

Power Line Engineering Public Company Limited and its Subsidiaries

Financial Statements and Independent Auditor's Report

1 January 2023 to 31 December 2023

Independent Auditor's Report

To the Shareholders and the Board of Directors of Power Line Engineering Public Company Limited

Opinion

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

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

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 and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that 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 separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in the audit
Recognition of revenue	
<p>The Group recognised revenues from construction contracts based on the percentage of completion estimated by its engineers. The Group's policies on revenue recognition from construction contracts is disclosed in Note 3.21 to the financial statements. Because the amount of revenues from construction contracts recognised by the Group in the consolidated statements of comprehensive income is significant, and the process of measurement, determination of appropriate timing of recognition are areas requiring management to exercise significant judgment to assess the percentage of completion, I have identified recognition of revenue from construction contracts to be areas significantly impacting the financial statements as a key audit matter.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> • Inquiring the responsible management and project engineers and gaining an understanding of the process by which the Group estimates the percentage of completion of construction projects. • Assessing the appropriateness and testing the system of internal controls related to the methods used by management and project engineers to monitor percentage of completion of construction and to determine the reasonableness of such figures. • Testing the effectiveness of the internal controls related to purchases and hiring, and the recognition of costs of construction projects by making enquiry of responsible management, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. • On a sampling basis, examining actual costs from construction contracts against supporting documents. • Selecting sample construction contracts and reading them to consider the relevant terms. • Sampling tested contracts with changed orders during the year with supporting documents. • Selecting construction contracts to review the assessment of the percentage of completion and visit the projects under construction together with project engineers.

The key audit matter	How the matter was addressed in the audit
	<ul style="list-style-type: none">• Reviewing the budget cost of construction projects, through consideration of the progress of construction and actual costs.• Analyzing percentage of completion evaluated by the project engineers with cost-to- budget method and investigated the variance of these two methods.• Analyzing the gross profit margin to detect possible irregularities.• Evaluating the adequacy of the Group's disclosures in accordance with the relevant Thai Financial Reporting Standards.

Emphasis of matter

Without modifying my audit opinion, I draw attention to Note 34 to the financial statements describing the significant effects on the financial position and performance of the Group and the Company for the year ended 31 December 2022 derived from retrospective adjustments relating to correction of error on recognition of revenues and costs of constructions and other relevant accounts in accordance with the Thai financial reporting standards. I have audited the aforementioned adjustments and, based on my audit, such adjustments are appropriately applied.

Other Matter

The consolidated and separate financial statements of Power Line Engineering Public Company Limited and its subsidiaries, and of Power Line Engineering Public Company Limited, respectively, for the year ended as at 31 December 2022 (before retrospective adjustments as described in the emphasis of matter paragraph), which are presented as comparative information, were audited by another auditor whose report dated 27 February 2023 expressed an unqualified opinion on those statements.

Other Information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance to correct such information.

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

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

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

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

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

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

As part of an audit in accordance with 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 and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, 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 responsible for the audit resulting in this independent auditor's report:

(Mr. Thanakorn Fakfaipol)
Certified Public Accountant
Registration No. 4879

Bunchikij Co., Ltd.
Bangkok
29 February 2024

Power Line Engineering Public Company Limited and its subsidiaries

Statements of financial position

As at 31 December 2023

Unit : Baht

		Consolidated financial statements			Separate financial statements		
Assets	Note	2023	2022	2021	2023	2022	2022
			(Restated)	(Restated)		(Restated)	(Restated)
Current assets							
Cash and cash equivalents	5	151,441,176	429,448,009	815,809,281	145,752,490	404,262,676	811,256,444
Trade and other current receivables	6	1,365,187,364	1,400,818,939	787,546,906	1,408,921,177	1,343,767,936	805,077,464
Contract assets	7	9,272,842,426	8,592,258,703	8,362,449,946	9,137,010,377	8,514,333,052	8,366,406,530
Short-term loan to related party	4	-	-	-	100,715,494	-	-
Costs to fulfil contracts with customers	8	1,452,675,469	536,978,176	80,943,889	1,242,169,796	443,367,416	80,943,889
Real estate development costs	9	550,167,057	299,701,152	143,769,308	-	-	-
Advance payments for projects	10	267,273,876	321,852,317	329,186,665	253,482,093	310,465,083	329,186,665
Other advance payments		26,935,140	72,180,608	86,911,653	26,633,167	67,193,608	87,263,403
Income tax withheld		206,698,511	157,161,626	203,233,293	194,144,147	156,713,473	203,208,254
Other current financial assets	11	1,418,685	22,197,244	324,621,960	1,418,685	22,197,244	324,621,960
Other current assets		153,472,544	119,889,394	69,969,914	128,415,956	97,159,576	66,301,803
Total current assets		13,448,112,248	11,952,486,168	11,204,442,815	12,638,663,382	11,359,460,064	11,074,266,412
Non-current assets							
Bank deposit used as collateral	19	1,019,469,439	949,491,843	1,106,314,769	1,003,458,215	949,491,843	1,106,314,769
Investments in associated companies	12	2,200,000	-	-	2,200,000	-	-
Investments in subsidiary companies	13	-	-	-	404,993,000	404,993,000	404,993,000
Investments in joint venture	14	-	-	-	-	-	-
Investment properties	15	308,389,350	308,389,350	308,389,350	308,389,350	308,389,350	308,389,350
Property plant and equipment	16	943,044,872	829,897,509	779,871,866	942,034,090	828,237,962	778,515,357
Right-of-use assets	17	26,363,915	16,959,851	18,556,568	23,144,309	11,474,547	16,422,793
Intangible assets		5,914,804	9,063,789	12,428,125	5,907,708	9,054,655	12,416,763
Deferred tax assets	18	188,421,003	244,374,880	165,592,432	178,507,802	235,800,058	158,064,182
Other non-current assets		35,593,271	41,292,542	40,698,069	25,776,291	30,468,555	30,219,883
Total non-current assets		2,529,396,654	2,399,469,764	2,431,851,179	2,894,410,765	2,777,909,970	2,815,336,097
Total assets		15,977,508,902	14,351,955,932	13,636,293,994	15,533,074,147	14,137,370,034	13,889,602,509

Power Line Engineering Public Company Limited and its subsidiaries

Statements of financial position

As at 31 December 2023

Unit : Baht

Liabilities and equity	Note	Consolidated financial statements			Separate financial statements		
		2023	2022	2021	2023	2022	2022
			(Restated)	(Restated)		(Restated)	(Restated)
<i>Current liabilities</i>							
Bank overdrafts and short-term loans							
from financial institutions	20	5,256,485,660	3,924,862,424	2,425,125,735	4,886,483,839	3,754,182,149	2,511,543,032
Trade payables		3,102,070,409	2,399,998,701	2,021,754,642	3,016,038,180	2,145,070,856	1,935,583,758
Retention payables		427,077,233	349,565,908	305,299,533	421,937,233	346,943,517	305,299,533
Unbilled costs of constructions		266,170,730	798,604,502	1,810,749,047	266,892,787	791,376,730	1,825,003,903
Contract liabilities	7	2,059,301,710	2,699,296,016	3,056,695,800	2,022,313,968	2,611,858,012	3,044,099,973
Current portion of long-term loan							
from financial institutions	20	194,980,147	44,980,147	-	-	-	-
Current portion of lease liabilities	20	14,522,753	12,431,000	10,943,907	12,355,690	8,893,151	9,601,734
Current portion od debenture		598,069,339	-	422,691,047	598,069,340	-	422,691,047
Short-term loans from related parties	4.7	-	-	-	355,388,904	471,128,423	329,128,423
Judgment debts from guarantee	21	664,455,269	721,205,303	680,459,639	664,455,269	721,205,303	680,459,639
Accrued income tax		784,549	599,961	611,255	-	-	-
Other current liabilities		250,812,286	181,326,307	144,484,812	252,636,172	187,579,951	197,392,835
Total current liabilities		12,834,730,085	11,132,870,269	10,878,815,417	12,496,571,382	11,038,238,092	11,260,803,877
<i>Non-current liabilities</i>							
Long-term loan from financial institutions	20	-	10,000,000	44,795,489	-	-	-
Lease liabilities	20	10,895,380	2,932,446	6,788,974	10,671,784	1,734,486	5,977,234
Debentures	22	215,091,060	595,684,300	-	215,091,060	595,684,300	-
Deferred tax liabilities	18	178,113,898	160,293,735	160,259,729	178,113,898	160,238,031	160,259,729
Non-current provisions for employee benefits	23	216,075,056	225,358,728	208,814,266	212,254,305	221,784,454	205,518,612
Total non-current liabilities		620,175,394	994,269,209	420,658,458	616,131,047	979,441,271	371,755,575
Total liabilities		13,454,905,479	12,127,139,478	11,299,473,875	13,112,702,429	12,017,679,363	11,632,559,452

Power Line Engineering Public Company Limited and its subsidiaries

Statements of financial position

As at 31 December 2023

Unit : Baht

Liabilities and equity	Note	Consolidated financial statements			Separate financial statements		
		2023	2022	2021	2023	2022	2022
			(Restated)	(Restated)		(Restated)	(Restated)
Equity							
Share capital							
Authorised share capital							
1,361,817,957 ordinary shares of Baht 1 each		1,361,817,957	1,361,817,957	1,361,817,957	1,361,817,957	1,361,817,957	
Issued and paid-up share capital							
1,361,817,957 ordinary shares of Baht 1 each		1,361,817,957	1,361,817,957	1,361,817,957	1,361,817,957	1,361,817,957	
Share premium		734,849,520	734,849,520	734,849,520	734,849,520	734,849,520	
Retained earnings (deficit)							
Appropriated							
Legal reserve	24	29,000,000	29,000,000	29,000,000	29,000,000	29,000,000	
Unappropriated (deficit)		(149,602,015)	(393,119,917)	(275,956,725)	(246,201,926)	(355,733,787)	
Other components of equity		540,906,167	487,109,367	487,109,367	540,906,167	487,109,367	
Total equity attributable to the Company's shareholders		2,516,971,629	2,219,656,927	2,336,820,119	2,420,371,718	2,119,690,671	
Non-controlling interests		5,631,794	5,159,527	-	-	-	
Total equity		2,522,603,423	2,224,816,454	2,336,820,119	2,420,371,718	2,119,690,671	
Total liabilities and equity		15,977,508,902	14,351,955,932	13,636,293,994	15,533,074,147	13,889,602,509	

