-	-	5,828	2,093
<u>Less</u> Allowance for expected credit losses	-	-	(284)	(438)
Trade receivable - related parties, net	-	-	5,544	1,655
Others receivable - related parties	-	-	83,524	65,463
<u>Less</u> Allowance for expected credit losses	-	-	(4,511)	(13,040)
Others receivable - related parties, net	-	-	79,013	52,423
Accrued interest - related parties	-	-	1,550	4,496
<u>Less</u> Allowance for expected credit losses	-	-	(1,550)	(4,183)
Accrued interest - related parties, net	-	-	-	313
Advance payment - related parties	-	-	424	17,537
<u>Less</u> Allowance for expected credit losses	-	-	-	(5,034)
Advance payment - related parties, net	-	-	424	12,503
Accrued income - related parties	-	-	1,388	3,452
Deferred service costs	-	-	4,656	4,398
<u>Less</u> Allowance for expected credit losses	-	-	(2,287)	-
Deferred service costs - related parties, net	-	-	2,369	4,398
Total trade and others current receivable, net	-	-	88,738	74,744

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Trade receivables are classified by aging as follows:

In Thousand Baht

	Consolidated financial statements		Separated financial statements	
	As at December	As at	As at December	As at December
	31, 2023	December	31, 2023	31, 2022
Not yet due	-	-	811	1,342
- Not over 3 months	-	-	4,261	82
- 3 months to 6 months	-	-	218	4
- 6 months to 12 months	-	-	538	-
- Over 12 months	-	-	-	665
Total	-	-	5,828	2,093
<u>Less</u> Allowance for expected credit loss	-	-	(284)	(438)
Total trade receivable - related parties,				
net	-	-	5,544	1,655

Contract assets - related parties

In Thousand Baht

	Consolidated financial statements		Separated financial statements	
	As at December	As at December	As at December	As at December
	31, 2023	31, 2022	31, 2023	31, 2022
Contract assets - related parties	-	-	-	344

Short - term loans to related parties

In Thousand Baht

	Consolidated financial statements		Separated financial statements	
	As at December	As at December	As at December	As at December
	31, 2023	31, 2022	31, 2023	31, 2022
Short - term loans - related parties	-	-	16,685	31,742
<u>Less</u> Allowance for expected credit	-	-	(7,385)	(16,742)
Short - term loans - related parties,	-	-	9,300	15,000

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Increase and decrease in short - term loans to related parties are as follows:

	In Thousand Baht	
	Consolidated financial statements	Separated financial statements
Net book value as at December 31, 2022	-	31,742
Addition	-	-
Repayment	-	(15,188)
Unrealized loss on exchange rate	-	131
Net book value as at December 31, 2023	-	16,685

The Company has granted loans to related parties by issuing promissory notes with interest rate at 6.35% - 10.00% per year (Referring to interest rate of Commercial Bank) and due on demand. Which is an unsecured loan.

Other non - current receivables - related parties

	In Thousand Baht			
	Consolidated financial statements		Separated financial statements	
	As at December	As at December	As at December	As at December
Other payable - related parties	-	-	53,714	85,386
<u>Less</u> Deferred interest	-	-	(2,019)	(4,783)
Total other payable - related parties,	-	-	51,695	80,603

Trade and other current accounts payable - related parties

	In Thousand Baht			
	Consolidated financial statements		Separated financial statements	
	As at December	As at December	As at December	As at December
Trade payable - related parties	-	-	10,201	29,437
Accrued interest - related parties	-	-	7	-
Other payable - related parties	-	-	126	40,538
Trade and other current payable - related parties	-	-	10,334	69,975

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Contract Liabilities - related parties

In Thousand Baht

	Consolidated financial statements		Separated financial statements	
	As at	As at	As at	As at
	December	December	December	December
Contract Liabilities - related parties	-	-	-	436
Unearned income - related parties	-	-	-	43
Total contract liabilities - related	-	-	-	479

Short - term borrowings - related parties

In Thousand Baht

	Consolidated financial statements		Separated financial statements	
	As at		As at	
	As at December	December	As at December	December
	31, 2023	31, 2022	31, 2023	31, 2022
Short - term borrowings - related parties	-	-	7,000	-

Increase and decrease in short - term borrowings from related parties are as follows:

In Thousand Baht

	Consolidated financial statements	Separated financial statements
Net book value as at December 31, 2022	-	-
Addition loan	-	42,000
Payment loan	-	(35,000)
Net book value as at December 31, 2023	-	7,000

The Company has granted loans from related parties by issuing promissory notes with interest rate at 7.30% to 7.55% per year (Referring to interest rate of Commercial Bank) and due on demand.

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Provision employee benefits obligation - for management

In Thousand Baht

	Consolidated financial statements		Separated financial statements	
	As at December	As at December	As at December	As at December
	31, 2023	31, 2022	31, 2023	31, 2022
Provision employee benefits obligation				
for management	13,334	14,022	13,334	14,022

33.4 Revenues and expenses transactions with related parties

Revenues - related parties

In Thousand Baht

	Consolidated financial statements		Separated financial statements	
	2023	2022	2023	2022
Revenues from sales and rendering				
services - related parties	-	-	25,811	49,233
Revenue from rent and services -				
related parties	-	-	115,252	83,126
Interest income - related parties	-	-	5,593	8,280
Dividend income - related parties	-	-	-	3,960
Segment transfer income - related	-	-	101,930	3,151
Revenue from the sale of property -				
related parties	-	-	13,688	576

Expenses - related parties

In Thousand Baht

	Consolidated financial statements		Separated financial statements	
	2023	2022	2023	2022
Purchase of goods and services -	-	-	127,388	284,201
Administrative expense - director	-	-	1,800	14,931
Dividend expense - related parties	-	-	-	84
Segment transfer expense - related	-	-	1,642	4,111

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Managements' remuneration

In Thousand Baht

	Consolidated financial statements		Separated financial statements	
	2023	2022	2023	2022
Managements remuneration				
Short - term benefits	37,884	36,318	33,902	36,318
Post - employment benefits	1,492	(3,814)	939	(3,814)
Total	39,376	32,504	34,841	32,504

34. FINANCIAL INFORMATION BY SEGMENT

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Group has modified the presentation of segment information in order to align with the current business activities which involve in design, manufacturing and installation of machine and equipment. The Group is organized into the following 4 business segments:

- Ice machine and system
- Machine and system for Food Industry
- Non - Patkol brand
- Service and others

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. The Group measures segment performance based on gross profit, which is a consistent basis with that used to measure gross profit in the financial statements.

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34.1 The following tables present revenue and gross profit information regarding the Group's operating segments

	In Million Baht				
	Consolidated financial statements				
	for the year ended December 31, 2023				
	Machine and system for				
	Ice machine and system	Food Industry	Non - Patkol brand	Service and others	Total
Total revenue	676	455	775	161	2,067
Less Inter - segment	(145)	(119)	(24)	(47)	(335)
Revenue from external customers	531	336	751	114	1,732
Results					
Segment gross profit	129	336	200	79	454
Selling and administrative expenses					(635)
Operating profit (not including other income)					(181)
Finance costs					(56)
Profit before income tax					(237)
Income tax					8
Profit for the year from continuing operations					(229)
profit for the year					(144)
Timing of revenue recognition					
At a point in time	531	110	394	114	1,149
Over time	-	226	357	-	583

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In Million Baht

Consolidated financial statements

for the year ended December 31, 2022

Machine and
system for

	Ice machine and system	Food Industry	Non - Patkol brand	Service and others	Total
Total revenue	828	1,226	1,100	303	3,457
Less Inter-segment	(119)	(9)	(253)	(97)	(478)
Revenue from external customers	709	1,217	847	206	2,979
Results					
Segment gross profit	164	100	116	89	469
Selling and administrative expenses					(661)
Loss (not including other income)					(192)
Finance costs					(51)
Loss before income tax					(243)
Income tax					23
Loss for the year from continuing operations					(220)
Loss for the year					(129)
Timing of revenue recognition					
At a point in time	546	-	231	194	971
Over time	163	1,217	616	12	2,008

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34.2 Geographic information

In Million Baht

Consolidated financial information					
for the year ended December 31, 2023					
	Machine and system				
	Ice machine and system	for Food Industry	Non - Patkol brand	Service and others	Total
Revenue from external customers					
Thailand	304	324	736	37	1,401
Other country	227	12	15	77	331
Total revenue from external customers	531	336	751	114	1,732

In Million Baht

Consolidated financial information					
for the year ended December 31, 2022					
	Machinery				
	Ice machine and system	for industrial refrigeration system	Machinery and system for liquid	Central management and others	Total
Revenue from external customers					
Thailand	546	-	231	194	971
Other country	163	1,217	616	12	2,008
Total revenue from external customers	709	1,217	847	206	2,979

34.3 Major customer

During the year ended December 31, 2023 and 2022, the Group had no customer with revenues of 10 percent or more of the Group's revenue

35. DISCLOSURE OF FINANCIAL INSTRUMENTS

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, Finance lease receivables, short - term loans, long - term loans, trade and other payables, other financial assets and liabilities. The Group's financial risks associated with these financial instruments and how the Company managed is described below.

35.1 Credit risk

The Group is exposed to credit risk primarily with respect to trade receivables, contract assets, deposits with banks and other financial instruments. Except for derivative financial instruments as disclosed under liquidity risk, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables and contract assets

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables and contract assets are regularly monitored and any sale of products to major dealers are covered by credit insurance obtained from the banks. In addition, the Group does not have high concentrations of credit risk since it has a large customer base.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision for expected credit losses rates are based on days past due for groupings of various customer segments with similar credit risks. The calculation reflects the reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade and other receivables are written-off in accordance with the Group's policy.

Deposits and other financial instruments with financial institutions

The Group manages the credit risks regarding deposits and other financial instruments with financial institutions by controlling in place to create an acceptable balance between the cost of risks and the cost of risk management. The credit risk on deposits and financial instrument with financial institutions are limited because the counterparties are banks with high credit – ratings.

35.2 Exchange rate risk

The Group is exposed to foreign currency risk primarily with respect to deposits with banks trade and other receivables and trade and other payables which are denominated in foreign currencies. The Group will consider to enter into forward exchange contracts to manage the risk as appropriate.

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As at December 31, 2023 and 2022, the Company and subsidiaries have assets and liabilities denominated as follows:

Transaction	Currency	Consolidated financial		Separated financial	
		statements		statements	
		As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
Deposit at banks	Thousand USD	646	46	39	29
	Thousand MMK	-	15,261	-	-
	Thousand IDR	213,652	212,779	213,652	212,779
	Thousand PHP	-	14,634	-	-
	Thousand VND	60,467	306,365	60,467	306,365
	Thousand MYR	-	813	-	-
Trade accounts	Thousand USD	181	18,194	39	18,000
Receivable	Thousand EUR	-	6,929	-	6,929
/ Deposit	Thousand MYR	-	83	-	-
		-	2,070,15		
	Thousand IDR		3	-	-
	Thousand MMK	-	163,787	-	-
Trade accounts					
payable	Thousand USD	110	1,258	91	1,089
	Thousand EUR	115	945	105	945
	Thousand VND	124,480	341,661	124,480	341,661
		-	2,626,58		
	Thousand IDR		4	-	-
	Thousand PHP	-	9,121	-	-
	Thousand MMK	-	6,398	-	-
	Thousand MYR	5	2,967	5	81

35.3 Interest rate risk

Interest rate risk from changes in market interest rate will affect the results of the Company and subsidiaries' operations and cash flows. The Company and subsidiaries exposed the interest rate risk due to its deposits at financial institutions, deposits at bank with commitment, bank overdraft and short - term loans from financial institutions, long - term loans and long - term liabilities under

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financial lease agreement. The Company and subsidiaries do not use derivative financial instruments to hedge such risk.