Power Line Engineering Public Company Limited and its subsidiaries

Statements of Comprehensive Income

For the year ended 31 December 2023

Unit : Baht

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
			(Restated)		(Restated)
Revenues					
Revenue from construction contracts		9,123,397,518	8,035,071,583	8,947,755,908	7,834,520,887
Other income	27	240,149,584	189,698,087	226,841,984	186,167,221
Total revenues		9,363,547,102	8,224,769,670	9,174,597,892	8,020,688,108
Expenses					
Cost of construction	28	8,366,227,280	7,763,264,172	8,208,314,256	7,596,231,323
Administrative expenses	28	364,267,600	417,499,603	347,849,027	414,430,699
Loss on exchange rate	28	3,501,164	-	3,501,164	-
Total expenses		8,733,996,044	8,180,763,775	8,559,664,447	8,010,662,022
Profit from operating activities		629,551,058	44,005,895	614,933,445	10,026,086
Finance costs		(326,319,699)	(190,070,789)	(323,613,163)	(199,261,504)
Share of profit (loss) of investments in joint venture	14	(13,218,340)	(10,647,154)	-	-
Profit (loss) before income tax expense (income)		290,013,019	(156,712,048)	291,320,282	(189,235,418)
Income tax expense (income)	29	59,849,160	(70,582,924)	58,262,345	(77,757,573)
Profit (loss) for the years		230,163,859	(86,129,124)	233,057,937	(111,477,845)
Other comprehensive income (expense)					
Items that will not be reclassified subsequently to profit or loss					
Gain on revaluation of lands		67,246,000	-	67,246,000	-
Gain on remeasurements of benefit plans		17,282,888	-	17,282,888	-
Income tax relating to items that will not be reclassified subsequently to profit or loss		(16,905,778)	-	(16,905,778)	-
Other comprehensive income (expense) for the years, net of income tax		67,623,110	-	67,623,110	-
Total comprehensive income (expense) for the years		297,786,969	(86,129,124)	300,681,047	(111,477,845)
Profit (loss) attributable to:					
Owners of the Company		229,691,592	(91,288,651)	233,057,937	(111,477,845)
Non-controlling interests		472,267	5,159,527	-	-
		230,163,859	(86,129,124)	233,057,937	(111,477,845)
Total comprehensive income (loss) attributable to:					
Owners of the Company		297,314,702	(91,288,651)	300,681,047	(111,477,845)
Non-controlling interests		472,267	5,159,527	-	-
		297,786,969	(86,129,124)	300,681,047	(111,477,845)
Basic earnings (loss) per share (Baht)					
Profit (loss) attributable to equity holders of the Company	30	0.17	(0.07)	0.17	(0.08)

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

Power Line Engineering Public Company Limited and its subsidiaries

Consolidated Statement of Changes in Shareholders' Equity

For the year ended 31 December 2023

Unit : Baht

		Issued and paid - up share capital	Share premium	Retained earnings (deficits)		Other components of shareholders' equity Revaluation surplus on land	Equity attributable to the Company's shareholders	Non- Controlling Interests	Total equity
	Note			Legal reserve	(Deficit) Unappropriated				
Balance as at 31 December 2021 - as previously reported		1,361,817,957	734,849,520	29,000,000	105,811,217	487,109,367	2,718,588,061	-	2,718,588,061
Effect from correction of accounting error	34	-	-	-	(381,767,942)	-	(381,767,942)	-	(381,767,942)
Balance at 1 January 2022 (Restated)		1,361,817,957	734,849,520	29,000,000	(275,956,725)	487,109,367	2,336,820,119	-	2,336,820,119
Total comprehensive income for the period									
Loss for the year		-	-	-	(91,288,651)	-	(91,288,651)	5,159,527	(86,129,124)
Other comprehensive income		-	-	-	-	-	-	-	-
Dividends	25	-	-	-	(25,874,541)	-	(25,874,541)	-	(25,874,541)
Balance as at 31 December 2022		1,361,817,957	734,849,520	29,000,000	(393,119,917)	487,109,367	2,219,656,927	5,159,527	2,224,816,454
Balance as at 31 December 2022 - as previously reported		1,361,817,957	734,849,520	29,000,000	(95,749,700)	487,109,367	2,517,027,144	5,159,527	2,522,186,671
Effect from correction of accounting error	34	-	-	-	(297,370,217)	-	(297,370,217)	-	(297,370,217)
Balance at 1 January 2023 (Restated)		1,361,817,957	734,849,520	29,000,000	(393,119,917)	487,109,367	2,219,656,927	5,159,527	2,224,816,454
Total comprehensive income for the year									
Profit for the year		-	-	-	229,691,592	-	229,691,592	472,267	230,163,859
Other comprehensive income									
Gain on revaluation of lands		-	-	-	-	53,796,800	53,796,800	-	53,796,800
Gain on remeasurements of benefit plans		-	-	-	13,826,310	-	13,826,310	-	13,826,310
Balance as at 31 December 2023		1,361,817,957	734,849,520	29,000,000	(149,602,015)	540,906,167	2,516,971,629	5,631,794	2,522,603,423

Power Line Engineering Public Company Limited and its subsidiaries

Separate Statement of Changes in Shareholders' Equity

For the year ended 31 December 2023

Unit : Baht

	Note	Issued and paid - up share capital	Share premium	Retained earnings (deficits)		Other components of shareholders' equity	Total equity
				(Deficit)		Revaluation	
				Legal reserve	Unappropriated	surplus on land	
Balance as at 31 December 2021 - as previously reported		1,361,817,957	734,849,520	29,000,000	26,034,155	487,109,367	2,638,810,999
Effect from correction of accounting error	34	-	-	-	(381,767,942)	-	(381,767,942)
Balance at 1 January 2022 (Restated)		1,361,817,957	734,849,520	29,000,000	(355,733,787)	487,109,367	2,257,043,057
Total comprehensive income for the year							
Loss for the year		-	-	-	(111,477,845)	-	(111,477,845)
Other comprehensive income		-	-	-	-	-	-
Dividends	25	-	-	-	(25,874,541)	-	(25,874,541)
Balance as at 31 December 2022		1,361,817,957	734,849,520	29,000,000	(493,086,173)	487,109,367	2,119,690,671
Balance as at 31 December 2022 - as previously reported		1,361,817,957	734,849,520	29,000,000	(195,715,955)	487,109,367	2,417,060,889
Effect from correction of accounting error	34	-	-	-	(297,370,218)	-	(297,370,218)
Balance at 1 January 2023 (Restated)		1,361,817,957	734,849,520	29,000,000	(493,086,173)	487,109,367	2,119,690,671
Total comprehensive income for the year							
Profit for the year		-	-	-	233,057,937	-	233,057,937
Other comprehensive income							
Gain on revaluation of lands		-	-	-	-	53,796,800	53,796,800
Gain on remeasurements of benefit plans		-	-	-	13,826,310	-	13,826,310
Balance as at 31 December 2023		1,361,817,957	734,849,520	29,000,000	(246,201,926)	540,906,167	2,420,371,718

Power Line Engineering Public Company Limited and its subsidiaries

Statements of Cash Flows

For the year ended 31 December 2023

Unit : Baht

Note	Consolidated financial statements		Separate financial statements	
	2023	2022 (Restated)	2023	2022 (Restated)
<i>Cash flows from operating activities</i>				
Profit (loss) for the periods	230,163,859	(86,129,124)	233,057,937	(111,477,845)
<i>Adjustments to reconcile profit before tax to cash receipts (payments)</i>				
Income tax expense (income)	59,849,159	(70,582,924)	58,262,345	(77,757,573)
Depreciation and amortisation	49,557,825	43,506,598	44,743,463	38,644,389
Reversal of expected credit loss	(80,561,819)	(122,003,120)	(90,459,405)	(126,720,120)
Bad debt	-	131,113,507	9,902,585	131,113,507
Gain from remeasuring of fair value through income statement	(14,712)	(3,739)	(14,712)	(3,739)
Unrealized (gain) loss on exchange rate	4,356,124	(11,537,682)	4,356,124	(11,537,682)
(Gain) loss on sale of property, plant and equipment	587,487	(725,731)	289,861	(725,731)
Loss on writing off property, plant and equipment	-	9,723	297,620	9,723
Gain from cancelled of right-of-use-asset	-	-	(2,918)	-
Gain on liabilities written off	(31,711,508)	(33,607,597)	(31,605,449)	(32,742,958)
(Reversal of) Loss on litigations	(56,750,033)	40,745,664	(56,750,033)	40,745,664
Employee benefit expenses	22,854,789	22,736,324	22,608,312	22,457,704
Interest income	(11,394,663)	(5,422,314)	(8,435,402)	(5,373,555)
Interest expense	363,964,350	181,400,228	308,263,763	188,152,068
Amortization of borrowing transaction costs	3,190,356	184,657	-	-
	554,091,214	89,684,470	494,514,091	54,783,852
Changes in operating assets and liabilities				
Trade accounts receivables	103,615,116	(543,922,104)	47,304,293	(543,420,986)
Related trade accounts receivables	-	-	(44,577,134)	-
Contract assets	(665,118,250)	(231,279,433)	(607,211,852)	(149,397,199)
Incremental costs of obtaining contracts with customers	-	21,666,346	-	21,666,346
Costs to fulfil contracts with customers	(915,697,292)	(456,034,287)	(798,802,380)	(362,423,528)
Real estate development costs	(250,465,905)	(155,931,844)	-	-
Advance payments for projects	328,165,861	7,334,348	56,982,991	18,721,581
Other current assets	(253,417,634)	(133,893,905)	9,320,800	(30,721,900)
Other non-current assets	(64,278,326)	(594,471)	4,692,263	(248,670)
Trade accounts payable	488,122,329	461,684,298	762,302,200	293,031,575
Retention payables	107,406,245	75,551,275	104,888,637	71,999,098
Unbilled costs of constructions	(532,433,772)	(1,012,144,546)	(524,483,942)	(1,033,627,174)
Contract liabilities	(639,994,306)	(357,399,784)	(589,544,044)	(432,241,961)
Other current liabilities	349,986,016	35,750,970	163,180,392	27,246,322
Employee benefit	(8,048,880)	(6,191,862)	(8,048,880)	(6,191,862)
Net cash used in operating activities	(1,398,067,584)	(2,205,720,529)	(929,482,565)	(2,070,824,506)
Interest income received	5,526,468	1,078,921	515,408	1,056,197
Tax income received	156,713,473	203,208,254	156,713,473	203,208,254
Income tax paid	(230,939,901)	(165,313,401)	(194,144,147)	(156,713,473)
Net cash used in operating activities	(1,466,767,544)	(2,166,746,755)	(966,397,831)	(2,023,273,528)

Power Line Engineering Public Company Limited and its subsidiaries

Statements of Cash Flows

For the year ended 31 December 2023

Unit : Baht

Note	Consolidated financial statements		Separate financial statements	
	2023	2022 (Restated)	2023	2022 (Restated)
<i>Cash flows from investing activities</i>				
Decrease in financial institution deposits - fixed accounts	20,793,271	302,428,455	20,793,271	302,428,455
(Increase) decrease in restricted cash at financial institution	(69,977,595)	156,822,926	(53,966,372)	156,822,926
Short - term loan to related party	-	-	(100,715,494)	-
Paid for investments in associated companies	(2,200,000)	-	(2,200,000)	-
Purchases of property, plant and equipment	(72,809,447)	(67,610,900)	(68,656,584)	(66,738,048)
Proceeds from sale of property, plant and equipment	161,617	763,973	161,617	763,973
Purchases of other intangible assets	(506,380)	(1,256,523)	(506,380)	(1,256,523)
Proceeds from interest income	4,412,285	4,392,878	4,412,285	4,392,738
Net cash provided by (used in) investing activities	(120,126,249)	395,540,809	(200,677,657)	396,413,521
<i>Cash flows from financing activities</i>				
Increase in bank overdrafts and short-term loans				
from financial institutions	1,331,623,236	1,428,383,448	1,132,301,690	1,171,285,874
Repayment of short-term loans from related parties	-	-	(165,739,520)	(53,000,000)
Received of short-term loans from related parties	-	-	50,000,000	195,000,000
Proceeds from long-term loans from financial institutions	140,000,000	10,000,000	-	-
Repayment debentures	-	(422,691,048)	-	(422,691,047)
Proceeds from for debentures	217,476,098	595,684,300	217,476,098	595,684,300
Payment for lease liabilities	(5,883,465)	(16,236,668)	(14,995,783)	(10,652,046)
Dividend paid	-	(25,874,541)	-	(25,874,541)
Payment for assets payables	(6,512,922)	(5,560,818)	(6,512,923)	(5,541,356)
Interest paid	(363,459,864)	(180,293,629)	(299,608,138)	(225,778,575)
Net cash provided by financing activities	1,313,243,083	1,383,411,044	912,921,424	1,218,432,609
Net increase (decrease) in cash and cash equivalents,				
before effect of exchange rates	(273,650,710)	(387,794,902)	(254,154,064)	(408,427,398)
Effect of exchange rate changes on cash and cash equivalents	(4,356,123)	1,433,630	(4,356,122)	1,433,630
Net decrease in cash and cash equivalents	(278,006,833)	(386,361,272)	(258,510,186)	(406,993,768)
Cash and cash equivalents at 1 January	429,448,009	815,809,281	404,262,676	811,256,444
Cash and cash equivalents at 31 December	151,441,176	429,448,009	145,752,490	404,262,676
Supplemental cash flows information:				
Non-cash items				
Purchase of property, plant and equipment	4,663,754	6,409,322	4,663,754	6,409,322
Purchase of right-of-use assets under lease agreement	26,314,116	5,700,715	26,314,116	5,700,715
Purchase of other intangible assets	265,550	-	265,550	-
Increase from asset revaluation	67,246,000	-	67,246,000	-

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

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Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

1 General information

Power Line Engineering Public Company Limited (“The Company”), has been incorporated in Thailand and has its registered office at 2 Soi Sukhumvit 81 (Siripot), Sukhumvit Road, Bangjak, Phra Khanong, Bangkok, Thailand.

The Company was registered with the Stock Exchange of Thailand on 12 December 2002.

The major shareholder during these periods was Srisuchart Group, who held 16.89% shareholding.

The Company and its subsidiaries (“The Group”) is principally engaged in the businesses of system installation of electrical, telecommunication, air condition, sanitary and fire protection and civil construction. Details of the associates, subsidiaries and joint venture as at 31 December 2023 and 2022 are given in Notes 12, 13 and 14.

2 Basis for preparation of the financial statements

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards which are issued under the Accounting Professions Act B.E.2547, and have been presented under the Accounting Act. B.E.2543, and applicable rules and regulations of the Securities and Exchange Commission under the Securities and Exchange Act.

2.2 Historical cost is used as measurement basis in preparing these financial statements except for some items as indicated in the accounting policy as follows;

<i>Items</i>	<i>Measurement bases</i>
Other current financial assets	Fair value
Land	Revaluation to fair value
Investment property	Fair value
Consideration transferred in a business combination	Fair value
Defined benefit liability	Present value of the defined benefit obligation

2.3 The financial statements of the Group are prepared and presented from the statutory financial statement that are in Thai language and Thai currency. The English version has been prepared from Thai financial statement.

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

2.4 New and Revised Financial Reporting Standards

2.4.1 The Financial Reporting Standards that have been effective in the current accounting period.

The Group has adopted the revised Financial Reporting Standards by the Federation of Accounting Professions that have been effective for accounting periods beginning on or after 1 January 2023. The adoption of these Financial Reporting Standards does not have any material effect on the Group's financial statements.

2.4.2 The Financial Reporting Standards that have not yet been effective in the current accounting period.

The Federation of Accounting Professions has issued the new and revised Financial Reporting Standards which will be effective for accounting periods beginning on or after 1 January 2024, which the Group have not adopted the above standards before the effective date. Some standards has provided the temporary reliefs or temporary exemptions.

The management of the Group's assess that there will be no material impacts on the Financial statements in the period that the above standards are applied.

2.5 Use of judgements and estimates

In the preparation of financial statements in conformity with Thai Financial Reporting Standards, management applied make judgements, estimates and assumptions that affect the application of the Group's accounting policies. Actual results may differ from these estimates. Significant judgements and estimates are as follows:

Investment by equity method

- Considering the significant influence of the Group over an investee.

Consolidation

- Whether the Group has de facto control over an investee.

Revenue recognition

- Determining a bundled services are capable of being distinct.

Allowance for expected credit losses of trade receivables

- In determining an allowance for expected credit losses of trade receivables 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.
- The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will default in the future.

Power Line Engineering Public Company Limited and its subsidiaries**Notes to the financial statements****For the year ended 31 December 2023****Property, plant and equipment/Depreciation**

- In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.
- The management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount.
- This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Leases

- Assessment that an arrangement contains a lease.
- Whether the Group is reasonably certain to exercise extension options.
- Whether the Group exercises termination options.
- Determining the Group has transferred substantially all the risks and rewards incidental to the ownership of the assets to lessees.
- Determining the incremental borrowing rate to measure lease liabilities.

Employee benefits

- Measurement of defined employee benefit obligations which related to actuarial assumptions.

Income tax

- Recognition of deferred tax assets, availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized.

Financial instruments

- Measurement of ECL allowance for trade receivables and contract assets: key assumptions in determining the weighted-average loss rate.
- Determining the fair value of financial instruments on the basis of significant unobservable inputs.

Power Line Engineering Public Company Limited and its subsidiaries**Notes to the financial statements****For the year ended 31 December 2023****3 Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Basis of consolidation

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

Subsidiaries

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

Non-controlling interests

At the acquisition date, the Group measures any non-controlling interests at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Interests in equity-accounted investees

The Group’s interests in equity-accounted investees comprise interests in associates and joint venture.

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

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

Power Line Engineering Public Company Limited and its subsidiaries**Notes to the financial statements****For the year ended 31 December 2023***Transactions eliminated on consolidation*

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

3.2 Foreign currencies*Foreign currency transactions*

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognized in profit or loss. However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income.

Foreign operations

The assets and liabilities of foreign operations are translated to Thai Baht at the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions. Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve, except to the extent that the translation difference is allocated to non-controlling interest.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

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

3.3 Financial instruments

3.3.1 Recognition and initial measurement

Trade receivables, debt securities issued and trade payables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset and financial liability (unless it is a trade receivable without a significant financing component or measured at FVTPL) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. A financial asset and a financial liability measured at FVTPL are initially recognised at fair value.

3.3.2 Classification and subsequent measurement

Financial assets - classification

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value to other comprehensive income (FVOCI); or fair value to profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cashflows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income, calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

Financial liabilities - classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

3.3.3 *Derecognition*

Financial assets

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

Financial liabilities

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

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

3.3.4 *Derivatives*

Derivatives are recognised at fair value. At the end of each reporting period the fair value is measured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting or hedges of net investment in a foreign operation, in which case recognition of any resultant gain or loss depends on nature of the item being hedged.

Power Line Engineering Public Company Limited and its subsidiaries**Notes to the financial statements****For the year ended 31 December 2023****3.4 Cash and cash equivalents**

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

Restricted deposits at financial institutions are separately presented as “Restricted deposits at financial institutions”.

3.5 Trade and other accounts receivable

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

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

3.6 Contract assets and contract liabilities**Contract assets**

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

Contract liabilities

Contract liabilities are the obligation to transfer services to the customer. The contract liabilities are recognised when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognises the related revenue.

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

Power Line Engineering Public Company Limited and its subsidiaries**Notes to the financial statements****For the year ended 31 December 2023****3.7 *Costs to fulfill contracts with customers***

The Group recognises costs to fulfil contracts with customers as an asset, provided that the costs generate or enhance resources of the entity that will be used in satisfying performance obligations in the future and the costs are expected to be recovered. The asset recognised is amortised to expenses on a systematic basis that is consistent with the pattern of revenue recognition. An impairment loss is recognised to the extent that the carrying amount of an asset recognised exceeds the remaining amount of consideration that the entity expects to receive less direct costs

3.8 *Real estate development costs*

Real estate development costs are stated at the lower of cost and net realisable value. Cost consists of cost of land, land improvement, design fees, public utilities, construction cost, capitalised borrowing costs and other related expenses, as well as estimated project development cost.

The Group recognises losses on diminution in value of project (if any) in the profit or loss.

3.9 *Investments in subsidiaries, associates and joint ventures*

Investments in subsidiaries, associates and joint ventures in the separate financial statements of the Company are accounted for using the cost method. Investments in associates and joint ventures in the consolidated financial statements are accounted for using the equity method.

Disposal of investments

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

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

3.10 *Investment properties*

Investment properties are such as investment properties as a right-of-use asset that the Group held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business or use in operation.

Investment properties are initially recorded at cost and subsequently measured at fair value, changes in fair value are recorded in profit or loss.

Power Line Engineering Public Company Limited and its subsidiaries**Notes to the financial statements****For the year ended 31 December 2023**

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

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

3.11 *Property, plant and equipment**Recognition and measurement**Owned assets*

Land has been revalued to fair value. Plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss. When there is a disposal of revalued assets, the amount recognised in revaluation surplus is reclassified to retained earnings.

Revalued assets

Revaluations are performed by independent professional valuers with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date.

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

Subsequent costs

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

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Buildings	14 - 20 years
Tools, Machinery and Equipment	5 years
Furniture and Office Equipment	3 - 7 years
Vehicles	5 years

There is no depreciation for land and assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.12 *Borrowing costs*

Borrowing costs directly attributable to the acquisition, construction, production of an asset or development of real estate project that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.13 *Intangible assets*

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

Software license	5 - 10 years
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Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.14 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in TFRS 16.

As a lessee

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

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

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For the year ended 31 December 2023

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The lease payments included fixed payments less any lease incentive receivable.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in lease term, change in lease payments, change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of purchase, extension or termination options. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

3.15 *Impairment of financial assets*

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost (including cash and cash equivalents, trade receivables and other receivables, loans to others and related parties), debt investments measured at FVOCI, contract assets, lease receivables, and loan commitments issued which are not measured at FVTPL.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Power Line Engineering Public Company Limited and its subsidiaries**Notes to the financial statements****For the year ended 31 December 2023**

ECLs are measured on either of the following bases:

- 24-month ECLs: these are losses that are expected to result from possible default events within the 24 months after the reporting date; or
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of a financial instrument.

Loss allowances for trade receivables, lease receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both current and forecast general economic conditions at the reporting date.

Loss allowances for all other financial instruments, the Group recognises ECLs equal to 24-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in financial instruments's credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Power Line Engineering Public Company Limited and its subsidiaries**Notes to the financial statements****For the year ended 31 December 2023**

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Increase in loss allowance is recognised as an impairment loss in profit or loss. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the Group recognises an impairment loss in profit or loss with the corresponding entry in other comprehensive income.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence of credit-impairment includes significant financial difficulty, a breach of contract such as more than 90 days past due, probable the debtor will enter bankruptcy.

Write-off

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

3.16 Impairment of non-financial assets

The carrying amounts of the Group assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

Power Line Engineering Public Company Limited and its subsidiaries**Notes to the financial statements****For the year ended 31 December 2023***Calculation of recoverable amount*

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversal of impairment

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

3.17 Employee benefits*Defined contribution plan*

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Group net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any application minimum funding requirements.