As at December 31, 2023 and 2022, significant financial assets and liabilities classified by type of interest rate are summarized in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date:

	In Thousand Baht						
	Consolidated financial statements						
	As at December 31, 2023						
	Fixed interest rates						
	Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non interest bearing	Total	Effective interest rate (% per annum.)
Financial Assets							
Cash and cash equivalents	-	-	-	115,488	29,301	144,789	0.20 - 0.60
Trade and other current	-	-	-	-	321,454	321,454	-
Contract assets	-	-	-	-	68,234	68,234	-
Non - current financial assets	-	-	-	24,603	-	24,603	0.35 - 1.00
Trade installment receivables	-	-	-	-	8,159	8,159	-
Finance lease receivable	249,388	493,714	90,415	-	-	833,517	4.25 - 6.00
Trade and other non - current account receivables	-	-	-	-	633	633	4.25
	249,388	493,714	90,415	140,091	427,781	1,401,389	
Financial liabilities							
Bank overdraft	-	-	-	28,848	-	28,848	7.55
Short - term loans	-	-	-	193,494	-	193,494	4.00 - 15.00
Trade and other current	-	-	-	-	396,915	396,915	-
Long - term loans	-	-	-	649,080	-	649,080	4.25 - 6.85
Lease liabilities	13,697	15,358	-	-	-	29,055	4.35 - 7.10
	13,697	15,358	-	871,422	396,915	1,297,392	

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	In Thousand Baht						
	Consolidated financial statements						
	As at December 31, 2022						
	Fixed interest rates			Floating	Non		
	Within 1	1 - 5	Over	interest	interest	Total	Effective
	year	years	5 years	rate	bearing		interest rate
							(% per annum.)
Financial Assets							
Cash and cash equivalents	-	-	-	60,747	17,683	78,430	0.10 - 0.35
Trade and other current							
account							
receivables	-	-	-	-	470,215	470,215	-
Contract assets	-	-	-	-	123,743	123,743	-
Non - current financial assets	-	-	-	29,642	-	29,642	-
Trade installment receivables	-	-	-	-	7,538	7,538	-
Finance lease receivable	213,626	537,916	202,227	-	-	953,769	-
	213,626	537,916	202,227	90,389	619,179	1,663,337	
Financial liabilities							
Bank overdraft	-	-	-	139,390	-	139,390	5.88 - 6.35
Short - term loans	-	-	-	232,602	-	232,602	4.25 - 5.35
Trade and other current payables	-	-	-	-	510,098	510,098	-
Long - term loans	-	-	-	744,270	-	744,270	4.10 - 5.53
Lease liabilities	17,035	14,797	-	-	-	31,832	3.75 - 4.85
	17,035	14,797	-	1,116,262	510,098	1,658,192	

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	In Thousand Baht						
	Separated financial statements						
	As at December 31, 2023						
	Fixed interest rates			Floating interest rate	Non interest bearing	Total	Effective interest rate (% per annum.)
	Within 1 year	1 - 5 years	Over 5 years				
Financial Assets							
Cash and cash equivalents	-	-	-	13,972	951	14,923	0.30 - 0.60
Trade and other current account							-
receivables	-	-	-	-	207,304	207,304	
Contract assents	-	-	-	-	37,731	37,731	-
Short - term loans	-	-	-	9,300	-	9,300	6.35 - 7.55
Non - current financial assets	-	-	-	4,270	-	4,270	1.00
Trade installment receivables	-	-	-	-	8,159	8,159	-
Finance lease receivables	249,388	493,714	90,415	-	-	833,517	4.25 - 6.00
Trade and other non - current account receivables	-	51,695	-	-	-	51,695	4.25
	<u>249,388</u>	<u>545,409</u>	<u>90,415</u>	<u>27,542</u>	<u>254,145</u>	<u>1,166,899</u>	
Financial liabilities							
Bank overdraft	-	-	-	2,490	-	2,490	6.75 - 7.55
Short - term loans	-	-	-	97,672	-	97,672	5.35 - 15.00
Short - term borrowing from related parties	-	-	-	7,000	-	7,000	7.55
Trade and other current payables	-	-	-	-	171,112	171,112	-
Long - term loans	-	-	-	537,957	-	537,957	4.35 - 6.10
Lease liabilities	1,444	194	-	-	-	1,638	-
	<u>1,444</u>	<u>194</u>	<u>-</u>	<u>645,119</u>	<u>171,112</u>	<u>817,869</u>	

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2023



	In Thousand Baht						
	Separated financial statements						
	As at December 31, 2022						
	Fixed interest rates						
	Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non interest bearing	Total	Effective interest rate (% per annum.)
Financial Assets							
Cash and cash equivalents	-	-	-	6,013	3,466	9,479	0.10 - 0.35
Trade and other current account							
receivables	-	-	-	-	323,651	323,651	4.25
Contract assents	-	-	-	-	77,519	77,519	-
Short - term loans	-	-	-	15,000	-	15,000	5.88 - 10.00
Non - current financial assets	-	-	-	6,281	-	6,281	0.33 - 0.45
Trade installment receivable	-	-	-	-	7,538	7,538	-
Finance lease receivables	213,626	537,916	202,227	-	-	953,769	4.25 - 6.00
Trade and other non - current account receivables	-	80,603	-	-	-	80,603	4.25
	213,626	618,519	202,227	27,294	412,174	1,473,840	
Financial liabilities							
Bank overdraft	-	-	-	125,837	-	125,837	5.88 - 6.35
Short - term loans	-	-	-	90,000	-	90,000	4.25 - 5.35
Trade and other current payables	-	-	-	-	286,964	286,964	-
Long - term loans	-	-	-	606,120	-	606,120	3.75 - 4.85
Lease liabilities	6,748	7,219	-	-	-	13,967	4.10 - 5.53
	6,748	7,219	-	821,957	286,964	1,122,888	

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS



AS AT DECEMBER 31, 2023

35.4 Liquidity risk

The Group monitors the risk of a shortage of liquidity by assessing the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

Details of summarizes the maturity profile of the Group's financial liabilities as at December 31, 2023 and 2022 based on estimated contractual undiscounted cash flows are as follows:

In Thousand Baht				
Consolidated financial statements				
As at December 31, 2023				
On demand	Within 1 year	1 - 5 years	Over 5 years	Total
Non - derivatives				
Bank overdraft	-	28,848	-	28,848
Short - term loans	-	193,494	-	193,494
Trade and other current accounts payable	-	396,915	-	396,915
Long - term loans from financial institutions	113,666	149,667	385,747	649,080
Lease liabilities, net	-	13,697	15,358	29,055
Total non - derivatives	113,666	782,621	401,105	1,297,392

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2023



In Thousand Baht					
Consolidated financial statements					
As at December 31, 2022					
	On demand	Within 1 year	1 - 5 years	Over 5 years	Total
Bank overdraft	-	139,390	-	-	139,390
Short - term loans	-	232,602	-	-	232,602
Trade and other current accounts payable	-	510,098	-	-	510,098
Long - term loans from financial institutions	-	282,208	462,062	-	744,270
Lease liabilities, net	-	17,035	14,797	-	31,832
Total non - derivatives	-	1,181,333	476,859	-	1,658,192
Non - derivatives					

In Thousand Baht					
Separated financial statements					
As at December 31, 2023					
	On demand	Within 1 year	1 - 5 years	Over 5 years	Total
Non - derivatives					
Bank overdraft	-	2,490	-	-	2,490
Short - term loans	-	97,672	-	-	97,672
Short - term loans - related parties	7,000	-	-	-	7,000
Trade and other current accounts payable	-	171,112	-	-	171,112
Long - term loans from financial institutions, net	-	152,210	385,747	-	537,957
Lease liabilities, net	-	1,444	194	-	1,638
Total non - derivatives	7,000	424,928	385,941	-	817,869

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2023



In Thousand Baht

	Separated financial statements				
	As at December 31, 2022				
	On demand	Within 1 year	1 - 5 years	Over 5 years	Total
Non - derivatives					
Bank overdraft	-	125,837	-	-	125,837
Short - term loans	-	90,000	-	-	90,000
Trade and other current accounts payable	-	286,964	-	-	286,964
Long - term loans from financial institutions, net	-	147,108	459,012	-	606,120
Lease liabilities, net	-	6,748	7,219	-	13,967
Total non - derivatives	-	656,657	466,231	-	1,122,888

35.5 Fair values of financial instruments

The fair values of the following financial assets and financial liabilities approximate their carrying values.

- For financial assets and liabilities which have short - term maturity, including cash and cash equivalents, trade and other current receivables, bank overdrafts and short - term borrowings from financial institutions, trade account payable and other current payables, current portion of long - term liabilities, current portion of lease liabilities, their carrying amounts in the statement of financial position approximate their fair value.
- For pledged deposit at banks, lease liability and long - term borrowings with carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair value.

Book value of the above financial assets and liabilities is measured at amortized cost.

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS



AS AT DECEMBER 31, 2023

36. COMMITMENTS AND CONTINGENT LIABILITIES

36.1 Capital commitments

In Million Baht

	Consolidated financial statements		Separated financial statements	
	As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
Capital commitments				
- Purchase of goods agreement	253.78	512.53	20.47	47.38
- Contractor agreement	75.36	17.66	19.64	7.29
Total	329.14	530.19	40.11	54.67

36.2 Operating lease commitments

In Million Baht

	Consolidated financial statements		Separated financial statements	
	As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
Operating lease commitments				
Within 1 year	3.25	6.99	0.44	5.14
More than 1 to 5 years	1.79	1.96	-	1.23
Total	5.04	8.95	0.44	6.37

The Group Company has commitments under operating leases and service contracts with other companies which do not meet the accounting conditions for recording as “leases” under Thai Financial Reporting Standards 16 Leases.

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS



AS AT DECEMBER 31, 2023

36.3 Letters of guarantee

As at December 31, 2023, the Company and subsidiaries has contingent liabilities with commercial banks as follows:

	Consolidated financial statements As at December 31, 2023	Separated financial statements As at December 31, 2023
Letters of guarantee		
- Domestic currency (Million Baht)	174,862,079	128,155,518
- Foreign currency		
Thousand USD	263	263
Cheque guarantee (Million Baht)	3,792,445	3,692,445

37. Litigation

Subsidiaries

1. On January 14, 2019, the second defendant's, a subsidiary, was sued as a civil case by Samutprakarn provincial court. about the claim of damages from fire the warehouse, which the subsidiary installed refrigeration equipment, indemnity of 246.42 million Baht plus interest rate at 7.5% of the amount, is the following day of the lawsuit. The case is currently under consideration by the court. The Company's management and lawyer have an opinion that there are uncertain of solution at present. Therefore, the amount of damages has not yet been determined.
2. On January 11, 2019, a subsidiary was sued as a civil case by the Civil Court. about the claim of damages from fire the warehouse, which the subsidiary installed refrigeration equipment, indemnity of 143.12 million Baht plus interest rate at 7.5% of the amount of the money, is the following day of the lawsuit. The court issued a judgment on June 8, 2020 to dismiss the plaintiff, but the plaintiff has appealed. Subsequently, The Court of Appeal dismissed the appeals of the plaintiffs on April 26, 2022. However, the plaintiff filed a petition and a request for permission to petition on November 25, 2022. The case was trialing. The Company's management and lawyer have an opinion that there are uncertain of solution at present. Therefore, the amount of damages has not yet been determined.

38. RECLASSIFICATIONS

The Company certain amounts in the financial statements for the year 2023 have been reclassified to conform to the current period's classification.

PATKOL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS



AS AT DECEMBER 31, 2023

39. CAPITAL MANAGEMENT

The objective of financial management of the Company and subsidiaries is to maintain the continuity of operation capability and appropriate capital structure.

As at December 31, 2023 and 2022, debt to equity ratio in the consolidated financial statements is 1.41 : 1 and 1.48 : 1, respectively (the separate financial statements: debt to equity ratio is 0.61 : 1 and 0.86 : 1, respectively).

40. FINANCIAL STATEMENTS APPROVAL

These financial statements have been approved for issue by the Company's board of directors on February 23, 2024.

Part 4

Certification of the Correctness of One Report Information

The Company has carefully reviewed the information in this annual report. The Company assures that it is complete and accurate. There is no false, misleading or missing information that should be provided. In addition, the Company assures that:

(1) The financial statements and financial information summarized in the annual report are accurately displayed regarding the financial position, operating results, and cash flows of the Company and its subsidiaries.

(2) The Company is responsible for ensuring that the Company maintains a good disclosure system to ensure that the Company has properly disclosed the information of the Company and its subsidiaries, as well as supervised the compliance with such system.

(3) The Company has provided a good internal control system and supervised compliance with the system. The Company has informed the Company's auditors and audit committee regarding the internal assessment as of February 23, 2023, including any significant deficiencies and changes in the internal control system, as well as misconduct that may affect the preparation of financial reports of the Company and its subsidiaries.

In this regard, as evidence that all documents are the same documents that the Company has authenticated, the Company has assigned Ms. Wannaporn Trinvisutthikul, the Company's Secretary, to sign this document on all pages. If any document does not contain the signature of Ms. Wannaporn Trinvisutthikul, the Company's Secretary, the Company shall assume that it is not information of which the Company has certified the accuracy, as mentioned above.