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

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

Other long-term employee benefit

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

Termination benefit

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

Short-term employee benefits

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

3.18 Provisions

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

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For the year ended 31 December 2023

3.19 Fair value measurement

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

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

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

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

Power Line Engineering Public Company Limited and its subsidiaries**Notes to the financial statements****For the year ended 31 December 2023**

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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

3.20 Share capital*Ordinary shares*

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

3.21 Revenue

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

Revenues from construction contracts

The Group has determined that its construction contracts generally have one performance obligation. The Group recognises construction revenue over time where the stage of completion is measured using output method, which determined by the project engineers of the Group.

The likelihood of contract variations, claims and liquidated damages, delays in delivery or contractual penalties is taken into account in determining revenue to be recognised, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the value and stage of completion of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

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For the year ended 31 December 2023

Investment income

Investment income comprises rental income, dividend income and interest income from investments and bank deposits.

Dividend income

Dividend income is recognised in profit or loss on the date the Group right to receive payments is established.

Interest income

Interest income is recognised in profit or loss as it accrues.

3.22 Finance costs

Effective Interest Rate (EIR)

Interest income or expense is recognised using the effective interest method. The EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

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

3.23 Income tax

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

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

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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 joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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 Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group 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 judgements about future events. New information may become available that causes the Group to change its judgement 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 realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.24 Earnings (loss) per share

The Group presents basic and diluted earnings (loss) per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

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3.25 Segment reporting

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

4 Related parties

Related parties comprise individual and enterprise that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

Related parties also include associates, individuals or enterprise which directly or indirectly own a voting interest in the Company that given them significant influence over the Group, and key management personnel, directors or offices of the Group with authority in the planning and direction of the Group's operation, including close members of the family of these individuals and enterprise associated with these individuals also constitute related parties.

The results of related transactions with related parties are included in the financial statements on a normal business basis.

Relationships with the related parties beside subsidiaries and associated companies and joint venture as disclosed in Notes 12, 13 and 14 are as follows :

Name of entities / person	Country of incorporation/ nationality	Nature of relationships
Key management personnel	Thai	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.
Flamtechnic Company Limited	Thai	Common Directors
United Power Engineering Company Limited	Thai	Common Directors
ESI Trading Company Limited	Thai	Common Directors
E.S. International (1991) Company Limited	Thai	Common Directors
Flamtechnic E & C Company Limited	Thai	Common Directors
R.N.C. (Thailand) Company Limited	Thai	Party in the Joint Venture
China State Construction Engineering (Thailand) Company Limited	Thai	Party in the Joint Venture

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The pricing policies for particular types of transactions are explained further below:

Transaction	Pricing policy
Revenue from construction contracts	Cost plus margin
Other income	Agreed price and price comparable to third party
Costs of construction	Cost plus margin
Other expenses	Agreed price
Interest expense	At the rate of 3.00 % - 4.50 % per annum
Key management personnel compensation	As agreed by the nomination and remuneration committee

Transactions with related parties for each of the year ended 31 December 2023 and 2022 are detailed as follows :

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Subsidiary companies				
Revenue from construction contracts	-	-	255,029	71,842
Other income	-	-	960	444
Interest income	-	-	599	-
Cost of construction	-	-	5,677	5,819
Interest expense	-	-	15,146	10,205
Joint Venture				
Other income	-	7,336	-	-
Cost of construction	754	7,336	754	7,336
Party in the joint venture				
Other income	250	462	250	462
Cost of construction	-	393	-	393
Other related parties				
Other income	1,484	686	1,484	686
Cost of construction	222,946	146,674	222,946	146,674
Other expenses	1,633	1,568	1,633	1,568
Interest expense	842	311	842	311

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Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Key management benefits				
Short-term employee benefits	45,936	44,256	45,936	44,256
Post-employment benefits	2,408	2,765	2,408	2,765
Total	48,344	47,021	48,344	47,021

Balances as at 31 December 2023 and 2022 are detailed as follows:

4.1 Trade accounts receivable-related parties

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Subsidiary companies	-	-	70,445	25,868
	-	-	70,445	25,868

4.2 Contract assets - related parties

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Retention receivables				
Subsidiary companies	-	-	14,640	3,971
Unbilled receivables				
Subsidiary companies	-	-	2,523	49,077
Net	-	-	17,163	53,048

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4.3 Other receivable - related parties

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Subsidiary companies	-	-	67	55
Associate	577	577	577	577
Other Related parties	278	217	278	217
Joint Venture	15,669	13,377	15,669	13,377
Other party in the Joint Venture	165	165	165	165
Total	16,689	14,336	16,756	14,391
<i>Less allowance for expected</i>				
credit loss	(699)	(699)	(699)	(699)
Net	15,990	13,637	16,057	13,692

4.4 Other advance payments - related parties

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Subsidiary companies	-	-	-	13
Associate	38,935	36,043	38,935	36,043
Joint Venture	14,370	60,887	14,370	60,887
Other party in the Joint Venture	-	5,000	-	-
Total	53,305	101,930	53,305	96,943
<i>Less allowance for expected</i>				
credit loss	(38,935)	(36,043)	(38,935)	(36,043)
Net	14,370	65,887	14,370	60,900

4.5 Short-term loans to related party

In 2023, the Company provided a loan to a subsidiary in the amount of Baht 100 million with the interest rate of 7.00% per annum.

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For the year ended 31 December 2023

4.6 Trade accounts payable - related parties

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Subsidiary companies	-	-	346	-
Other Related parties	53,428	39,550	53,428	39,550
Other party in the Joint Venture	-	8,894	-	-
Total	53,428	48,444	53,774	39,550

4.7 Retention payables - related parties

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Other Related parties	14,640	121	14,640	121

4.8 Short-term loans from related parties

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Subsidiary companies	-	-	355,389	471,128
Total	-	-	355,389	471,128

Movements during the year ended 31 December 2023 and 2022 of short-term loans from related parties are as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Subsidiary companies				
At 1 January	-	-	471,128	329,128
Increase	-	-	50,000	195,000
Decrease	-	-	(165,740)	(53,000)
At 31 December	-	-	355,388	471,128

As at 31 December 2023 and 2022, short-term loans from related parties were interest-free promissory notes payable and will be repaid at call, the interest rates are 3.00 % - 8.00 % per annum.

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4.9 Accrued interest - related parties

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Subsidiary companies	-	-	34,123	25,660

4.10 Advance received - related parties

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Subsidiary companies	-	-	31,651	-
Joint Venture	-	60,887	-	-
Total	-	60,887	31,651	-

4.11 Accrued expenses - related parties

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Joint Venture	571	10,896	571	571
Other Related parties	152	420	152	420
Total	723	11,316	723	991

Other commitments with related parties

As at 31 December 2023 and 2022, the Company had commitments to guarantee its related parties as follows;

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Guarantee of subsidiary's liabilities	187,000	187,000	187,000	187,000

As at 31 December 2023 and 2022, the Company had commitments under letters of guarantee issued by the financial institutions in the amount of Baht 153.36 and Baht 153.36 million, respectively and were pledged as collateral against the appeal of tax assessments of PAR Joint Venture which is a subsidiary as referred to in Note 13

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As at 31 December 2023 and 2022, the Company had acted as guarantor for credit line obtained from financial institutions for to subsidiaries in the amount of Baht 187.00 million and Baht 187.00 million, respectively to finance the operations of real estate development project. The facility is fully guaranteed by the real estate development project as discussed in Note 9 and the Company's letter of guarantee.

As at 31 December 2023 and 2022, the Company had commitments under letter of guarantee issued by the financial institutions in the amount of Baht 374.59 million and Baht 374.59 million, respectively and were pledged as collateral against the projects of PCS Joint Venture, in accordance with the Company's joint venture investment ratio.

5 Cash and cash equivalents

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash on hand	6,380	9,600	6,338	9,500
Cash deposit - Current account	5,674	8,042	3,572	2,538
Cash deposit - Savings account	147,159	192,860	143,197	189,230
Cash deposit - Highly liquid	82	218,946	83	202,995
Matured cheques receivable	(7,854)	-	(7,438)	-
Total	151,441	429,448	145,752	404,263

As at 31 December 2023, bank deposits in saving accounts earned interest at 0.50 - 0.60 % per annum (2022: 0.20 - 0.25 % per annum). The highly liquid short - term investments are 3 months fixed deposits at banks. The fixed deposits earn interest at 0.95 % per annum (2022: 0.20 - 0.40 % per annum) and will be matured on 28 March 2024.

6 Trade and other current receivables

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade receivables				
Related parties	-	-	70,445	25,868
Other parties	1,277,810	1,360,849	1,261,258	1,277,877
Total	1,277,810	1,360,849	1,331,703	1,303,745
<i>Less allowance for expected credit loss</i>	<i>(6,411)</i>	<i>(77,717)</i>	<i>(6,411)</i>	<i>(77,717)</i>
Net	1,271,399	1,283,132	1,325,292	1,226,028

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Aging analyses for trade accounts receivable are as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade receivables				
Within credit terms	555,236	719,725	609,129	662,621
Overdue:				
Less than 3 months	558,523	557,935	588,523	557,935
3-6 months	51,924	48	51,924	48
6-12 months	4,680	38	4,680	38
Over 12 months	77,447	83,103	77,447	83,103
Total	1,277,810	1,360,849	1,331,703	1,303,745
<i>Less</i> allowance for expected credit loss	(6,411)	(77,717)	(6,411)	(77,717)
Net	1,271,399	1,283,132	1,325,292	1,226,028

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Other receivables				
Related parties	16,689	14,336	16,756	14,391
Other parties	83,617	106,546	73,390	106,544
Total	100,306	120,882	90,146	120,935
<i>Less</i> allowance for expected credit loss	(6,517)	(3,195)	(6,517)	(3,195)
Net	93,789	117,687	83,629	117,740
Trade and other current receivables	1,365,187	1,400,819	1,408,921	1,343,768

(Reversal of) allowance for expected credit loss

For the year ended 31 December	(67,984)	4,859	(67,984)	4,859
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As at 31 December 2023 and 2022, the Group and the Company had outstanding accounts receivable which overdue more than 3 months amounting to Baht 156.58 million and Baht 83.19 million. The normal credit terms of the Group is 7 - 45 days (2022: 30 days).

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

7 Contract assets and liabilities

7.1 Balance as per contracts

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Contract assets				
Unbilled receivables	8,062,592	7,700,337	7,975,992	7,635,068
Retention receivables	1,211,509	918,547	1,162,276	905,891
Total contract assets	9,274,101	8,618,884	9,138,268	8,540,959
Less allowance for expected credit loss	(1,258)	(26,626)	(1,258)	(26,626)
Net	9,272,843	8,592,258	9,137,010	8,514,333
Contract liabilities				
Advances received from customers	2,059,302	2,699,296	2,022,314	2,611,858
Total contract liabilities	2,059,302	2,699,296	2,022,314	2,611,858

As at 31 December 2023 and 2022, the Group's right of collection of contracted construction revenues of Baht 11,562 million and Baht 15,080 million, respectively, were pledged as collateral against the credit facilities obtained from the financial institutions as shown in Note 20

Movements in the allowance for expected credit losses for the unbilled receivables for the year ended 31 December 2023 and 2022 as below:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
As at 1 January	22,626	24,890	22,626	24,890
Increase in allowance for expected credit losses	-	16,076	-	16,076
(Reversal of) Expected credit loss	(21,418)	(18,340)	(21,418)	(18,340)
As at 31 December	1,208	22,626	1,208	22,626

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

7.2 Revenue to be recognized for the remaining performance obligations

As at 31 December 2023, the Group expected to recognized revenue in the future in respect of performance obligations under contracts which were incompleting (or partially incompleting) in the amount of Baht 12,051 million (2022 : Baht 16,359 million) (Separate financial statement : Baht 11,264 million (2022 : Baht 15,347 million)). The Group has anticipated to complete the obligations of contract within year 2027 (2022: year 2026).

8 Cost to fulfil contracts with customers

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Net book value as at 1 January	536,978	80,944	443,367	80,944
Increase (decrease) during the year	915,697	456,034	798,802	362,423
Net book value as at 31 December	1,452,675	536,978	1,242,169	443,367

9 Real estate development costs

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Project land	152,447	115,812	-	-
Project development costs	397,720	183,889	-	-
Total	550,167	299,701	-	-

As at 31 December 2023 and 2022, the whole lot of project land of the Group had been pledged as collateral for obtaining the credit facilities from the financial institutions as shown in Note 20.

During the financial years, the Group has capitalized the borrowing cost as part of the real estate development costs.

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

Additional information of the projects

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Estimated project value - on process of	641,624	641,624	-	-
Sales with signed agreements	251,172	250,862	-	-
The ratio of sales with signed agreements	39.15	39.09	-	-

10 Advance payments for projects

Advance payments for projects as at 31 December 2023 and 2022 are as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Advance payments for projects	267,274	321,852	253,482	310,465
Less allowance for expected credit loss	-	-	-	-
Net	267,274	321,852	253,482	310,465

11 Other current financial assets

Other current financial assets as at 31 December 2023 and 2022 are as follows:

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Financial institution deposits				
Fixed deposits 6 - 12 months	282	21,075	282	21,075
Trading securities				
Cost	1,078	1,078	1,078	1,078
Gain (loss) from measurement	59	44	59	44
Fair value	1,137	1,122	1,137	1,122
Total	1,419	22,197	1,419	22,197

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

12 Investments in associated companies

12.1 Details of associates

Unit : Thousand Baht

Consolidated financial statements									
Name	Type of business	Ownership interest (%)		Paid-up capital		Cost		Equity	
		2023	2022	2023	2022	2023	2022	2023	2022
Techner Company Limited	Building construction	49.99	49.99	41,250	41,250	-	-	-	-
Pro Intelligence and solutions Company Limited	Design, Installation, Side system, Engineering	44.00	-	5,000	-	2,200	-	2,200	-
Total						2,200	-	2,200	-

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

Unit : Thousand Baht

Separate financial statements

Name	Type of business	Ownership		Paid-up capital		Cost		Impairment		At Cost - Net	
		interest (%)									
		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Techner Company Limited	Building construction	49.99	49.99	41,250	41,250	30,000	30,000	(30,000)	(30,000)	-	-
Pro Intelligence and solutions Company Limited	Design, Installation, Side system, Engineering	44.00	-	5,000	-	2,200	-	-	-	2,200	-
Total						32,200	30,000	(30,000)	(30,000)	2,200	-

A Group's equity security is not publicly listed and consequently does not have a published price quotation.

Power Line Engineering Public Company Limited and its subsidiaries**Notes to the financial statements****For the year ended 31 December 2023**

12.2 Movements of investments in associates

Movements of investments in associates during the year ended 31 December 2023 and 2022 are as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
At 1 January	-	-	-	-
Acquisition of investments				-
during the years	2,200	-	2,200	-
At 31 December	2,200	-	2,200	-

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

13 Investments in subsidiary companies

13.1 Details of Subsidiaries

Unit : Thousand Baht

		Separate financial statements					
Name	Type of business	Ownership		Paid-up capital		Cost	
		interest (%)		2023	2022	2023	2022
PLE International Company Limited.	Construction contractor	99.99	99.99	300,000	300,000	245,000	245,000
S A Future Property Company Limited.	Allocate land, buy, sell, mortgage and exchange land	99.99	99.99	160,000	160,000	159,993	159,993
PAR Joint Venture	construction contractor	100.00	100.00	-	-	-	-
Inter-Ausy Joint Venture	construction contractor	80.00	80.00	-	-	-	-
Total						404,993	404,993

Power Line Engineering Public Company Limited and its subsidiaries**Notes to the financial statements****For the year ended 31 December 2023**

13.2 Movements of investments in subsidiaries

Movements of investments in subsidiaries during the year ended 31 December 2023 and 2022 are as follows:

Unit : Thousand Baht

	Separate financial statements	
	2023	2022
At 1 January	404,993	404,993
Acquisition of investments during the years	-	-
At 31 December	404,993	404,993

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

14 Investment in Joint Venture

14.1 Details of Joint Venture

Unit : Thousand Baht

Consolidated financial statements

Name	Type of business	Ownership interest (%)		Paid-up capital		Cost		Equity	
		2023	2022	2023	2022	2023	2022	2023	2022
PCS Joint Venture	construction contractor	51.00	51.00	86,077	86,077	71,636	71,636	-	-
Total						71,636	71,636	-	-

On 23 March 2023, the Company had entered into a joint venture agreement with UBP Energy Development Company limited to jointly operate certain businesses. As at 31 December 2023, there was no business activities performed by this joint venture.

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

Unit : Thousand Baht

Separate financial statements											
Name	Type of business	Ownership		Paid-up capital		Cost		Impairment		At Cost - Net	
		interest (%)									
		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
PCS Joint	construction contractor										
Venture		51.00	51.00	86,077	86,077	71,636	71,636	(71,636)	(71,636)	-	-
Total						71,636	71,636	(71,636)	(71,636)	-	-

The Group's Joint Venture is not publicly listed and accordingly does not have a published price quotation.

On 23 March 2023, the Company had entered into a joint venture agreement with UBP Energy Development Company limited to jointly operate certain businesses. As at 31 December 2023, there was no business activities performed by this joint venture.

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

14.2 Movements of investment in Joint Venture

There are no any movement of investment in joint venture for the year ended 31 December 2023 and 2022.

Joint Ventures

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

	Unit : Thousand Baht	
	PCS Joint venture	
	2023	2022
Revenue	288	2,794
Profit (loss) for the year	(25,918)	(15,803)
Adjustments in respect of prior year	-	(5,074)
Other comprehensive income	-	-
Total comprehensive income (100%)	(25,918)	(20,877)
Total income attributable to the Group (by proportion of investment)	(13,218)	(10,647)
Current assets	14,015	129,276
Non-Current assets	237	237
Current liabilities	(57,003)	(146,347)
Net assets (100%)	(42,751)	(16,834)
<i>Less</i> Investment in Joint Venture	(86,077)	(86,077)
Net assets (100%)	(128,828)	(102,911)
Net assets of the Group	(65,702)	(52,485)
<i>Add</i> Investment attributable of the Company	71,636	71,636
Carrying amount of investment in Joint Venture	5,934	19,151

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

15 Investment properties

Movements of the investment properties account during the year ended 31 December 2023 and 2022 are as follows:

Unit : Thousand Baht

	Consolidated/ Separate financial statements		
	Land	Condominiums	Total
Fair value as at 1 January 2022/ 2023	187,301	121,088	308,389
Acquisition of assets	-	-	-
Fair value as at 31 December 2022/ 2023	187,301	121,088	308,389

As at 31 December 2023 and 2022, in the consolidated and separate financial statements, part of investment properties amounting to Baht 228.24 million are pledged as collateral for obtaining credit facilities from the financial institutions as shown in Note 20.

For the year ended 31 December 2023, investment properties generated rental income and was recognized in profit and loss in the amount of Baht 1.25 million (2022 : Baht 0.60 million).

Fair value of investment properties, was assessed by an independent appraisal firm, using on market approach by comparing to the available market data of comparable property in the same in mostly location which are Level 3 input of the fair value hierarchy

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

16 Property, plant and equipment

Unit : Thousand Baht

	Consolidated financial statements							
	Land	Building and improvement	Tool, machinery and equipment	Fixture and office equipment	Vehicles	Sample suite	Assets under construction	Total
<i>Cost</i>								
At 1 January 2022	730,005	88,729	302,645	78,188	16,212	3,532	-	1,219,311
Additions	-	8,590	21,964	11,578	1,790	-	30,098	74,020
Disposals	-	-	(1,450)	(704)	(3,929)	-	-	(6,083)
Write-off	-	-	-	(505)	-	-	-	(505)
At 31 December 2022	730,005	97,319	323,159	88,557	14,073	3,532	30,098	1,286,743
Additions	67,246	3,846	9,853	5,972	-	-	52,479	139,396
Disposals	-	-	(4,985)	(2,073)	-	(3,532)	-	(10,590)
Transfer in (out)	-	-	1,449	-	6,621	-	-	8,070
At 31 December 2023	797,251	101,165	329,476	92,456	20,694	-	82,577	1,423,619
<i>Accumulated depreciation</i>								
At 1 January 2022	-	74,447	289,549	55,699	16,212	3,532	-	439,439
Depreciation for the year	-	4,952	6,462	12,262	271	-	-	23,947
Disposals	-	-	(1,415)	(701)	(3,929)	-	-	(6,045)
Write-off	-	-	-	(495)	-	-	-	(495)
At 31 December 2022	-	79,399	294,596	66,765	12,554	3,532	-	456,846
Depreciation for the year	-	5,311	8,920	11,508	915	-	-	26,654
Disposals	-	-	(4,448)	(1,862)	-	(3,532)	-	(9,842)
Write-off	-	-	1,155	-	5,760	-	-	6,916
At 31 December 2023	-	84,710	300,223	76,411	19,229	-	-	480,573
<i>Net book value</i>								
At 31 December 2022	730,005	17,920	28,563	21,792	1,519	-	30,098	829,897
At 31 December 2023	791,251	16,455	29,253	16,045	1,465	-	82,577	943,046

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

Unit : Thousand Baht

	Separate financial statements						
	Land	Building and building improvement	Tool, machinery and equipment	Fixture and office equipment	Vehicles	Sample suite	Assets under construction
<i>Cost</i>							
At 1 January 2022	730,005	88,730	302,636	77,587	16,212	-	1,215,170
Additions	-	8,590	21,091	11,578	1,790	30,098	73,147
Disposals	-	-	(1,450)	(704)	(3,929)	-	(6,083)
Write-off	-	-	-	(505)	-	-	(505)
At 31 December 2022	730,005	97,320	322,277	87,956	14,073	30,098	1,281,729
Additions	67,246	3,846	9,853	5,972	-	52,479	139,395
Disposals	-	-	(4,985)	(2,073)	-	-	(7,058)
Write-off	-	-	1,449	-	6,621	-	8,070
At 31 December 2023	797,251	101,165	328,595	91,855	20,694	82,577	1,422,136
<i>Accumulated depreciation</i>							
At 1 January 2022	-	74,447	289,546	56,450	16,212	-	436,655
Depreciation for the year	-	4,952	6,364	11,789	271	-	23,376
Disposals	-	-	(1,415)	(701)	(3,929)	-	(6,045)
Write-off	-	-	-	(495)	-	-	(495)
At 31 December 2022	-	79,399	294,495	67,043	12,554	-	453,491
Depreciation for the year	-	5,311	8,743	11,035	915	-	26,004
Disposals	-	-	(4,448)	(1,862)	-	-	(6,310)
Transfer in (out)	-	-	1,157	-	5,760	-	6,917
At 31 December 2023	-	84,710	299,947	76,216	19,229	-	480,102
<i>Net book value</i>							
At 31 December 2022	730,005	17,921	27,782	20,913	1,519	30,098	828,237
At 31 December 2023	797,251	16,455	28,647	15,638	1,465	82,577	942,034

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

The gross carrying amount of any fully depreciated buildings and equipment that were still in use as at 31 December 2023 was amounted to Baht 396.20 million (2022 : Baht 399.20 million)

As at 31 December 2023, as in the consolidated and separate financial statements, a part of land and buildings in amount of Baht 729.94 million (2022 : Baht 669.86 million) is pledged as collateral security against the credit facilities with the financial institutions as shown in Note 20.