	Name	Position	Signature
1.	Mr. Sangchai Chotchuangchutthaval	Director	
2.	Mr. Panet Chongvatana	Director	

Attorney

	Name	Position	Signature
1.	Miss Wannaporn Trinvisutthikul	Company Secretary	

Attachment 1

Profiles of the Board of Directors and Management Team and Company Secretary

Name / Position	Age (year)	Highest Academic Qualification	Holding of Company's Share	Relationship	Experience	
					Year	Position / Name of Company
1. Mr. Pitipong Pungbun Na Ayudhya <ul style="list-style-type: none"> Chairman of the Board Independent Director 	77	Master of Public Administration (MPA) California State University (East Bay) <u>IOD Training</u> - Director Accreditation Program (DAP 149/2018) - Risk Management Program for Corporate Leaders (RCL /2017)	-	-	Present	<u>Other business</u> - Director of the Council of State - President of the Agricultural Economics Society of Thailand Under Royal Patronage
2. Mr. Pairoj Sanyadechakul <ul style="list-style-type: none"> Chairman of the Audit Committee Independent Director 	74	Bachelor's Degree in Engineering, Chulalongkorn University <u>IOD Training</u> - Director Certification Program (DCP 258/2018) - Advanced Audit Committee Program (AACP 30/2018)	-	-	Present	<u>Other business</u> - Director and Foundation for Industrial Development (FID) - Director of Thailand Productivity Foundation - Chairman of the Board of Electrical and Electronics Institute - Independent Director and Chairman of Risk Management Committee - Chairman of the Board of Nomination and Remuneration Committee of NEP Reality and Industry PUBLIC COMPANY LIMITED

Patkol Public Company Limited

Name / Position	Age (year)	Highest Academic Qualification	Holding of Company's Share	Relationship	Experience	
					Year	Position / Name of Company
3. Mr. Sangchai Chotchuangchutchaval • Vice Chairman of the Board • Chairman of Executive Committee	68	Doctor of Philosophy (Industrial Engineering), King Mongkut's institute of Technology North Bangkok <u>IOD Training</u> - Director Accreditation Program (DAP 5/2003) - Director Certification Program (DCP 237/2017)	8.79%	-	Present	<u>Subsidiaries</u> Director - Patkol Food Industry Partner Co., Ltd. - S Panel Co., Ltd. - Patkol Ice Solutions Co., Ltd. - Heataway Co., Ltd. - Tygienic Co., Ltd. - Patkol Philippines Corporation Co., Ltd. - PT Indonesia Patkol Service Co., Ltd. - Patkol Malaysia Co., Ltd. - Patkol Myanmar Co., Ltd. - PT Indonesia Patkol Refrigeration Co., Ltd. <u>Other business</u> - Director, Dr. Piya Chongvatana Foundation - Executive Board of King Mongkut's institute of Technology North Bangkok

Remark : The proportion in holding shares of the company calculated by common shares and preferred shares with voting rights.

- Common shares amount 45,841,303 shares (One common share is an entitle to one vote)

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Patkol Public Company Limited

Name / Position	Age (year)	Highest Academic Qualification	Holding of Company's Share	Relationship	Experience	
					Year	Position / Name of Company
6. Mr. Preecha Chantarangkul <ul style="list-style-type: none"> Audit and Risk Management Committee Member Independent Director 	80	Bachelor's degree in business administration, Faculty of Management, Thammasart University <u>IOD Training</u> -Directors Accreditation Program (DAP 2/2003) - Finance for Non-Finance Director (FND 11/2004)	-	-	Present	<u>Other business</u> -

Patkol Public Company Limited

Name / Position	Age (year)	Highest Academic Qualification	Holding of Company's Share	Relationship	Experience	
					Year	Position / Name of Company
7. Mr. Paradorn Chulajata <ul style="list-style-type: none"> • Director • Executive Committee Member • Nomination and Remuneration Committee Member 	57	Master's Degree in Business Administration, Faculty of Finance, Eastern Michigan University, USA. <u>IOD Training</u> <ul style="list-style-type: none"> - Directors Accreditation Program (DAP 2/2003) - Directors Certification Program (DCP 38/2003) - Refresher Course DCP (DCP Re 4/2007) - Advanced Audit Committee Program (AACP 21/2015) 	2.12%	-	Present	<u>Other business</u> <ul style="list-style-type: none"> - Director, Prepack Thailand Co.,Ltd. - Honorary President of Plastic Industry Club, The Federation of Thai Industries - Executive Committee and Professional of Center of Excellence on Petrochemical and Material, Chulalongkorn University - Chairman of the Working Group Government cooperation project Business sector Civil society for sustainable waste and plastic disposal - Subcommittee of Circular Economic Planning of National Higher Education Science Research and Innovation Policy Council

Remark : The proportion in holding shares of the company calculated by common shares and preferred shares with voting rights.

- Common shares amount 11,080,500 shares (One common share is an entitle to one vote)

Patkol Public Company Limited

Name / Position	Age (year)	Highest Academic Qualification	Holding of Company's Share	Relationship	Experience	
					Year	Position / Name of Company
8. Mr. Sumet Jiambutr <ul style="list-style-type: none"> Director 	69	Bachelor's Degree in Engineering in Mechanical Engineer of King Mongkut's Institute of Technology North Bangkok	0.20%	-	Present	<u>Subsidiaries</u> Director - Patkol Ice Solutions Co., Ltd. - Patkol Food Industry Partner Co., Ltd. - Heataway Co., Ltd. - Tygienic Co., Ltd.

Remark : The proportion in holding shares of the company calculated by common shares and preferred shares with voting rights.

- Common shares amount 977,442 shares (One common share is an entitle to one vote)

Name / Position	Age (year)	Highest Academic Qualification	Holding of Company's Share	Relationship	Experience	
					Year	Position / Name of Company
9. Ms. Anongsiri Chaiyakul <ul style="list-style-type: none"> Director 	81	Bachelor's Degree in Accounting, Thammasart University <u>IOD Training</u> - Directors Accreditation Program (DAP 50/2006)	-	-	Present	<u>Subsidiaries</u> -
10. Ms. Nongluck Sakdakrai <ul style="list-style-type: none"> Director Nomination and Remuneration Committee Member Executive Committee Member 	49	Master's Degree in Perfect Management, George Washington University <u>IOD Training</u> - Directors Certification Program (DCP 19/2002) - Refresher Course (DCP Re 3/2006) - Board Nomination and Compensation Program Class (BNCP Re 3/2018)	6.54%	-	Present 2000-2019	<u>Other business</u> - Director of Thai Ice tube Co., Ltd. - Director, of Watcharaphol tube ice Co., Ltd. - Director of Patkol Ice Solutions Co., Ltd. - Deputy Managing Director, Thai Ice Tube Co., Ltd. - Deputy Managing Director, Watcharaphol tube ice Co., Ltd.

Remark : The proportion in holding shares of the company calculated by common shares and preferred shares with voting rights.

- Common shares amount 34,088,480 shares (One common share is an entitle to one vote)

Patkol Public Company Limited

Name / Position	Age (year)	Highest Academic Qualification	Holding of Company's Share	Relationship	Experience	
					Year	Position / Name of Company
11. Mr. Panet Chongvatana <ul style="list-style-type: none"> • Director • Vice Chairman Executive Committee Member • Chief Executive Officer • Chief Strategy Officer 	47	Master's Degree of Science in Engineering Management Majoring in Project Management has Jersey Institute of Technology, USA. <u>IOD Training</u> - Directors Certification Program (DCP 228/2016) - Financial Statement for Director (FSD 2/2008) - Company Secretary Program (CSP 67/2015)	6.83%	Cousin of Ms. Naitya Chongvatana	Present	<u>Subsidiaries</u> Director <ul style="list-style-type: none"> - Patkol Ice Solutions Co.,Ltd. - Patkol Food Industry Partner Co., Ltd. - S Panel Co., Ltd. - Heataway Co., Ltd. - Tygienic Co., Ltd. - Patkol Philippines Corporation Co., Ltd. - PT Indonesia Patkol Service Co., Ltd. - Patkol Malaysia Co., Ltd. - Patkol Myanmar Co., Ltd. - PT Indonesia Patkol Refrigeration Co., Ltd.

Remark : The proportion in holding shares of the company calculated by common shares and preferred shares with voting rights.

- Common shares amount 35,618,586 shares (One common share is an entitle to one vote)

Name / Position	Age (year)	Highest Academic Qualification	Holding of Company's Share	Relationship	Experience	
					Year	Position / Name of Company
12. Mr. Rangsan Thammaneeewong <ul style="list-style-type: none"> Director Executive Committee 	62	Master's Degree in College of Business Administration, Joesph M. Katz, Graduate School University of Pittsburgh, Pittsburgh, Pennsylvania, USA. <u>IOD Training</u> - Directors Accreditation Program (DAP 133/2017) - Directors Certification Program (DCP 325/2022)	-	-	Present	<u>Other business</u> - Chairman, Prudent Advisor Co., Ltd. - Director, Government Savings Bank Director, Sermsuk Public Co., Ltd. - Director, SS National Logistics Co., Ltd.

Patkol Public Company Limited

Name / Position	Age (year)	Highest Academic Qualification	Holding of Company's Share	Relationship	Experience	
					Year	Position / Name of Company
13. Miss Bunnada Khuhakan • director • Audit committee and Risk management	50	- Master's degree Accounting branch at chulalongkorn university for management - bachelor's degree ramkhamhaeng university's department of accounting	-	-	2008 -present 2022 - present 2020 – 2022 2019 – 2022 2010 – 2020 2008 – 2010 2010 2006 – 2008 2004 – 2006 2002 – 2004	<u>Other business</u> Director, - Bm accounting co., Ltd. - Ganana 1983 Co., Ltd. - Ubon Bio Agriculture Co., Ltd. - President of the Organic Agriculture Trade Association Lower Northeastern Province Group 2 and Ubon Ratchathani Provincial Industrial Council Working Group Organic Agriculture - Deputy Managing Director of Accounting and Finance / Executive Committee Member/Risk Management Committee Member of Ubon Bio Ethanol Co., Ltd. - BK Accounting Office Co., Ltd. and Pombun Co., Ltd. - Lecturer Special Krirk University - Business Development Director/Executive Committee and Company Secretary, Pattanakol PCL. - Director of Accounting and Finance, Pattanakol PCL. - System Development Manager, Pattanakol PCL. - ASV & ASSOCIATES LIMITED Manager Audit and Accounting - Assistant Certified Public Accountant, SGV Na Thalung Office Co., Ltd.

Patkol Public Company Limited

Name / Position	Age (year)	Highest Academic Qualification	Holding of Company's Share	Relationship	Experience	
					Year	Position / Name of Company
14. Ms. Wannapond Trinwisutthikul <ul style="list-style-type: none"> Chief Administrative Officer The person taking the highest responsibility in finance and accounting. (Since 2011) Company Secretary (November 2018 – Present) 	51	Master's Degree in Business Administration, Ramkhamhaeng University <u>IOD Training</u> - Directors Certification Program (DCP 225/2016) - How to Develop a Risk Management Plan (HRP 17/2018) - Company Secretary Program (CSP 95/2019) <u>Training for the person taking the highest responsibility in finance and accounting</u> - CFO Focus Financial reporting 5 by SEC and Federation of Accounting Professions 16 hr. - CFO Refresher Course (Online Class) 2022 <u>Training for Management</u> - Company Secretary Program (CSP) 16 hr. - OSH&E Committee Program 12 hr.	-	-	Present	<u>Subsidiaries</u> Director try Partner Co., Ltd. s Co.,Ltd - Tygienic Co., Ltd - Heataway Co., Ltd - S Panel Co., Ltd ol Refrigeration Co., Ltd.