The Group measures the value of land by using the revalued method. The Group hired an independent appraiser to make the evaluation which approved by the SEC Office. The appraiser selected a revalue of land basis on the market approach by using comparative analysis, according to the report dated 13 December 2023. As at 31 December 2023 and 2022, the cost of land is Baht 121.12 million Baht 121.12 million and a revalued amount of land is Baht 797.25 million amd Baht 730.01 million, respectively. The appraisal surplus on assets is amounted to Baht 540.90 million which cannot be including in calculation of dividends payment.

17 Right-of-use assets

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<i>Right-of-use assets</i>				
Land	14,950	5,604	14,305	4,364
Buildings	1,233	3,328	1,233	2,542
Machinery and equipment	1,282	509	1,282	509
Vehicles	8,899	7,519	6,324	4,060
Total	26,364	16,960	23,144	11,475

In 2023, additions to the right-of-use assets of the Group and the Company were Baht 27.68 million and Baht 27.68 million, respectively (2022: Baht 13.34 million and Baht 5.70 million, respectively).

The Group leases vehicles for 2 - 5 years, with extension options at the end of lease term. The rental is payable monthly as specified in the contract.

Power Line Engineering Public Company Limited and its subsidiaries

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For the year ended 31 December 2023

Extension options

Some property leases contain extension options exercisable by the Group up to 90 day before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<i>For the year ended 31 December</i>				
<i>Amounts recognised in profit or loss</i>				
Depreciation of right-of-use assets:				
Lands	9,141	4,692	8,545	4,147
Buildings	2,444	2,854	2,444	1,507
Machinery and equipment	335	290	335	290
Vehicles	4,363	7,103	3,479	4,706
Interest on lease liabilities	1,084	730	1,033	623

In 2023, total cash outflow for leases of the Group and the Company were Baht 23.14 million and Baht 24.17million, respectively (2022: Baht 16.24 million and Baht 10.65 million, respectively).

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

18 Deferred tax assets (liabilities)

Movement in deferred tax assets (liabilities) for the year ended 31 December 2023 and 2022 are as follows:

Unit : Thousand Baht

	Consolidated financial statements			
	At 1 January 2023	(Charged) / Credited to		At 31 December 2023
		Profit or loss	Other comprehensive income	
Deferred tax assets				
Trade accounts receivables	15,543	(14,261)	-	1,282
Contract assets	5,326	(5,074)	-	252
Other current assets	499	664	-	1,163
Investment properties	137	-	-	137
Right of use assets	823	(208)	-	615
Other current liabilities	40	(40)	-	-
Non-current provisions for				
employee benefits	44,353	2,319	1,361	48,033
Tax loss	98,287	38,653	-	136,940
Effects from retrospective adjustment	79,367	(79,367)	-	-
Total	244,375	(57,314)	1,361	188,422
Deferred tax liabilities				
Other current financial assets	9	3	-	12
Lease liabilities	173	(451)	-	(278)
Non-current provisions for				
employee benefits	-	-	4,817	4,817
Investment properties	38,335	2	-	38,337
Gain on revaluation of assets	121,777	-	13,449	135,226
Total	160,294	(446)	18,266	178,114
Net	84,081	(56,868)	(16,905)	10,308

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

Unit : Thousand Baht

Consolidated financial statements				
	At	(Charged) / Credited to		At
	1 January		Other	
	2022	Profit or loss	comprehensive income	31 December 2022
Deferred tax assets				
Trade accounts receivables	13,847	1,696	-	15,543
Contract assets	5,778	(452)	-	5,325
Other current assets	1,442	(943)	-	499
Investment properties	137	-	-	137
Lease liabilities	318	505	-	823
Other current liabilities	40	-	-	40
Non-current provisions for				
employee benefits	41,763	2,590	-	44,353
Defieit	6,825	91,462	-	98,287
Effects from retrospective adjustment	95,442	(16,075)	-	79,367
Total	165,592	78,873	-	244,375
Deferred tax liabilities				
Other current financial assets	9	-	-	9
Investment properties	38,335	-	-	38,335
Gain on revaluation of assets	121,777	-	-	121,777
Finance lease liabilities	139	34	-	173
Total	160,260	34	-	160,294
Net	5,332	78,749	-	84,081

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

Unit : Thousand Baht

	Separate financial statements		
	(Charged) / Credited to		At 31 December 2023
	At 1 January 2023	Profit or loss	
		Other comprehensive income	
Deferred tax assets			
Trade accounts receivables	15,543	(14,261)	-
Contract assets	5,325	(5,073)	-
Other current assets	499	665	-
Investment properties	137	-	-
Lease liabilities	100	457	-
Non-current provisions for employee benefits	44,357	1,551	1,361
Tax loss	90,472	37,376	-
Effects from retrospective adjustment	79,367	367	-
Total	235,800	(58,652)	1,361
Deferred tax liabilities			
Other current financial assets	9	3	-
Lease liabilities	117	(396)	-
Other current liabilities	38,335	2	-
Gain on revaluation of assets	121,777	-	13,450
Non-current provisions for employee benefits	-	-	4,818
Total	160,238	(391)	18,268
Net	75,562	(58,261)	(16,907)
			394

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

Unit : Thousand Baht

	Separate financial statements		
	(Charged) / Credited to		
	At 1 January 2022	Profit or loss	Other comprehensive income
			At 31 December 2022
Deferred tax assets			
Trade accounts receivables	13,847	1,696	-
Contract assets	5,778	(453)	-
Other current assets	1,443	(944)	-
Investment properties	137		-
Lease liabilities	314	(214)	-
Non-current provisions for employee benefits	41,104	3,253	-
Deficit	-	90,472	-
Effects from retrospective adjustment	95,442	(16,075)	-
Total	158,065	77,735	-
Deferred tax liabilities			
Other current financial assets	9	-	-
Lease liabilities	139	(22)	-
Gain on revaluation of assets	121,777	-	-
Investment properties	38,335	-	-
Total	160,260	(22)	-
Net	(2,195)	77,757	-

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

As at 31 December 2023 and 2022, tax losses had occurred which were classified by expiring year of tax benefits as follows;

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Expiring year of tax benefit				
Year 2024	12,978	12,978	-	-
Year 2025	121,491	121,491	108,840	108,840
Year 2026	8,496	8,496	-	343,521
Year 2027	729,658	348,469	724,709	-
Total	872,623	491,434	833,549	452,361

19 Deposits at financial institutions pledged as collateral

As at 31 December 2023 and 2022, deposits with financial institutions in the consolidated and separate financial statements, had been pledged as collateral for credit facilities obtained from financial institutions to support specific construction projects. The lenders have set conditions for the Group to deposit its collection from those construction projects to those accounts opened with the lenders. Such credit facilities are jointly collateralized by assets as stipulated the Notes on 7, 9, 15 and 16.

As at 31 December 2023 and 2022, a subsidiary received a credit facility from assets a financial institution to support its real estate development business. Such credit facility has been collateralized by assets discussed in Note 4.

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

20 Interest-bearing liabilities

Unit : Thousand Baht

	Consolidated financial statements		Separated financial statements	
	2023	2022	2023	2022
Current portion				
Overdrafts	32,125	35,425	32,125	35,425
Short-term borrowings from financial				
Promissory notes	4,911,997	3,696,804	4,541,995	3,526,123
Trust receipts	312,364	192,634	312,364	192,634
Bank overdrafts and short-term loans				
from financial institutions	5,256,486	3,924,863	4,886,484	3,754,182
Long-term loans from financial				
institutions payment due within				
one year	194,980	44,980	-	-
Current portion of lease liabilities				
payable within one year	14,523	12,431	12,356	8,893
Total current interest-bearing liabilities	209,503	57,411	12,356	8,893
Non-current				
Long-term loans from financial				
institutions	-	10,000	-	-
Lease liabilities	10,895	2,933	10,672	1,734
Total non-current interest-bearing	10,895	12,933	10,672	1,734
Total interest-bearing liabilities	5,476,884	3,995,207	4,909,512	3,764,809

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

Movements of long-term loan from financial institutions account during the year ended 31 December 2023 and 2022 are as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Balance as at 1 January	54,980	44,795	-	-
Increase	140,000	10,000	-	-
Decrease	-	-	-	-
Deferred financial cost	-	185	-	-
Balance as at 31 December	194,980	54,980	-	-

Interest-bearing liabilities excluding lease liabilities are shown by their due date as at 31 December 2023 and 2022 as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Within one year	194,980	44,980	-	-
After one year but not more than five years	-	10,000	-	-
Total	194,980	54,980	-	-

As at 31 December 2023 and 2022, short-term loans of the Group are collateralized by a part of land and buildings in the total value of Baht : 669.89 million (2022 : Baht 669.86 million) and bank deposits, in the total amount Baht 1,021.52 million (2022 : Baht 947.96 million). The Group's assets were also pledged as collateral for credit facilities obtained from the financial institutions as shown in Notes 7, 9, 15 and 16.

As at 31 December 2023 and 2022, the Group had long-term loans from financial institutions for the purpose of supporting the real estate development projects with the repayment period due within 3 years from the first date of drawdown. The interest rate is MLR-1 per annum. The Group has pledged its assets as collateral for the long - term loans from financial institutions as discussed in Note 9.

Repayment shall be made upon redemption of the mortgage of residential condominium units of the project at 70% of the selling price per the condominium sales agreement and shall be completed by 2024. Certain loans of the Group are collateralized by land and construction in progress of the Group, as well as guaranteed by the Company

Power Line Engineering Public Company Limited and its subsidiaries**Notes to the financial statements****For the year ended 31 December 2023****21 Judgement debts from guarantee**

Unit : Thousand Baht

	Consolidated/ Separate financial statements	
	2023	2022
At 1 January 2023	721,205	680,460
Increase	40,746	40,745
Decrease	(97,496)	-
At 31 December 2023	664,455	721,205

As at 31 December 2023 and 2022, the whole amount of judgement debts from guarantee of the Group were the debts from guarantee obligation to two financial institutions regarding the issuance of letters of guarantee for a project of Techner Company Limited, which is an associate of the Group, for the Ban Ua Arthron project, Phra Nakhon Si Ayudhaya province (Bang Pa In) and the Ban Ua Arthron project, Ang Thong province (Wiset Chai Chan) totaling Baht 412.20 million. The projects had been cancelled, advance payments recalled, performance bonds confiscated and claims for damages by the clients totaling Baht 388.86 million before offsetting against land receivable, retention receivable and pledged financial institutions deposits totaling Baht 104.90 million. The clients had filed the complaints to the Central Administrative Court for damages from the Company's associate and the Central Administrative Court has the judgements that the associate and a financial institution have to settle the damage from breach of contract for their joint operation in the Ban Ua Arthorn project, Phra Nakhon Si Ayudhaya province (Bang Pa In) and the Ban Ua Arthron project, Ang Thong province (Wiset Chai Chan). Therefore, the associate has recorded the interest according to the judgement of the Central Administrations Court based on the guarantee obligation to financial institutions at the interest rates of 15% and 7.5%. However, the associate has appealed against the judgement. Presently, the cases are under the consideration of the Supreme Administrative Court.

Power Line Engineering Public Company Limited and its subsidiaries**Notes to the financial statements****For the year ended 31 December 2023****22 Debentures**

On 27 June 2023, the Company had issued 216,200 units of debentures at face value of Baht 1,000 amounting to Baht 216.20 million to the specified holders, unsecured and unsubordinated debenture, by offering to institutional investors and/or high net worth investors covering a period of 2 years, due on 27 June 2025, with the fixed interest rate of 6.5% per annum. The Company must retain interest bearing debt to equity ratio of not more than 4:1 as at the end of each of financial quarter or year-end of the consolidated financial statements. Debt is defined as net financial debt and consists of the interest-bearing debt of the debenture issuer, including financial obligations on which interest is payable and the interest-carrying portion of any debt that may arise as a result of the debenture issuer's provision of guarantees, aval or the creation of obligations of a similar nature to any other individual or juristic person that is not a subsidiary of the debenture issuer, minus cash and/or cash equivalents.

The Board of Directors meeting No.4/2566, held on 27 April 2023 acknowledged issuing debentures totaling Baht 600 million. These debentures had been approved by the shareholders in the annual meeting for the year 2015, held on 24 April 2015. The shareholders approval of debentures will cover is for any types of debentures but not exceeding to Baht 1,500 million.

On 12 October 2022, the Company had issued 600,000 units of debentures at face value of Baht 1,000 amounting to Baht 600 million to the specified holders, unsecured and unsubordinated debenture, by offering to institutional investors and/or high net worth investors covering a period of 2 years, due on 12 October 2024, with the fixed interest rate of 6.5% per annum. The Company must retain interest bearing debt to equity ratio of not more than 4:1 as at the end of each of financial quarter or year-end of the consolidated financial statements. Debt is defined as net financial debt and consists of the interest-bearing debt of the debenture issuer, including financial obligations on which interest is payable and the interest-carrying portion of any debt that may arise as a result of the debenture issuer's provision of guarantees, aval or the creation of obligations of a similar nature to any other individual or juristic person that is not a subsidiary of the debenture issuer, minus cash and/or cash equivalents.

The Board of Directors meeting No.7/2565, held on 13 August 2022 acknowledged issuing debentures totaling Baht 600 million. These debentures had been approved by the shareholders in the annual meeting for the year 2015, held on 24 April 2015. The shareholders approval of debentures will cover is for any types of debentures but not exceeding to Baht 1,500 million.

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

On 8 October 2020, the Company had issued 424,500 units of debentures at face value of Baht 1,000 amounting to Baht 425 million to the specified holders, unsecured and unsubordinated debenture, by offering to institutional investors and/or high net worth investors covering a period of 2 years, due on 8 October 2022, with the fixed interest rate of 6% per annum. The Company must retain interest bearing debt to equity ratio of not more than 4:1 as the end of each financial quarter or year-end of the consolidated financial statements. Consequently, the mentioned debenture had fully been repaid in October 2022. However, the Company had issued new debenture in October 2022.

23 Provision for employee benefits

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Defined benefit obligations				
at beginning of years	225,359	208,814	221,784	205,519
Current service cost	18,069	18,228	17,861	18,024
Financial assumption change				
actuarial loss	(6,807)	-	(6,807)	-
Interest on obligation	4,829	4,509	4,747	4,433
Actuarial gains on defined employee	(17,326)	-	(17,283)	-
Benefits paid for the years	(8,049)	(6,192)	(8,049)	(6,192)
Defined benefit obligations				
at ending of years	216,075	225,359	212,253	221,784

Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
	<i>(%)</i>			
Discount rate	3.00	2.30	3.00	2.30
Future salary growth rate	5.00	5.00	5.00	5.00
Employee turnover rate	Thai Standard	Thai Standard	Thai Standard	Thai Standard
	Table	Table	Table	Table

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

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

At 31 December 2023, the weighted-average duration of the defined benefit obligation was 8.18 years (2022: 9.24 years).

Sensitivity analysis

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

	Unit : Thousand Baht	
	Consolidated	Separate
	financial statements	financial statements
At 31 December 2023	Increase Decrease	Increase Decrease
Discount rate (0.5% movement)	(8,513) 9,164	(8,413) 9,058
Future salary growth (1% movement)	19,034 (16,707)	18,799 (16,494)
Employee turnover	Thai Standard Table	Thai Standard Table
	Unit : Thousand Baht	
	Consolidated	Separate
	financial statements	financial statements
At 31 December 2022	Increase Decrease	Increase Decrease
Discount rate (0.5% movement)	(9,725) 10,496	(9,598) 10,360
Future salary growth (1% movement)	21,772 (19,015)	21,485 (18,758)
Employee turnover	Thai Standard Table	Thai Standard Table

24 Legal reserve

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

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

Power Line Engineering Public Company Limited and its subsidiaries**Notes to the financial statements****For the year ended 31 December 2023*****Other components of equity******Currency translation differences***

The currency translation differences account within equity comprises all foreign currency differences arising from the translation of the financial statements of foreign operations, as well as from the translation of liabilities that hedge the Company's net investment in a foreign operation.

Valuation surplus

The valuation surplus account within equity comprises the cumulative net change in the valuation of property, plant and equipment included in the financial statements at valuation until such property, plant and equipment is sold or otherwise disposed of.

25 Dividends

At the meeting of the shareholders of the Company held on 27 April 2023, the shareholders approved not to pay dividends from the result of its operation for 2022.

At the meeting of the shareholders of the Company held on 29 April 2022, the shareholders approved the dividend payment from retained earnings of the Company as at 31 December 2021 of Baht 0.019 per share, totaling Baht 25.87 million. The said dividend was paid to the shareholders of the Company on 18 May 2022.

26 Segment information

Operating segment information is reported in a manner consistent with the internal reports of the Group that are regularly reviewed by the managing director, who is the chief operating decision maker, in order to make decisions about the allocation of resources to the segment and assess its performance.

The operations of the Group principally involve construction contracting and property development, and are mostly carried out in the single geographic area of Thailand. There was no revenue pertaining to the property development and telecommunication segments. For this reason, financial information has not been presented by industry segment. All of the material revenues and operating profit pertain to the aforementioned reportable operating segment and geographic area.

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

26.1 The results of operations separated by business segment

Information about major customers

For the year ended 31 December 2023 and 2022, information about major customers which amounted to 10% or more of revenue in the consolidated financial statements of the Group are as follows:

	Proportion to total revenue		Revenue	
	2023	2022	2023	2022
	(%)			
1 State enterprise	12.52	11.04	1,118,581	888,208
1 Government agency	-	10.59	-	851,982
Total	12.52	21.63	1,118,581	1,740,190

Unit : Thousand Baht

26.2 Assets separated by business segment

	Service segment		Real estate development		Adjustments and elimination		Consolidated financial statements	
	2023	2022	2023	2022	2023	2022	2023	2022
Assets								
Contract assets	9,290,005	8,645,307	-	-	(17,163)	(53,049)	9,272,842	8,592,258
Real estate development costs	-	-	561,817	247,176	(11,650)	52,525	550,167	299,701
Restricted cash at financial institution	1,019,469	949,492	-	-	-	-	1,019,469	949,492
Property, plant and equipment	943,045	829,897	-	-	-	-	943,045	829,897
Others	4,881,924	4,290,471	-	-	(998,328)	(918,252)	3,883,596	3,372,219
Total	16,134,443	14,715,167	561,817	247,176	(1,027,141)	(918,776)	15,669,119	14,043,567
Unallocated assets	-	-	-	-	-	-	308,389	308,389
Total assets	16,134,443	14,715,167	561,817	247,176	(1,027,141)	(918,776)	15,977,508	14,351,956
Total liabilities	14,063,553	12,127,666	-	-	(608,648)	(526,696)	13,454,905	12,127,139

Unit : Thousand Baht

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

27 Other income

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Rental and service income	31,740	25,289	32,700	25,732
Interest income	8,578	5,422	8,435	5,374
Gain on write-off of liabilities	31,605	32,743	31,605	32,743
Revenue from sale of scrap materials	30,014	28,888	30,014	28,888
(Revenue from reversal of provision for liabilities)	56,750	-	56,750	-
Others	81,463	97,356	67,338	93,430
Total	240,150	189,698	226,842	186,167

28 Expenses by nature

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Change in incremental costs of obtaining contracts with customers	-	21,666	-	21,666
Change in costs to fulfil contracts with customers	(915,697)	(456,034)	(798,802)	(362,424)
Change in unbilled costs of constructions	(532,434)	(1,012,145)	(524,484)	(1,033,627)
Installation equipment and supplies used	5,324,651	4,922,063	5,004,012	4,681,895
Wages and labor for hire of works	3,368,963	3,187,145	3,273,443	3,065,005
Employee benefit expenses	815,419	746,797	805,995	738,243
Rental and service expenses	216,107	237,238	215,098	230,459
Transportation	81,184	76,739	78,787	75,080
Bank fee	75,616	75,589	73,523	74,386
Utilities	68,730	75,242	65,002	72,955
Project consulting fee	41,948	51,094	40,894	50,666
Director compensation	45,936	45,202	45,936	45,201
Loss on litigations	585	41,929	585	41,929

Power Line Engineering Public Company Limited and its subsidiaries**Notes to the financial statements****For the year ended 31 December 2023**

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Depreciation	45,637	38,886	40,826	34,026
Amortization	3,921	4,621	3,919	4,619
Bad debt and expected credit loss	(35,868)	4,393	(35,868)	4,393
(Reversal of) loss on impairment of investments	(13,218)	(10,647)	-	-
Others	142,516	130,986	270,798	266,190
Total	8,733,996	8,180,764	8,559,664	8,010,662

29 Income tax

Income tax expense (income) for the three-month periods ended 31 December 2023 and 2022 are as follows:

Income tax that recognised in profit or loss

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Current income tax:				
Corporate income tax charge	2,981	8,166	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	56,868	(78,749)	58,262	(77,757)
Income tax expenses (income)	59,849	(70,583)	58,262	(77,757)

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

Reconciliation of effective tax rate

	Consolidated financial statements			
	2023		2022	
	(Restate)			
	Rate	(in thousand	Rate	(in thousand
	(%)	Baht)	(%)	Baht)
Profit (loss) before income tax expense		290,013		(156,712)
Income tax using the Thai corporation tax rate	20.00	58,003	20.00	(31,342)
Additional deductible expenses		(5,394)		(315)
Income not subject to tax		(19,502)		-
Expense not deductible for tax purposes		6,009		12,495
Write-off to bad debt				(25,643)
Tax Losses for prior period which are unrecognized deferred tax assets		-		(21,774)
Temporary differences for prior year which are recognized deferred tax assets		20,733		(4,004)
Total	20.63	59,849	(44.19)	(70,583)

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

	Separate financial statements			
	2023		2022	
	(Restate)			
	Rate	(in thousand	Rate	(in thousand
	(%)	Baht)	(%)	Baht)
Profit (loss) before income tax expense		291,320		(156,712)
Income tax using the Thai corporation tax rate	20.00	58,264	20.00	(31,847)
Additional deductible expenses		(4,820)		(315)
Income not subject to tax		(19,503)		-
Expenses not deductible for tax purposes		4,920		11,842
Write-off to bad debt		-		(25,643)
Tax losses for prior period which are unrecognized				
deferred tax assets		-		(21,774)
Temporary differences for prior year which are				
recognized deferred tax assets		(19,401)		(4,020)
Total	20.00	58,262	(41.09)	(77,757)

30 Earnings (loss) per share

Basic earnings (loss) per share

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

31 Financial instruments

The Group does not hold or issue any derivative instruments for speculative or trading purposes.