Patkol Public Company Limited

Name / Position	Age (year)	Highest Academic Qualification	Holding of Company's Share	Relationship	Experience	
					Year	Position / Name of Company
15. Mr. Chakkraphong Chaosuan • Chief International Business Officer	50	Bachelor's Degree in Electronic engineering, King Mongkut's Institute of Technology Ladkrabong	-	-	Present	<u>Subsidiaries</u> Director - Patkol Philippines Corporation Co., Ltd. - PT Indonesia Patkol Service Co., Ltd. - PT Indonesia Patkol Refrigeration Co., Ltd. - Patkol Malaysia Co., Ltd. - Patkol Myanmar Co., Ltd.
16. Mrs. Siwaporn Dumronglaohapun • Managing Director of Patkol Trading Co., Ltd and Tygienic Co., Ltd	57	Master's Degree in Chemical Engineering, King Mongkut's University of Technology Thonburi	-	-	Present	<u>Subsidiaries</u> Director - Patkol Food Industry Partner Co., Ltd. - Tygienic Co., Ltd
17. Mr. Thawatchai Tootabong Chief Food Engineering Officer	44	Master's Degree in Food Engineering, King Mongkut's University of Technology Thonburi	-	-	Present	<u>Subsidiaries</u>

Detail of Director in Subsidiaries As of 31 December 2023

Name	PK	Subsidiaries											Related Company (by definition of SEC)
		PKI	PKT	SPN	HA	TG	PK-PH	PK-IDSV	PK-IDRF	PK-MY	PK-MM	Consult	
1. Mr. Pitipong Phungbun na Ayutthaya	X, //												
2. Ms. Naitya Chongvatana	/												
3. Mr.Sangchai Chotchuangchutchaval	V	X	X	X	X	X	X	X	X	X	X	X	/
4. Mr. Pairoj Sanyadechakul	///												
5. Mr. Veerachai Srikajorn	///												
6. Mr. Preecha Chantarangkul	///												
7. Mr. Paradorn Chulajata	/												
8. Ms. Nongluck Sakdakrai	/	/											
9. Ms. Anongsiri Chaiyakul	/												
10. Mr. Sumet Jiambutr	/	/	/		/	/							/
11. Mr. Rangsan Thammanee Wong	/												/
12. Mr. Panet Chongvatana	/,IV	VI	/	VI	VI	/	/	/	/	/	/	/	
13. Miss Bunnada Khuhakan	/												
14. Ms. Wannaporn Trinvisuthikul		/	/	/	/	/							
15. Mr. Suvachai Jaiwat				/	/								
16. Mr. Mongkol Maduethong		/											
17. Mr. Chakkrachong Chaosuan							/	/	/	/	/	/	
18. Mrs. Siwaporn Dumronglaohapun			/			/							
19. Mr. Boonyong Kulkanjanachin				/									
20. Mr. Metha Chairoon		/											
21. Mr. Fernando S.Reyes							/						
22. Mr. Geraldine L.Reyes							/						
23. Mr. Hartono Siau									/				

Noted: The symbol of the position of directors and executive

X	Chairman of the Board	/	Director
V	Vice Chairman of the Board	//	Independent Director
IV	Chief Executive Officer	///	Independent Director/ Audit and Risk
VI	Managing Director		Management Committee Member

The symbol of the Company, subsidiaries and related company (by definition of SEC)

PK	Patkol Public Company Limited
PKI	Patkol Ice Solutions Company Limited
PKT	Patkol Food Industry Partner Company Limited
SPN	S Panel Company Limited
HA	Heat Away Company Limited
TG	Tygienic Company Limited
PK-PH	Patkol Philippines Corporation
PK-IDSV	PT. Indonesia Patkol Service
PK-IDRF	PT Indonesia Patkol Refrigeration
PK-MY	Patkol Malaysia Company Limited
PK-MM	Patkol Myanmar Company Limited
PK-MM	Consult Consult

Details of the Internal Audit Supervisor (compliance)



Name Suksiri Suttisabai
Age 56 years
Nationality Thai
Position Senior Internal Audit Manager
Education: Bachelor Degree of Accountancy
 Kasem Bundit University.

Work Experiences:

Period	Position	Company
2022-Present	Senior Internal Audit Manager	Patkol Public Company Limited
2020-2021	Senior Accounting Manager	Heataway Co.,Ltd. ,S Panel Co.,Ltd. ,Tygienic Co.,Ltd. ,Patkol Ice solutions Co.,Ltd.
2017-2019	Costing Manager	Patkol Public Company Limited
2013-2016	Accounting Manager	Patkol Public Company Limited

Training:

- COSO ERM
- Leadership Skills
- Fraud Audit
- Techniques for reviewing and audit accounting work

Attachment 4

Assets of business operations and Property appraisal list
1. Assets of business operations

The Company had fixed assets and intangible assets totalling of Baht 1,430 million use in the business operation. It consisted of property, plant, and equipment of Baht 1,370 million, right of use assets Baht 25 million and intangible assets Baht 35 million.

Property, plant, and equipment

Asset category	Million Baht
Land	807.0
Building and improvement	484.0
Machinery and equipment	71.0
Machinery for lease	0.3
Office equipment	0.7
Vehicles	0.5
Assets in progress	7.0
Total	1,370.0

Land with buildings and machinery totalling of Baht 1,586 million was used as collateral for overdrafts and short-term loans from financial institutions totalling of Baht 2,436 million.

Credit facilities	Million Baht
Overdrafts	93
Short-term loans	501
Long-term loans	864
Trust Receipt	115
Letter of guarantee	459
forward contract	404
Total	2,436

Right of use assets

Description	Million Baht
Vehicles	23.0
Machinery and equipment	1.0
Office building and factory	0.5
Office equipment	0.3
Total	24.8

Intangible assets

Type	Million Baht
<u>Cost</u>	
Computer program	166
Patent	4
Total	170
<u>Less</u> Accumulated amortization & Allowance for asset impairment	(135)
Net	35

2. Asset valuation

The Company's land and buildings are shown for the new valuation, according to the Independent Appraiser's Assessment Report. In 2022, the land valuation was based on the market value. The building valuation, on the other hand, was based on variable costs.

The fair value of land and buildings, which was assessed using the land and building appraiser's report, was assessed by comparing the market price with the sale price of comparable land nearby adjusted by renewable cost method using a fair value at level 2 of the fair value class.

Intangible assets were represented by cost less accumulated amortization. Amortization of intangible assets is calculated from the cost of the asset based on a service life of about 5 - 10 years.



Corporate Governance Code

PATKOL Public Company Limited

ACCOUNTABILITY
RESPONSIBILITY
TRANSPARENCY
INTEGRITY
CAREFULLY **FAIRNESS**
BOARD STRUCTURE
COMMITTEE **TRANSPARENCY**
ACCOUNTABILITY **CAREFULLY**
INTEGRITY
FAIRNESS **RESPONSIBILITIES**
COMMITTEE **BOARD STRUCTURE**

1 March 2017

PATKOL Public Company Limited



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PATKOL Public Company Limited



Message from Chairman of the Board and Chief Executive Officer

The Board of Directors is committed to good corporate governance principles, which are good practices for the directors of listed companies and related practices of the Stock Exchange of Thailand. At Patkol Public Company Limited, we are committed to enhancing corporate governance with good ethics, transparency and auditability. This document, the Company's "Good Corporate Governance Policies and Guidelines Handbook," has been written to enable the Board of Directors, executives and employees to adhere to operational guidelines that cover various practices to meet the expectations of shareholders and stakeholders.

The Board of Directors will make efforts to ensure strict compliance with these policies and practices and is committed to continuously improve the company's corporate governance in order to achieve its goal of ensuring continuous and sustainable growth and stability for the Company and its shareholders.

As chairman of the Executive Committee, we would like to announce the "Good Corporate Governance Policies and Guidelines Handbook" approved by the Board of Directors' Meeting No. 1/2017 on February 23, 2017, to ensure that the Board of Directors, executives and employees of the Company are aware of their duties and responsibilities per these guidelines for the implementation of moral and ethical principles with the aim of improving competitiveness.



(Mr. Sangchai Chotchuangchutthaval)
Chief Executive Director

PATKOL Public Company Limited



Corporate Governance

The Board of Directors has the intention adhere to the supervision of Patkol Public Company Limited under the principle of good corporate governance with integrity, transparency and accountability. It focuses on building maximum benefit to the shareholders and considering the practice on the overall stakeholders with equity. As a result, the company can increase the ability on competition and economic value to the shareholders in the long term as well. So, it has designated the policy on good corporate governance better for the Board of Directors, the management and the employees to adhere to as a policy and practice as follows:

Corporate Governance Policy

1. The Board of Director, the management and all the employees have determined to apply the main principle in the good corporate governance in the six aspects as the principle in the practice are:

- 1.1) It has accountability for its decision-making.
- 1.2) It takes responsibility for the duty performance with the existing capability and sufficient efficiency.
- 1.3) It has transparency that can be verified.
- 1.4) It has fairness and equity for the stakeholders.
- 1.5) It has a vision to create long-term value.
- 1.6) It has virtue, ethics and code of conduct in the business operations.

2. The Board of Director, the management and all of its employees determined to apply the important principles on the good governance of the Stock Exchange of Thailand (SET) as guidelines on the practice in five chapters are:

2.1) Rights of Shareholders

Considering the right of the shareholders and giving the right to the shareholders in the various matters as well as encouraging the shareholders to exercise their right, including not doing anything to violate or derogate the right of the shareholders.

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2.2) Equitable Treatment of the shareholders

Treatment of the shareholders is for both as the shareholders who are the management and the non-management, including the foreign shareholders and the minor shareholders by being treated with equity and fairness.

2.3) Stakeholders

Stakeholders Treatment of the stakeholders is by considering their right of each group in accordance with the law or the agreement with the company, including not doing anything in violation or derogation of their right.

2.4) Transparency)

Transparency Disclosure of the important information to the shareholders, the investors, the stakeholders, the supervising agency involved with the company both the financial information and the nonfinancial information correctly, completely, sufficiently, reliably and equally and within the specified time through the easily access channel.

2.5) Responsibilities

Responsibilities of the board Performing the duty and responsibility of the board of directors for the shareholders by the board of directors has the leadership situation, vision, independence and decision-making for optimum benefit of the company and the overall shareholders. It has separated the role and responsibility between the directors and the management clearly as well as the care on the management under the framework of the law and the business ethics.

3. The Board of Director, the management and all of the employees determined to apply the practice on the principle of good corporate governance of the company, business ethics and code of conduct of the directors, the management and the employees as guidelines in the operation.

4. The Board of Director has the responsibility in taking care of reporting on finance and disclosure of the information with correctness and sufficiency according to the good guidelines and relevant criteria.

5. The Board of Director encourages participation and designation of the channel that can communication with the shareholders, the investors, the supervision agency, the stakeholders, including giving general information to the interested persons.

6. The Board of Director provided an operation for the managerial structure of the company by designating the duty and responsibility of each board of directors and the management clearly.

7. The Board of Director shall provide the system of risk management and the internal audit to be at the suitable and efficient level, including the accounting system and a report on finance with accuracy and reliability.

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Guidelines for good corporate governance

The Company has established guidelines for good corporate governance for listed companies in 2012 according to the guidelines set by the Stock Exchange of Thailand in 5 categories as follows:

Chapter 1 Right of Shareholder

The Board of Director supervises the organization of the shareholders meeting in accordance with the law, bylaws and relevant regulations strictly, with support and provides convenience to the shareholders of every group, including the institution investors in attending the shareholder meeting. Moreover, the board also has set up a policy on taking care of the right of the shareholders for protection, promotion, support and no derogation of the right of all the shareholder groups as follows.

Policy on The Rights of Shareholders

- The Board of Directors has a duty to protect and respect the basic rights of the shareholders, e.g., the right to trade or transfer shares, the right to get a share of the profits of the business, the right to receive adequate business information, and the right to attend shareholders' meetings to appoint or remove directors, the appointment of auditors, dividend allocation, determination or amendment of articles of association or memorandum of association, capital reduction or capital increase, approval of special items, etc.
- The Board of Directors is responsible for promoting and encouraging all groups of shareholders, including institutional shareholders, to exercise their rights in various matters, e.g., to attend the Annual General Meeting of Shareholders, namely, the right to propose agenda items for the AGM in advance, the right to propose persons to be selected as directors in advance, the right to submit questions prior to the meeting, the right to express opinions and pose questions in the meeting, etc.
- The Board of Directors is responsible for refraining from any actions that violate or restrict or deprive the rights of shareholders to study the Company's information, such as suddenly not handing out documents containing additional important information, adding agenda items or changing important information without prior notice to shareholders.
- The Board of Directors is obliged to facilitate the shareholders' exercise of the right to attend the shareholders' meeting and vote fully and refrain from any actions that limit the chances of attending the shareholders' meeting, such as creating a cumbersome voting process. The Board must also



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facilitate shareholders to exercise additional rights, such as providing important information that is current through the Company's website, arranging office visits for shareholders, etc.

1. Meeting of the shareholders

1.1 Meeting of the shareholders

The Board of Director has designated the AGM once a year by no more than four months following the date of ending the financial year of the company. However, if there is necessity/emergency to present a special agenda, which affects or involves with the interests of the shareholders or related to the condition or guidelines on the applicability, it shall require prior approval from the shareholders.

1.2 Propagation of the information to supplement the shareholder's meetings

The company shall disseminate the information to complement the agenda of the shareholder meeting in advance by about one month before the meeting date in the website of the shareholders at www.patkol.com. Moreover, it shall explain the right of the shareholders in the attendance of the meeting and the right to vote by the shareholders as well.

1.3 Extraordinary General Meeting of Shareholders

The Company will call the Extraordinary General Meeting of Shareholders on a case-by-case basis or when shareholders have a combined share count of not less than one-fifth of the total number of shares or if any time 25 shareholders who together hold a total of no less than at least one-tenth of the total number of shares combined sign a letter asking the Board of Directors to call an extraordinary general meeting of shareholders. The reason for requesting the meeting must also be clearly stated in the letter. In such cases, the Board of Directors shall hold a shareholders' meeting within one month from the date of receipt of the letter from the shareholders. All shareholders of the Company have the right to vote according to the number of shares held (ordinary shares: 1 share per vote, preferred shares: 100 voting shares per vote), and no shares have privileges that restrict the rights of other shareholders.

1.4 Providing convenience on the exercise of the right to the shareholders and the institution investors

The Company shall provide convenience to the shareholders and the institution investors to exercise the right by organizing the meeting venue of the shareholders that is convenient for the travel, with opening an opportunity for the shareholders and the institution investors to send a question related to the meeting agenda to the Board of Director a minimum of 90 days before the meeting date via the website of the company or by fax number 02-328-1245. It shall notify via the news system of the SET with dissemination of the letter of invitation to the AGM of the shareholders.

1.5 Proxy

In the case the shareholders cannot attend the meeting by themselves, The Board of Director shall prepare a proxy statement in the form that is easy to fill the information that the shareholders can select the directors by themselves or use an alternative by presenting the name of the independent

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director or other people in giving the proxy by using a proxy statement that the company has sent with a meeting appointment. Moreover, the shareholders can download the proxy statement via the website of the company by another way as well. As for the shareholders who are institution investors or foreign investors and have appointed a custodian in Thailand shall be the depositor and caretaker of the company shares to coordinate on the document and evidence to show before attending the meeting in advance to register on the meeting date with convenience and speedier.

2. Implementation on the shareholder's meeting date

2.1 The Board of Director encourages to apply the technology with the AGM on registering the shareholders on counting the scores and show the results, so that the meeting can be conducted expediently, correctly and accurately with voting by the show of hands for more accuracy.

2.2 The company shall encourage all the directors to attend the shareholder meeting, which the shareholders can inquire the chairman of the committees in the relevant matters.

2.3 In the shareholder meeting, it shall provide voting separately for each item. In case that item contains multiple names, e.g. the item on the appointment of individual directors, etc.

2.4 The Board of Director shall encourage on an independent counting person or inspector of the voting scores in the AGM and the extraordinary general meeting (EGM) and disclose to the meeting for acknowledgement with recording in the meeting report.

2.5 The Board of Director shall encourage using the ballots in the important items, e.g. making the related items, making an item of acquisition or disposal of assets, etc. for transparency and accountability, in the case there is an argument later on.

2.6 The chairman of the meeting shall allocate the appropriate time and encourage the shareholders to have a chance to express their opinions and ask a question(s) in the meeting on the relevant matter with the company.

2.7 The company has prepared a VDO on the meeting of the shareholders throughout the meeting time, so the shareholders who have a question can follow up on the meeting of the shareholders.

3. Preparation of the minutes of the meetings and disclosure of the resolutions of the meeting to the shareholders.

3.1 The minutes of the meeting of the shareholders shall record the explanations of the procedure on voting and the method of showing the scores to the meeting for acknowledgement before conducting the meeting, including open an opportunity for the shareholders to set an issue or inquiry. Moreover, it shall record the questions and answers as well as the results on voting in each item if the shareholders agree or disagree or abstain from voting. It includes the recording of the names of the attending directors and the directors taking leave.

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3.2 As for convenience of the shareholders to provide registration by using the bar code system to show the registration number of each shareholder on the proxy statement, so the procedure on the registration shall be speedy.

3.3 Exercising the right to vote on each item by using the method of collecting the ballots of the voting shareholders who disagreed and abstained. At the end of the meeting, the shareholders can request for verification.

3.4 The company shall disclose to the public on the results of voting of each item in the AGM and the EGM in the next working day on its website.

3.5 The company has prepared the minutes of meeting within 14 days from the date of conducting the AGM, which has been submitted to the SET and the Ministry of Commerce within the specified time.

Chapter 2 Equitable Treatment of Shareholders

The Board of Directors considers the treatment of the shareholders with equity, so it has set up the following policies: -

Policy in the equitable treatment of shareholders

- *The Board of Directors has a duty to respect the right of the shareholders and the equitable treatment, regardless of being the major or minor or foreign shareholders. Meanwhile, the only types of the shares that can vote with equality consisted of 1 common share per 1 vote and 100 preferred shares per 1 vote. Moreover, the Board of Directors also has a duty to promote and encourage the shareholders to exercise the right on the various matters on the AGM and provide convenience to the shareholders on the various matters as well*

1. Giving information before the shareholders meeting

1.1 The Board of Director shall take care of the company to notify the schedule on the shareholder meeting with the agenda and its opinions to the SET and disseminate it via the website of the company about one month before the appointment date of the shareholder meeting.

1.2 The Board of Director shall take care of the company to notify the shareholders for acknowledgement of the various guidelines used in the meeting, procedure on voting, including the right to vote in accordance with each type of the share.

1.3 The Board of Director shall supervise the company to prepare a letter of invitation to the shareholders in the complete Thai languages.



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2. Protection of the right of the minor shareholders

2.1 The Board of Director shall provide convenience to the minor shareholders by setting up guidelines on the method of giving the right to the shareholders to present the subject to fill the agenda of the AGM in advance before the meeting date a minimum of 90 days via its website or the fax number 02-328-1245 through the news system of the SET.

2.2 The Board of Director shall provide convenience to the minor shareholders by setting up the guidelines on the method of giving the right to present the name of the persons to be considered in the election as directors in the AGM in advance before the meeting date a minimum of 90 days in advance. It is made through the website or the email of the company secretary at poonyavee.ch@patkol.com or the fax number 02-328-1245 through the news system of the SET.

2.3 The company has no policy to increase the agenda that has not been notified in advance without necessity, especially the important item that the shareholders have to spend time to study the information before making the decision.

2.4 The Board of Directors opens an opportunity for the shareholders to exercise the right to appoint the directors on an individual basis.

3. Prevention of internal information

The board of directors has designated measures to prevent from using the inside information by the relevant persons, which means its board directors, senior management and the employees at the relevant units (including the spouse and underage offspring of such the people) as follows:

Measures on prevention from using the inside information

- 1) *It is prohibited the relevant persons from trading in the securities of Patkol (PK) within 30 days before there is disclosure of the quarterly and annual financial statements within 24 hours after the blackout period.*
- 2) *In the case of learning of any information that is not yet revealed, which may have an impact on the securities price of the company, they shall not trade on the securities of the company until passing 24 hours from the disclosure of such the information to the public entirely. It includes prohibiting the management or agencies from receiving the inside information to be revealed to the outsiders or unauthorized persons or from utilizing the inside information illegally.*
- 3) *In the case the board and the management, which means to include their spouse and underage offspring, when there is a change in the number of shareholding shall notify the change on the holding with the SEC and the SET pursuant to Section 59 of the Security Exchange Act 1990, within three days from the trading, transferring or transferred date.*

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- 4) *The company has designated its directors and senior management (from the E15 level and up as well as the director of accounting and finance) to notify the trade on securities of the company to the board each quarter, including revealing it in the annual report.*

4. The Directors' Conflict of interest

The company has realized the importance on management related to a conflict of interest of the relevant person carefully, fairly and transparently, which means the board of directors, the management and the employees. The board of directors has set up a policy and guidelines on the conflict of interest as follows:

Policy and practice on conflict of interest

- 1) *It designates the directors and the senior management (from the E16 level and up and the accounting and finance director) shall report on the conflict of interest related to the management of the company or its affiliate when holding the title of directorship or the senior management for the first time and report each time when there is a change of information on the conflict of interest, including reporting annually. However, the secretary of the company shall send a copy of the report on the conflict of interest to the chairman of the board and the chairman of audit for acknowledgement within 7 days from the date of receiving the report to comply with the Securities and Exchange Act 1982, and to use such the information in the examination and the prevention of a conflict of interest.*
- 2) *There is a disclosure of the structure on shareholding of the affiliates, subsidiaries, joint venture and other companies clearly, including the authorized shareholders to make sure that the company has the shareholding structure that is clear, transparent and no cross holding with the major shareholders to cause a conflict of interest to either party.*
- 3) *In a board meeting, if a director has a conflict of interest on the matter under consideration, that director shall not participate in making such the decision. They cannot attend the meeting or have to omit voting so the decision of the board shall be fair or for the true benefit of the shareholders*

Chapter 3 Roles of Stakeholders

The Board of Director has realized of the right of stakeholders and shall take care of it to make sure that such the right both specified by the law or by a joint agreement shall be protected and implemented strictly included suitable compensation suitably, if the interest of stakeholder's interests is violated.

1. Policy and Guidelines on Taking Care of the Vested Interests

The company has newly designated the Vested Interests to become a policy and measures to take care of them, which are classified into seven groups as follows:

- 1) Employees
- 2) Customers
- 3) Shareholders
- 4) Trade partners (included the consultants and subcontractors)
- 5) Creditors
- 6) Governmental agencies
- 7) Communities around the factory.

The Board of Directors has set up a policy and guidelines on the care of the Vested Interests as follows:

1. Employee

Policies on taking care of the employees

- 1) *The company gives compensation to its employees by holding on to the principle of overtime, commissions, annual bonus, provident fund, savings cooperative, life insurance and health insurance, etc. consideration with fairness and can measure the result, e.g. monthly income, income from*
- 2) *The company intends to promote and develop its personnel to have knowledge and skills continuously, i.e. to have training and seminar of the management and the employees at all levels for the whole year, etc.*
- 3) *The company has treated all of its employees with equity, e.g. assessment of the employees, keeping the secret of the working experience and the exercise of their various rights, etc.*
- 4) *The company considers the right of the employees as priority and opens an opportunity for its employees to file a complaint in the case they are not treated fairly through the various channels, e.g. the complaint box, the Human Resources Department (HR), etc.*

- 5) *The company has a duty to take care of the working environment to have safety, hygiene and suitable for working with effectiveness, e.g. the company manages to have implementation on the 5S (1. Clearing up, 2. Organizing, 3. Cleaning, 4. Standardizing and 5. Training & Discipline). It has set up the safety unit to control and take care of the occupational health and safety health, etc.*

2. Customers

Policies on taking care of the customers

- 1) *The company has a duty to build up long-term relations and cooperation with the customers by adhering to the integrity, sincerity with the customers, trust and reliability to each other.*
- 2) *The company has a duty to make maximum satisfaction for its customers by taking responsibility, attention, goods sales and service with friendliness and priority to the problems and demands of the customers. The management and all of its employees shall comply with the following measures:*
 - *Adhering to the presentation and delivery of the product that meet the standards and qualities corresponded to the demand of the customers.*
 - *Adhering to the various conditions made with the customers' utmost.*
 - *Offering the trade prices and conditions to the customers in the same group with equity.*
 - *Provide accurate and truthful information to customers about the properties and quality of manufactured products. To build confidence and fairness to the company's customers*
 - *Ready to answer customer questions Including handling complaints Giving advice and monitoring the progress on various issues As notified by the customer*

3. Shareholders

Policies on taking care of the shareholders

- 1) *The company has a duty to protect and respect the basic rights of the shareholders, e.g. the right to trade or transfer shares, share the profits of the business, receive news and information on the business sufficiently, and attend the shareholders' meeting or appoint or remove the directors, appoint the auditor, allocate the dividends, setting up or amending the bylaws or the memorandum of association, reduction or increase of the capital and approve of the special items, etc.*
- 2) *The company has a duty to promote and encourage the shareholders to exercise their rights on the various matters in the annual general meeting (AGM) i.e. the right to present an item in the AGM in advance, the right to nominate a candidate to be elected*

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as the directors in advance, the right to submit a question to the meeting in advance before the meeting, the right to express an opinion and ask a question with the meeting, etc.

3) *The company shall not do anything to violate or limit the right of the shareholders.*

4. Trade Partners (including the consultants and subcontractors)

Policies on taking care of the trade partners (including the consultants and the subcontractors)

- 1) *The company has a duty to create good relations with all the trade partners.*
- 2) *The company has a duty to open an opportunity to all the trade partners to present the goods or service equally, while the management and its relevant employees with the trade partners shall comply with the following measures:*
 - *It has to work with the trade partners with integrity and equity.*
 - *The consideration and decision-making shall be based on the basis of comparison of quality and various conditions considering the company's interests both on the short term and long term.*
 - *It has to keep the secrets of the trade partners by prohibiting from accepting a bribe or commission from the trade partners, including being prohibited from disclosing information or a proposal from one or multiple trade partners for acknowledgement directly and indirectly.*

5. Creditors

Polies on taking care of the creditors

- 1) *The company has a duty to build up relations and practice on the creditors by adhering to the principle on integrity, reliability and mutual trust.*
- 2) *The company has a duty to take responsibility, attention and priority on the various conditions on the agreement with the creditors at the best.*

6. Governmental Agencies

Policies on taking care of the governmental agencies

- 1) *The company shall operation follow the law and any conditions that was determined. Moreover, we shall operation over than the law and/or any condition that was determined.*
- 2) *The company shall support the activities in the various occasions of the government agencies as appropriate.*
- 3) *The company has a policy of prohibiting from giving or receiving a bribe to the governmental authorities, which specified in the policy and guidelines on resist fraud and corruption of the company and its affiliates in Patkol group.*

7. Communities around the Factory

Polices on taking care of the communities around the factory

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- 1) *The company and its employees have to adhere to the behavior of being good citizens and benefit the society and communities*
- 2) *The company and its employees have a duty to behave good to the communities residing nearby with friendliness, help and support the communities to have good living, including taking responsibility for addressing in case of a problem derived from the operations of the company with equity.*
- 3) *The company and its employees have a duty to take care and support of the activities with a benefit to the society and cooperation with the public sector and the various agencies with willingness and sacrifice for the benefit of the public.*

2. Measures to compensate stakeholders for damages due to violations

The Company has established measures to compensate stakeholders for damages due to violations as follows.

1. Employees

Preventive measures against damages due to violation of employee's rights

The Company has thoroughly allocated employee salary and benefits as well as strictly followed its policy to care for the employees and set up a complaint and/or suggestion box as a way to solicit feedback from employees regarding their jobs and working conditions.

2. Customers

Preventive measures against damages due to violation of customer's rights

According to the Company's customer care policy, employees will care for customers as though they are close acquaintances. The sales department from each business unit, together with marketing, is responsible for receiving complaints from customers if customers are experiencing problems and need help.

Preventive measures against damages due to violation of debtor's rights

To prevent damages from violations to debtor's rights, the accounting department will consider the qualifications of all receivables prior to the transaction to prevent problems from occurring at a later date. Such qualifications are honesty and reliably based on customer history, financial status and payment history.

3. Shareholders

Preventive measures against damages due to violation of shareholder's rights

The Company will protect and maintain basic shareholders' rights, including the right to receive information, the right to attend shareholders' meetings and will support the exercise of rights in addition to the law. The Company evaluates and monitors operations to prevent damages due to violations of shareholders' rights. Assessment is done within the organization by the management team responsible for protecting shareholders' rights along with external assessments in the form of the Annual General



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Meeting (AGM Checklist). The AGM Checklist is assessed annually by the SEC, the Thai Investors Association and the Listed Companies Association.

4. Partners (including consultants and contractors)

Preventive measures against damages due to violation of suppliers' and contractors' rights

The Company has a policy to build good relationships with all partners and treat all partners equally.

5. Creditors

Preventive measures against damages due to violation of debtors' rights

The Company has preventive measures against damages due to violations of creditors' rights. The accounting department will consider the qualifications of all creditors prior to the transaction to prevent problems from occurring at a later date. The qualification used for considerations is based on their honesty and reliability.

6. Government Agencies

Preventive measures against damages due to violation of the law and regulations

The Company has preventive measures against damages due to violation of the law and regulations. The Company's legal department will regularly monitor the operations to ensure that everyone complies with the law.

7. Local communities

Preventive measures against damages due to violation of local communities' rights

The Company has preventive measures against damages to local communities near the plant by complying with social and community care policies to build good relationships with society and surrounding communities, as well as to help and support their well-being.

3. Mechanisms for Participation by the Stakeholders

The company has opened a channel for the interested person to show their opinions/ recommendations/ complaints with the audit committee and/or secretary of the company on the matter that is beneficial, including the matter involved with the good corporate governance. For instance, on the law or ethics, financial report or the defective internal audit via the channel of receiving the complaint and advice specified in this policy.

Whereas the complainant shall state details of the matter to express the opinion/advice/ complaint with evidence or sufficient information for the verification and notification of the name, address and telephone number that can be contacted to the channel of receiving the matter as follows:

- (1) Notify via the telephone 02-328-1035 ext. 1013
- (2) Via the email info@patkol.com
- (3) Send a letter in the suggestion box inside the company at the canteen area at all plants.
- (4) Send a letter to Patkol at Secretary of Audit Committee, Patkol Public Co., Ltd. No. 348,

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Chaloem Plra Kiat Ratchakan Thi 9 Rd., Nong Bon Sub-district, Prawet District, Bangkok, Thailand.

4. Whistleblower Protection Procedures

- (1) The Company will keep the whistle-blower's information and identity confidential.
- (2) The Company will disclose only necessary information taking into account the safety and damage to the reporter, the source of the information, or the persons concerned.
- (3) The Company prohibits anyone from intimidating, harassing, or obstructing employees intending to comply with this policy. If employees believe they have been threatened or harassed, please report directly to their supervisor or human resources director. If no corrective actions are taken, then they are encouraged to report the behaviour via the Company's whistleblowing channels.
- (4) Steps taken after a complaint is reported are as follows: Initially, the Company Secretary will submit the matter to the Internal Audit Department to compile a summary of the matter and present it to the Audit Committee for further investigation. If it is found to be information that affects the Company, it must be presented to the Board of Directors for further consideration.

Chapter 4 Disclosure of Information and Transparency

The company has taken care on the disclosure of the important information involved both the financial information and others correctly, completely, transparently, widely and in time according to the requirement of the SEC and the SET. It can help the shareholders, investors, customers and the interested persons to access the information easily to have equity and reliability with the revelation as follows:

1. Disclosure of the Information by the Board of Directors

1. It has a system that takes care of the disclosed information to the investors to be correct without misunderstanding but sufficient for the decision-making of the investors.
2. It has to provide a report on the results of the operations in accordance with the policy on good governance, business ethics, risk management and policy on social and environmental care approved in summary. The results on the compliance with such the policy, including in the case it cannot comply with such the policy with the reason by reporting via the various channels, e.g. the annual report and its company website.
3. It has to provide a report on the liability of the board of directors on the financial report to show in parallel with the auditor's report in the annual report.
4. It has to disclose the explanations and analysis of the management discussion and analysis (MD&A) to complement the revelation of the financial statement every quarter.

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5. It has to disclose the cost of the audit and other service costs provided by the auditor.
6. It has to disclose the role and duty of the board of directors and its committees, the number of the meetings and the number that the directors have attended the meeting in the past year. It included the training and development on the profession continuously by the board in the annual report.
7. It has to disclose the policy on the payment of the remuneration by the directors and the senior management that reflects the duty and responsibility for each person, including the compensation that each director has received from holding the directorship of the affiliates

2. Disclosure of Information on the Website of the Company

The Board of Directors has disclosed the information on its website on www.patkol.com both in Thai and English languages by updating it constantly.

- 1) vision and mission
- 2) Nature of business
- 3) List of the Board of Directors and Executives
- 4) Current financial statements and reports on financial status and operating results of previous year
- 5) Form 56-1 and the annual report that can be downloaded.
- 6) Any other information or documents presented by the company to analysts. Fund manager or various media
- 7) Direct and indirect shareholding structures
- 8) Structure of Company Group, subsidiary company, joint company, joint venture, etc
- 9) A group of major shareholders, both directly and indirectly, who hold shares of 5% of the total issued shares and have voting rights.
- 10) Direct and indirect shareholding of directors and executive
- 11) Invitation letter to the Ordinary and Extraordinary General Meeting of Shareholders
- 12) Company regulations memorandum and agreement of shareholders (if any)
- 13) Good corporate governance policy, anti-corruption policy, etc.
- 14) Risk Management Policy Including measures to manage risks in various fields
- 15) Tenure Charter of the Board of Directors And sub-committees
- 16) Code of Conduct for Employees and Directors
- 17) Information that can contact the agency or the person in charge of the investor relations

Chapter 5 Responsibility of the Board of Directors

1. The Authorities and Duties of the Board of Directors

The Company's management structure consists of the Board of Directors. And 4 sub-committees: (1) Executive Committee (2) Audit Committee (3) Nomination and Remuneration Committee and (4) Risk Management Committee.



1. Board of Directors

1) The Board of Directors must consist of directors with a wide range of qualifications, including skills, experience, and specific competencies that are beneficial to the Company.

2) The Board of Directors consists of at least 5 directors and not more than 12 members.

3) The Board of Directors must have at least one non-executive director with experience in the company's core business or industry.

4) The Board of Directors has at least 4 independent directors, or one-third of the Board of Directors, who can freely comment on the management's performance.

5) The Board of Directors has a 3-year term. The appointment of a director is presented to the Annual General Meeting of shareholders for approval.

6) The Board of Directors selects the Chairman of the Board. The Chairman should be an independent director.

7) The Board of Directors has established criteria for independent directors such that each independent director can serve as directors in no more than 3 other listed companies to ensure that directors who hold multiple positions in the company can still devote sufficient time to perform their duties.

8) Executive directors can hold director positions in no more than 2 other listed companies.

9) Directors are fully qualified and do not exhibit prohibited qualities under the Public Limited Companies Act and the Securities and Exchange Act as well as other characteristics that indicate a lack of trustworthiness for overseeing the business.

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Independent Director of the Company refers to directors with the following qualifications:

1. Independent directors shall hold no more than 1% of the total voting shares in the Company, its subsidiaries, or associate companies. They must not be major shareholders or controlling entities when considering shares held by related parties (pursuant to Section 258 of the Securities and Exchange Act).
2. An independent director must not be or have been a director who is involved in management, an employee, personnel, or a consultant who receive regular salaries or who has control over the Company, its subsidiaries, or associate companies, and have no interests unless they have been out of such position or relationship for no less than 2 years.
3. An independent director must not be a person with a blood relationship or legally registered as a parent, spouse, sibling or child of an executive, spouses of children of executives, major shareholders, controlling entities, or persons nominated as executives or controlling entities of the Company or its subsidiaries.
4. An independent director must not be a person who has or has a business relationship with the Company, its subsidiaries, associate companies, major shareholders or any controlling entity in the form of professional and commercial services according to the requirements of the Stock Exchange of Thailand regarding connected transactions, unless such relationship ended no less than 2 years ago.
5. An independent director must not have been an auditor of the Company, its subsidiaries, associate companies, major shareholders, or controlling entities nor can they be a shareholder unless such relationship ended no less than 2 years ago.
6. An independent director must not be or has never been a professional service provider, including a legal consultant or financial advisor, who receives fees in excess of 2 million baht per year from the Company, its parent company, subsidiaries, or associate companies nor can they be a major shareholder, a controlling entity, a partner of such service provider unless such relationship ended no less than 2 years ago.
7. An independent director must not be an appointed person to represent the directors of the Company, a major shareholder, or a shareholder who is connected to major shareholders.
8. An independent director must not operate similar businesses which are implicitly competitive with the Company or its subsidiaries. They must not be implied partners in the partnership or are directors who are engaged in management. Employees, employees, consultants receive regular salaries or hold more than 1% of the total voting shares of other companies operating in the same business and in significant competition with the company's or its subsidiaries.
9. There are no other characteristics that prevent independent opinions from being made.
10. The independent director is able to protect the interests of all shareholders equally and prevent a conflict of interest between the Company and related parties and can attend the Board of Directors' meeting to decide on the company's important activities.

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Criteria for the selection of independent directors

The Company has the following criteria for selecting independent directors by recruiting talented, experienced and knowledgeable persons in the area of the Company's main business. He or she is also a visionary, has sufficient time to perform his or her duties, and meets the qualifications required according to the official announcement. Once they are invited to become independent directors of the Company, the independent director has a term of office not exceeding 9 years from the date of his or her first appointment as an independent director. In the event that an independent director is to be re-appointed to the position, the Board of Directors will appropriately consider the reasons for such necessities.

Executive Director

Executive Directors refers to directors who are involved in regular management and have the authority to manage the business. They may or may not be members of the management committee or have the power to sign binding agreements for the Company.

Non-Executive Directors

Non-Executive Directors refers to external directors who are not executives or permanent employees of the Company. They are not members of the management committee and do not have the authority to sign a binding agreement for the Company.

Scope or Duties and Responsibilities of the Chairman of the Board

- 1) The Chairman of the Board of Directors must not be the Chief Executive Officer.
- 2) The Chairman of the Board shall call the Board of Directors' meetings and shareholders' meetings, as well as oversee the delivery of invitations and documents to ensure that the Board of Directors and shareholders receive adequate and timely information.
- 3) The Chairman of the Board shall strengthen Good Corporate Governance Standards of the Board of Directors.
- 4) The Chairman of the Board shall act as chairman of the shareholders' meeting and facilitate the meeting in accordance with the Company's articles of association and in accordance with the regulations prescribed.
- 5) The Chairman of the Board shall ensure effective communication between directors and shareholders.

The scope of authority of the Board of Directors is as follow:

- 1) Provide the business of the company to comply with the legal, objectives and the company's article of association, including resolutions of the shareholders' meeting, with honesty and be careful to maintain the interests of the company.

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- 2) Responsible to shareholders on a regular basis and operate by maintaining the maximum benefit of the shareholders, and also disclosed the information's to investors accurately, fully, standard and transparent.
- 3) Determine and amend the list of authorized directors of the Company.
- 4) Appoint sub-committees to help monitor and control the management of the company in matters of essence.
- 5) The Board of Directors has assigned the Chief Executive Officer to be responsible for the Company's business and assign the management to reports on the performance of the Board of Directors at every meeting.
- 6) The Board of Directors may authorize to one or more persons to perform any act representational the Board as the Board deems appropriate, and within the time that the Board deems appropriate. The Board may revoke the revocation change or modify that power.
- 7) Prepare annual report and responsible for the preparation and disclosure of financial statements to reflect the financial position and the results of the past year to propose to the shareholders meeting.
- 8) Meet at least 3 months for decision of the Board of Directors' meeting is the majority vote. Any director who has a vested interest in any matter shall not have the right to vote on that matter and the Annual General Meeting of Shareholders within 4 months from the end of the fiscal year.
- 9) To set up a succession plan for the top management. To be prepared in case of top management cannot work.
- 10) Provide appropriate channels for communication with each group of shareholders and evaluate the disclosure to ensure accuracy, clarity, transparency and reliability.
- 11) Leadership and -role model in good performance consistent with good corporate governance and the corporate social responsibility approach.
- 12) Encourage the company operates to combat all types of corruption and corruption to maximize the Company's business and stakeholders.
- 13) Provide a Code of Conduct for Directors, Executives and Employees.

In case of any matter that any director or person may have a conflict according to the Securities and Exchange Commission (SEC) and I or the Stock Exchange of Thailand There is a part of the conflict or a conflict of interest. No authority to authorize such action for the benefit of the company and overall shareholders are important.

2. Sub-committees

- Audit Committee

Definition Audit Committee



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Audit Committee means the person appointed by the Board of Directors or shareholders of the Company to be the Audit Committee. The Audit Committee members must be independent directors, not being a director assigned by the Board of Directors to make decisions on the operations of the Company, its parent company, subsidiaries, affiliated companies, subsidiaries, or a potentially conflicting entity, and not the director of the parent company, subsidiaries and subsidiaries of the same order. It also has the same qualifications and functions as those set forth in the Securities and Exchange Commission (SEC) and regulations of the Stock Exchange of Thailand (SET) on the qualifications and scope of work of the Audit Committee. They must have sufficient knowledge and experience to be able to review the reliability of the financial statements, including other duties as a member of the Audit Committee.

Qualifications and Requirements of Audit Committee

- Same the qualifications of the Company's independent directors.

Scope of Authority and Duties of the Audit Committee

- 1) Review the Company financial reporting in accordance with the accounting standards prescribed by law is accurate and adequate.
- 2) Review the Company an appropriate and effective internal control and internal audit system are in place, and the adequacy of the risk management process.
- 3) Review the Company to comply with the Securities and Exchange Act and the Stock Exchange of Thailand (SET) regulations, and the law related to the business of the company.
- 4) To consider connected transactions or transactions that may lead to conflicts of interests in accordance with the laws and regulations of the Stock Exchange of Thailand (SET).
- 5) Review and consider with the management regarding major defects detected and management response.
- 6) Have the power to investigate and investigate related parties within the scope of authority of the Audit Committee, and have the power to hire or bring specialized experts to help investigate and investigate by following the rules from the company.
- 7) To prepare a corporate governance report of the Audit Committee to be disclosed in the Company's annual report. The report must be signed by the Chairman of the Audit Committee.
- 8) To consider, select and nominate an independent person to be the Company's auditor and propose the compensation of such person. Also, attend meetings with the auditors without the management at least once a year.
- 9) Consider the scope of audit and audit plan of the auditor. And the internal audit section is related and complementary and reduces redundancy in respect of financial audits.
- 10) Approve charter, budget audit plan, training plan, and the power of the internal audit.



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11) Consider, appoint, transfer and evaluate the annual performance of the head of internal audit consider the independence of the internal audit.

12) Review the effectiveness and effectiveness of information technology systems related to internal control and risk management.

13) In performing duties of the Audit Committee. If there are any inquiries or doubts, there are transactions or actions that may have a material impact on the Company's financial position and performance.

(1) Transaction that causes a conflict of interest.

(2) Fraud or irregularity or defect in the internal control system

(3) Violation of the Securities and Exchange Act, the Stock Exchange of Thailand (SET) regulations or laws relating to the business of the Company.

The Audit Committee shall report to the Board of Directors to implement the amendment within the period of time the Audit Committee deems appropriate. If the board of directors or the management fails to do so, it should rectify it within a reasonable time. A member of the Audit Committee may report any such transaction or action to the Securities and Exchange Commission SEC and/ or the Stock Exchange of Thailand (SET).

14) To perform any other act as assigned by the Board of Directors with the approval of the Audit Committee.

Tenure and Vacancy

1.The Audit Committee has a term of office of 3 years, including the appointment, removal and removal from the Audit Committee.

2.Audit Committee members who vacated office by rotation May be re-appointed as the Board deems appropriate.

3.The Audit Committee vacates office upon

(1) The expiration of the term

(2) Die

(3) Resignation

(4) The Board of Directors has resolved to vacate office.

(5) Not being qualified as an audit committee in accordance with the charter of the audit committee or the rules and regulations of the Capital Market Supervisory Board; the Stock Exchange of Thailand (SET) And various regulators set up.

4.If the Audit Committee member(s) wish to resign before the end of the term should report to the Board of Director before at less 1 month in advance with the reason(s) for the Board of Directors to consider the appointment of other qualified person(s) to replace.

5. When a member of Audit Committee retires the Audit Committee cannot stay until the term. As a result, the number of Audit Committee member is less than 3 persons. The Board

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of Directors will immediately appoint the new Audit Committee of delayed within 3 months from the date the number of committees is incomplete. To ensure continuity in the work of the Audit Committee and the person who becomes a member of the Audit Committee will be in the position only for the remaining term of the member of the Audit Committee.

● **Executive Committee**

Qualifications and Requirements of Executive Committee

- 1) Members of the Executive Committee shall be appointed by the Board of Directors, with the consideration of the appropriate number of members. The Executive Committee shall possibly consist of the Board of Directors, executives of the company, and/or members of any third party.
- 2) The Executive Committee shall compulsorily consist of the minimum requirement of 3 members.
- 3) The Board of Directors shall be required to appoint members of the Executive Committee, where one of the entire members shall be a member of the Board of Directors to hold the position of Chairman of the Executive Committee.
- 4) Members of the Executive Committee shall possess desirable knowledge and experience required for the roles and responsibilities while being able to devote great effort in implementing required tasks. All members are also expected to refrain from any illegal actions required by law.

Scope of Authority of the Executive Committee

- 1) Determine the policy, target, strategy, operating plan, investment project, annual budget and other management authorization to be proposed to the Board of Directors for approval.
- 2) Supervise and monitor the company' business operations consistent to the policy, target, strategy, operating plans, investment projects and the annual budget with approved by the Board of Directors to be effective and augment the business condition with giving consultation, introduction, management and report the operating results to the board meeting for acknowledgement.
- 3) Consider and approve the spending of money for investment. Conducting financial transactions with financial institutions for account opening, loan, pledge, mortgage, guarantee and any other activities including trading. Registration of ownership of land for normal business transactions of the company under the specified credit authority.
- 4) Regulate the organizational structure and management with efficiency covering the recruitment, training, employment and termination of the employees, who are the

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- management or senior executive. It may assign the chairman of the board of the Chairman of the Executive Committee as the authorized person to sign the employment contract.
- 5) Supervise and approve the matter related to the operations of the company such as,
- 5.1) Consider approving the sales from 100-300 million baht.
 - 5.2) Consider approving the sales of the property, including the investment valued from 10-30 million baht.
 - 5.3) Consider deciding in the case there is a problem in delivering jobs to customers with the total project value is more than 50 million baht, and cannot deliver the job by exceed 180 days.
 - 5.4) Consider setting guidelines on taking legal actions,
 - In the case the company has become a plaintiff or defendant in the civil case with the capital exceed 10 million baht.
 - In the case the company has become a plaintiff or defendant in all the criminal cases.
 - 5.5) Consider accepting a fine and/or return of the goods with the total project value by more than 10 million baht.

And may appoint or assign to any person Or many people act on behalf of the Executive Committee as they deem appropriate And the Executive Committee can cancel, change or amend such power.

- 6) Consider screening all types of the jobs presented to the Board of Director except the job under the responsibility and/or authority of Sub-committees of the company to become the screener to present to the Board of Director directly.
- 7) Perform other duties as assigned by the Board of Directors.

Tenure and Vacancy

- 1) Members of the Executive Committee deemed as members of the company's Board of Directors shall remain effective in the position for a 3-year term. When the term is due, the Board of Directors shall be allowed to re-appoint the same members to return to the position plausibly and appropriately.
- 2) Members of the Executive Committee deemed as members of the company's Board of Directors shall remain effective in the position of executive management, except as otherwise determined by the Board of Directors.
- 3) Members of the Executive Committee deemed as members of the third party shall remain effective in the position in accordance with the resolution of the company's Board of Directors and shall be altered as appropriate. Apart from the aforementioned provisions, members of the Executive Committee shall be withdrawn from the position due to the following causes;

- 1) Death
- 2) Resignation
- 3) Disqualification of directorial properties, possession of any illegal action under the law on public company limited, or lack of proper qualifications required for the management, where shareholders are selected in accordance with the requirements cited in Article 89/3 of the Securities and Exchange Act (No. 4) B.E. 2551 (2008).
- 4) The Board of Directors has resolved for retirement.

Any member of the Executive Committee who intends to resign from the position shall be required to submit a resignation letter to the President of the Board of Directors. In case that the position is vacant due to any reason other than the normal expiration of tenure, the Board of Directors shall appoint a new qualified person who possesses no illegal manner required by law to substitute the vacant position. In case that the remaining period of effective tenure is less than 2 months, the Board of Directors shall be allowed to determine not to appoint any person to substitute the vacant position as the substituted member shall remain effective in the position for the remaining period of effective term only.

● **Risk Management Committee**

Qualifications and Requirements of Risk Management Committee

1. The Risk Management Committee consists of at least 3 members of the Risk Management Committee and at least 1 Risk Management Committee must be an independent director.
2. Can devote sufficient time to the work of the Risk Management Committee.
3. Independent Director who chaired the Risk Management Committee. Qualifications of independent directors must be fully fulfilled in accordance with the Notification of the Capital Market Supervisory Board.

Scope of Authority and Duties of the Risk Management Committee

- 1) Determine effective policies for integrated risk management framework covering major risks on the company's core business implementation specified below.
 - ☐ Strategic Risks
 - ☐ Market Risk
 - ☐ Financial Risks
 - ☐ Operational Risks
- 2) Develop a set of efficient risk management plans and procedures for the organization as a whole.
- 3) Promote follow-up and assessment actions to keep pace with the risk management policies applied for the entire organization.

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- 4) Provide productive advices on the implementation of risk management.
- 5) Report to the Board of Directors about risk and risk management.
- 6) Perform other required tasks as assigned.

Tenure and Vacancy

- 1) The Risk Management Committee shall remain effective in the tenure for 3 years and shall be re-appoint to return to the position plausibly and appropriately.
- 2) If the position of the Risk Management Committee is vacant for any reason other than the expiration of the term as specified in Clause 1, such termination shall be the termination of the Board of Directors or resignation or removal. The Board of Directors shall appoint a qualified person to be the Risk Management Committee so that the Risk Management Committee has the number as prescribed by the Board of Directors. The person who becomes a member of the Risk Management Committee shall be in the position only for the remaining term of the Risk Management Committee member.

● Nomination and Remuneration Committee

Qualifications and Requirements of Nomination and Remuneration Committee

- 1) The Nomination and Remuneration Committee consists of at least 3 members of the Board of Directors and at least 1 Nomination and Remuneration Committee must be independent directors.
- 2) Can devote sufficient time to the work of the Nominating and Remuneration Committee.
- 3) Independent directors who are the Chairman of the Nomination and Remuneration Committee. Qualifications of independent directors must be fully fulfilled in accordance with the Notification of the Capital Market Supervisory Board.

Scope of Authority and Duties of the Nomination and Remuneration Committee

1. Select a qualified candidate who deserves to be nominated as a new director or Chief Executive Officer.
2. Determine procedures and standards for nominating members of the Board of Directors or Chief Executive Officer with transparency and fairness.
3. Nominate and appoint a person deemed appropriate for the nomination of the Board of Directors and Chief Executive Officer to be proposed to the meetings of the Board of Directors and shareholders accordingly.
4. Consider guidelines for remuneration offered to the sub-committee.
5. Determine procedures and standards for offering remuneration to members of the Nomination and Remuneration Consideration Committee and the sub-committee fairly and

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reasonably to be proposed to the meetings of the Board of Directors and shareholders accordingly.

6. Perform other tasks as assigned, particularly those related to the nomination and remuneration to be offered to the Board of Directors and Chief Executive Officer.

Tenure and Vacancy

1. The Nomination and Remuneration Consideration Committee shall remain effective in the tenure for 3 financial years and shall be re-appointed to return to the position plausibly and appropriately.

2. When a member of the Nomination and Remuneration Consideration Committee is dismissed from the position or shall not be able to remain effective throughout the tenure, the Board of Directors shall appoint a new member to substitute a vacant position within a period of 3 months following the date of position vacancy. The newly appointed member shall remain effective in the position for the remaining period of effective tenure only.

3. The discharge of the Nomination and Remuneration Consideration Committee shall be considered from the termination of normal tenure and

- 1) Death
- 2) Resignation
- 3) Disqualification of directorial properties, possession of any action or lack of proper qualifications required for the company's Director.

Scope of Authority and Duties of Chief Executive Officer

1) Define business plan, investment plan and annual budget plan to propose to the Executive Committee and/ or Board of directors.

2) Overall management responsibility and consider various management policies of the company to achieve the company's goals under the policy framework, business plans and budget plans approved by the Board of Directors.

3) Approve the implementation or approve spending money for various actions according to the authority of approval of the company or according to annual budget approved by the Board of Directors.

4) Recruiting, hiring, transferring, suspending and dismissing executives and employees in all positions; Including the scope of authority and reasonable return for equivalent positions from senior director upwards, report to the Board of Directors for acknowledgment, equivalent level positions are managed by the Internal Audit Department, with the opinion of the Audit Committee.

5) Appoint the authorized signer in various documents the company's accounting, finance, procurement, production, sales and general administration, including other important documents.

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- 6) Modify, amend and abolish rules, orders, announcements, regulations, penalties, and internal controls for serve as a guideline for all employees and to ensure that the management within the organization is in accordance with the company policy.
- 7) Appointment of consultants, necessary to operate for the benefit of the company and includes the authority to appoint a lawyer to prosecute or enter into litigation involving the company.
- 8) Assign to other persons to perform or act on their behalf as deemed appropriate and it can be revoked, revoked, changed or modified.
- 9) Performance reports the progress of the projects and as well as financial status to the Executive Committee and Board of Directors.
- 10) Perform other actions according to the Executive Committee or the Board of Directors.

In the case of any action taken by the Chief Executive Officer or who may have conflicts Have any interest or conflict of interest. The Chief Executive Officer has no authority to authorize any such action.

Nomination of Directors, Chief Executive Officer and Executives

(1) Nomination of Directors and Chief Executive Officer

When the position of Director or Chief Executive Officer of the Company is vacant, the Nomination and Remuneration Committee has a duty to select and recruit suitable candidates to be nominated as directors or Chief Executive Officer by the Board of Directors. Nomination and remuneration will be considered for the selection of qualified persons in terms of knowledge, expertise, competency, experience, and specific qualifications in various areas that the Board of Directors needs and is necessary to conduct the Company's business. The nomination and remuneration committee selection will be based on the following criteria:

1. Each candidate should be qualified in accordance with the Public Company Act B.E. 2535 (1992), Section 68 and in accordance with the notices or regulations of the Stock Exchange of Thailand and the SEC, as well as the rules and regulations of the Company.
2. Each candidate must be knowledgeable, talented, experienced and unique in various areas beneficial to the company's operations effectively.
3. Each candidate must be a virtuous person who promotes good corporate governance such as morality and ethics, is independent, has the courage to express opinions, is creative, performs duties with care and integrity and can fully devote his or her time to the Company.

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(2) Nomination of Directors (if a director leaves the position at the end of his or her term according to the law)

Election of replacement directors who leave their positions at the end of their term must be approved by the Annual General Meeting of Shareholders with a majority of votes from shareholders attending the meeting with voting rights. The rules and procedures for electing directors are as follows:

1. One shareholder has one vote per share.
2. Each shareholder must use all available votes in accordance with Article 1 to elect one or more candidates as director but will not be able to divide the votes among the candidates.
3. The candidate(s) who receives the highest number of votes, respectively, shall be elected as a director, as many as the number of directors to be named or elected at that time. In the event that the person who is elected has the same number of votes exceeding the number of directors to be elected at that time, the person who is chairman will decide on the final results.

In addition, the election of a director for a vacant position not due to the end of the term according to the law must be approved by the Board of Directors with at least two-thirds of the votes of the remaining directors. However, the person who is appointed will have the same term of office as the remaining term of the director who had left.

In case of the resignation of a director, the Company's articles of association require the Board of Directors to appoint a replacement director.

(3) Executive Recruitment

The Chief Executive Officer is authorized to consider the nomination and appointment of qualified candidates in terms of qualifications, knowledge, competency and experience in business operations. The selection will be carried out in accordance with human resource management regulations. If it is an equivalent position from the managing director or above, it will be reported to the Board of Directors for acknowledgement. An executive position of the Internal Audit Office must also be approved by the Audit committee first.

3. The Meetings of the Board of Directors

1. The Board of Directors shall hold a board meeting a minimum of four times a year and implement the meeting to comply with the regulation of the company, the Public Limited Company Act 1992 and the SET regulations. While the chairman of the Board of Directors as the chairman of the meeting shall encourage to use the discretion that is prudent and allocate the time sufficient for the management to present the matter and sufficient for the directors can discuss the important problems

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with prudence. Including recording the minutes of the meeting each time for the directors and the relevant persons can verify. The directors have a duty to attend the board meeting each time except there is a special reason.

2. Before the Board of Directors meeting each year, the company secretary shall prepare a meeting schedule for the board of directors to acknowledge on the meeting in advance throughout the year, so the directors can plan in advance and allocate the time to attend the meeting.

3. In setting the number of times on the board meeting, the company shall consider the suitability with the duty and responsibility of its board. While the company secretary has shall prepare the annual schedule with stating the matter for consideration in each meeting, so the board can acknowledge on the details to consider in each meeting in advance. For instance, in the meeting in February shall have an approval on the annual financial budget and the schedule on the AGM, it is included the schedule on closing the register suspending the transfer of the company's shares. The meetings in May, August and December shall approve the verified financial budget on the quarterly basis at the 1, 2 and 3 quarters, etc.

4. In each meeting, the board secretary shall submit the meeting documents to the directors for consideration in advance a minimum of seven days before the meeting and shall prepare the documents and information to supplement the meeting.

5. Organizing the meeting shall comply with the bylaws of the company and the Public Limited Company Act 1992 strictly. It shall open an opportunity for the directors to discuss important problems prudently and widely. It shall have the company secretary to attend the meeting and record the minutes of the meeting, questions and recommendations of the directors as well. So, the directors and the relevant persons can follow up and verify them.

6. In each board meeting, the chairman of the board shall spend the time in the meeting about 1-2 hours, which is sufficient for the management to present the matter for consideration, and the directors can discuss the important problems with circumspection thoroughly. Nevertheless, the Chairman of the Board has encouraged the directors in the meeting to use the careful discretion and can inquire from the meeting if there is someone to have a question additionally or there is an alternative opinion in the meeting on any item.

4. Self-Assessment of the Board of Directors

The company secretary shall consider on suitability in preparing the "Corporate Governance (CG) Self-Assessment" to be presented to the Board of Directors for consideration on an individual basis to consider the work products and addressing the various problems, including improving the efficiency and the better working effectiveness.



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5. Remuneration of Directors

The Nomination and Remuneration Committee has specified the policy for the remuneration of directors, the chief executive officer, and senior management as follows:

Remuneration Policy for the directors, Chief Executive Officer and senior executives

1. *The remuneration of directors, Chief Executive Officer and senior executives must consider the suitability of their roles, assigned responsibilities, fairness and adequate incentives, which should be comparable to the remuneration of directors of listed companies on the Stock Exchange of Thailand in similar industries and businesses. The remuneration should also consider the results, performance, business environment, and overall economic conditions.*
2. *The Nomination and Remuneration Committee shall consider and present the remuneration plan to the Board of Directors for approval. Once it is approved, the remuneration plan will be presented to the Annual General Meeting of Shareholders for further approval. This includes the approval of the maximum remuneration limit each year and determination of pay, including meeting allowances.*
3. *The Nomination and Remuneration Committee shall comply with the resolutions of the AGM, which have approved the remuneration limit and remuneration details as disclosed in the annual report. In addition, the directors shall disclose the portions received from other duties to the Company, such as consulting fees, as well as the portions received from directorships and other functions, such as consulting fees from its subsidiaries, etc.*

6. Development of the Directors and the Management

1. The Board of Directors has promoted and provided convenience to have training for development and knowledge to the relevant directors, including the directors in the various committees, so the improvement is continuous.

2. The company secretary has provided the manual on the directorship and guidelines on the disclosure of the information, records on possessing the securities, a change of the securities possession, etc. It shall submit each time with a change of the new director.

3. The Board of Directors shall require the Chief Executive Officer to prepare a regular report on the plan for development and successive jobs to prepare for readiness on the successor in the case they cannot perform the duty.

4. The Board of Directors has set up the structure for the development of the management by assigning the Chief Executive Officer to report annually for the things that they have performed during the year and consideration in parallel with the plan on job succession

Attachment 6

Audit and Risk Management Committee Report 2022

The Audit Committee of Patkol Public Company Limited consists of three independent directors with knowledge and experience in reviewing the reliability of financial statements, legal affair, and corporate management. There are 3 directors as follows; Mr. Pairoj Sanyadechakul to be the Chairman of Audit Committee, Mr. Virachai Srikajorn and Mr. Preecha Chantarangkul as independent directors.

In 2022, the Audit Committee has performed its duties as assigned by the Board of Directors, which was consistent with the requirements of the Stock Exchange of Thailand. Total of 4 meetings of the Audit Committee had been convened and the discussion had been made with the management, internal comptrollers and auditors on related matters in which material context of the operation can be summarized as follows:

1. Audit of Financial Report

The Audit Committee has reviewed quarterly financial statements and annual financial statements of Patkol Public Company Limited with the auditors on a quarterly basis by asking the auditors' comment and observation on the audit of financial statements in order to ensure that financial statements have been accurately prepared, legal requirements and generally accepted accounting standards have been complied with when preparing financial statements in accordance with international standards, and information has been disclosed in the financial statements adequately and timely for the benefit of investors and users of financial statements.

In addition, the Audit Committee has commented on the preparation of discussion and analysis report by the management in order to provide clear information and analysis on overall operation and factors that may affect the operation in all aspects

2. Review of Internal Control System

The Audit Committee has reviewed to ensure that Patkol Public Company Limited will have internal control system and internal monitoring system that are adequate, appropriate and effective, and has also summarized and presented significant issues to the Board of Directors.

3. Review of Compliance with applicable Laws and Regulations.

The Audit Committee has reviewed to ensure that Patkol Public Company Limited and its subsidiaries comply with the laws on securities and stock exchange, requirements of the Stock

Exchange of Thailand and/or laws relating to business operation of the Company. Furthermore, the Audit Committee has acknowledged report on the compliance with the laws relating to business operation of Patkol Public Company Limited and its subsidiaries, as well as auditing result on the compliance with applicable laws and regulations from auditing agency. The Audit Committee has provided useful comments to ensure that there will be process to monitor the compliance with applicable laws a regulation in an effective manner, and ensure that subsidiaries of Patkol Public Company Limited will completely comply with applicable laws and regulations.

4. Monitoring of Internal Audit

The Audit Committee has approved the plan on the annual audit of the audit agency by using the guidelines on the audit of the risk evaluation, which is consistent with the important risks and the direction of the operations of Patkol Public Company Limited including the review of the results on the site audit, counting the inventory and verification of the deferred debtors. It has considered the issues on the important audits continuously, including the follow-up on the improvement regularly. However, the internal audit unit is an independent agency, focusing on the preventive audit with sufficient efficiency and effectiveness to meet the international standards.

Moreover, it has reviewed the charter of the audit committee annually, including the consideration on sufficiency of the manpower of the internal audit unit.

5. Consideration to propose for the appointment of auditor of Patkol Public Company Limited and meeting with the auditor

The Audit Committee has considered proposing the appointment of Karin Audit Company Limited as the auditor of Patkol Public Company Limited and has also considered proposing remuneration for year 2023. Moreover, the Audit Committee has convened meeting with auditor and auditing agency without management participation in order to acknowledge the auditing plan of the auditor, as well as problems or obstacles for auditing operation so that improvement guidelines can be suggested. In 2022 and 4 meetings had been convened.

The Audit Committee has conducted the operation carefully and has offered comments and suggestions that helped promoting good corporate governance, and for the benefit of the Company's operation, as well as for the interest of all shareholders and stakeholders.

For the operation being carried out in 2022 as mentioned above, the Audit Committee's opinion can be concluded as follows:

- The Company's accounting and financial reporting systems are accurate, credible, and disclose significant information completely, sufficiently, and timely.
- The Company's internal control system is adequate and suitable; improvement on the internal control system has been carried out regularly to suit the Company's business operation at present and in the future and is consistent with applicable laws and regulations.
- Karin Audit Company Limited which is the Company's auditor, is independent and experienced in the audit of financial reports in which it can be assured that the Company's financial reports will be accurate, credible, and disclose significant information completely, sufficiently, and timely.
- From reviewing related transactions or transactions with potential conflict of interest, the Audit Committee views that the Company has disclosed accurate and complete information, and those transactions have suitable condition and fair price which have been approved by the management or the Board of Directors in advance.

22 February 2023

On behalf of the Audit Committee



(Mr. Pairoj Sanyadechakul)

Chairman of the Audit and
Risk Management Committee



PATKOL

Public Company Limited

SINCE 1965

PATKOL Public Company Limited



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