The Group is exposed to foreign currency risk relating to holding cash denominated in foreign currencies and the Group has financial assets and liabilities which are exposed to foreign currency risk as below:

Power Line Engineering Public Company Limited and its subsidiaries**Notes to the financial statements****For the year ended 31 December 2023****31.1 Exchange rate risk**

Financial assets and liabilities denominated in foreign currencies

The Company has balances of financial assets and liabilities denominated in foreign currencies as follows:

	Consolidated and Separate financial statements			
	2023	2022	2023	2023
	Amount		exchange rate	
	(thousand units of foreign currency)		Baht per unit of foreign currency	
Financial assets				
US Dollar	0.10	0.10	33.9685	34.4800
US Dollar	8.46	8.46	33.9685	34.2946
Euro	4.54	4.54	37.5637	36.3344
Qatar Rival	98.87	98.87	9.3448	9.4114
Chinese Yuan	-	6.96	-	4.8604
Swedish Krona	25.13	25.13	3.3966	3.2455
Indian Rupee	30.19	30.19	0.3845	0.3916
Singapore Dollar	1.63	1.63	25.6096	25.3469
Financial liabilities				
US Dollar	4,031.67	5,167	34.3876	34.7335
Euro	2,267.43	3,294	38.3988	37.2053

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

31.2 Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because financial assets and liabilities, debt securities are primarily exposed to interest rates referenced to the market interest rate.

The effective interest rates of financial assets and liabilities as at 31 December and the periods in which the loans receivable and debt securities mature or re-price were as follows:

	Effective Interest rate (% per annum)	Consolidated financial statements			Total
		Within 1 year	After 1 year but within 5 years	After 5 years	
					Unit : Thousand Baht
2023					
Current					
Cash and cash equivalents	0.20 – 0.50	151,441	-	-	151,441
Other current financial assets					
Financial Institution Deposits					
Fixed Accounts 6 - 12 months	0.70	282	-	-	282
Bank overdrafts and short-term loans from financial institutions					
- Bank overdraft	MOR	32,125	-	-	32,125
- Promissory Notes	4.50 – 7.25	4,911,997	-	-	4,911,997
- Trust Receipts	5.55 – 7.25	312,364	-	-	312,364
Non-Current					
Pledged Financial Institution Deposits	0.15 – 1.25	-	1,019,469	-	1,019,469
Long-term loans	5.08 – 6.03	194,980	-	-	194,980
Lease liabilities	3.77 – 6.18	14,523	10,895	-	25,418
Debentures	6.50	598,069	215,091	-	813,160
Total		6,215,781	1,245,455	-	7,461,236

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

Consolidated financial statements					
	Effective	Within	After 1 year but within	After	Total
	Interest rate	1 year	5 years	5 years	
	<i>(% per annum)</i>				Unit : Thousand Baht
2022					
Current					
Cash equivalents	0.05 - 0.25	429,448	-	-	429,448
Other current financial assets					
Financial Institution Deposits					
Fixed Accounts 6 - 12 months	0.20 - 0.40	21,075	-	-	21,075
Bank overdrafts and short-term					
loans from financial institutions					
- Bank overdraft	MOR	35,425	-	-	35,425
- Promissory Notes	3.50 - 6.22	3,696,804	-	-	3,696,804
- Trust Receipts	4.15 - 5.97	192,634	-	-	192,634
Non-Current					
Pledged Financial Institution					
Deposits	0.15-1.25	-	949,492	-	949,492
Long-term loans	MLR-1	44,980	10,000	-	54,980
Lease liabilities	3.77 - 7.12	12,431	2,933	-	15,364
Debentures	6.50	-	595,684	-	595,684
Total		4,432,797	1,558,109	-	5,990,906

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Notes to the financial statements

For the year ended 31 December 2023

	Effective Interest rate (% per annum)	Separate financial statements			
		Within 1 year	After 1 year but within 5 years	After 5 years	Total
					Unit : Thousand Baht
2023					
Current					
Cash equivalents	0.20 – 0.25	145,752	-	-	145,752
Other current financial assets					
Financial Institution Deposits					
Fixed Accounts 6 - 12 months	0.50 – 0.60	282	-	-	282
Bank overdrafts and short-term					
loans from financial institutions					
- Bank overdraft	MOR	32,125	-	-	32,125
- Promissory Notes	0.25-7.25	4,541,995	-	-	4,541,995
- Trust Receipts	5.55-7.27	312,364	-	-	312,364
Short-term loans from related					
parties		355,389	-	-	355,389
Non-Current					
Pledged Financial Institution					
Deposits	0.15 – 1.25	-	1,003,458	-	1,003,458
Lease liabilities	4.18 – 6.18	12,356	10,672	-	23,028
Debentures	6.50	598,069	215,091	-	813,160
Total		5,998,332	1,229,221	-	7,227,553

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

	Effective Interest rate (% per annum)	Separate financial statements			
		Within	After 1 year but within	After	Total
		1 year	5 years	5 years	
					Unit : Thousand Baht
2022					
Current					
Cash equivalents	0.20 - 0.25	404,263	-	-	404,263
Other current financial assets					
Financial Institution Deposits					
Fixed Accounts 6 - 12 months	0.20 - 0.40	21,075	-	-	21,075
Bank overdrafts and short-term					
loans from financial institutions					
- Bank overdraft	MOR	35,425	-	-	35,425
- Promissory Notes	3.50 - 6.22	3,526,123	-	-	3,526,123
- Trust Receipts	4.15 - 5.97	192,634	-	-	192,634
Short-term loans from related					
parties	3.00 - 4.50	471,128	-	-	471,128
Non-Current					
Pledged Financial Institution					
Deposits	0.15 - 1.25	-	949,492	-	949,492
Lease liabilities	4.09 - 7.12	8,893	1,735	-	10,628
Debentures	6.50	-	595,684	-	595,684
Total		4,659,541	1,546,911	-	6,206,452

Power Line Engineering Public Company Limited and its subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

31.3 Credit risk

Credit risk is the risk that one party to the financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk of the Group is associated with concentrations of credit and default on collection from financial institution deposits and receivables.

As at 31 December 2023, the Group has the maximum potential credit loss equal to the carrying amount of financial institution deposits and receivables presented in the consolidated and separate financial statements.

31.4 Fair values of financial instruments

Owing to mainly financial assets and financial liabilities were classified as short-term type and several borrowings have an interest rate nearby the market rate, thence the management of the Group believes that the fair value of such financial assets and liabilities do not materially differ from the carrying value.

31.5 Fair value hierarchy

As at 31 December 2023 and 2022, the Group has the assets that were measured at fair value for which fair value were disclosed using different levels of input as follows:

	Unit : Thousand Baht			
	Consolidated/Separate Financial Statements			
	Fair Value			
	Level 1	Level 2	Level 3	Total
As at 31 December 2023				
Assets measured at fair value				
Financial Assets Measured at				
Fair Value Through Profit or Loss				
Debt Instruments	1,137	-	-	1,137
Investment Properties	-	-	308,389	308,389
Land	-	-	797,251	797,251

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Unit : Thousand Baht

	Consolidated/Separate Financial Statements			
	Fair Value			
	Level 1	Level 2	Level 3	Total
As at 31 December 2022				
Assets measured at fair value				
Financial Assets Measured at				
Fair Value Through Profit or Loss				
Debt Instruments	1,122	-	-	1,122
Investment Properties	-	-	308,389	308,389
Land	-	-	730,005	730,005

As at 31 December 2023 and 2022, the Group has financial short and long term liabilities which have fair value disclosures are categorized by the fair value hierarchy as follows:

Unit : Thousand Baht

	Consolidated/Separate Financial Statements			
	Fair Value			
	Level 1	Level 2	Level 3	Total
As at 31 December 2023				
Non-Current Financial Liability				
Debentures	-	600,000	-	600,000
As at 31 December 2022				
Current Financial Liability				
Debentures	-	600,420	-	600,420

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32 Commitments with non-related parties

As at 31 December 2023 and 2022, the Group had commitments and contingent liabilities with financial institutions as follows:

Unit : Thousand Baht

	Consolidated financial statements					
	2023			2022		
	Total facilities	Utilized facilities	Remaining facilities	Total facilities	Utilized facilities	Remaining facilities
Overdrafts	52,000	(32,124)	19,876	52,000	(35,425)	16,575
Long-term borrowings	203,000	(194,980)	8,020	185,000	(55,000)	130,000
Letters of guarantee	17,210,603	(8,419,355)	8,791,248	17,013,327	(8,006,786)	9,006,541
Promissory notes, letters of credit, trust receipts and aval	18,220,536	(6,417,347)	11,803,189	19,837,444	(5,330,936)	14,506,508

Unit : Thousand Baht

	Separate financial statements					
	2023			2022		
	Total Facilities	Utilized facilities	Remaining facilities	Total Facilities	Utilized facilities	Remaining facilities
Overdrafts	50,000	(32,124)	17,876	50,000	(35,425)	14,575
Letters of guarantee	16,883,889	(8,252,670)	8,631,219	16,686,727	(7,839,702)	8,847,025
Promissory notes, letters of credit, trust receipts and aval	17,408,250	(6,030,688)	11,377,562	19,025,040	(5,615,679)	13,409,361

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As at 31 December 2023 and 2022, the Group had commitments with subcontractors as below:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Construction subcontracts	2,990,345	3,220,307	2,990,345	3,220,307

As at 31 December 2023 and 2022, the Group had entered into contracts with customers which were not yet rendered or not yet completed satisfaction in performance obligations as below:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Construction contracts	12,172,527	16,358,769	11,263,649	15,347,017

In 2021, PAR Joint Venture which is a subsidiary, had been under tax assessments for additional corporate income tax for the period since 1 January 2014 to 31 December 2014 and additional value added tax on the aforementioned period together with potential fines and surcharges totaling Baht 153.36 million, that have already been appealed against. Currently, the tax assessments are under the consideration of the Appeal Committee. The Company's management is confident that the cases will be favorable to the Company. Therefore, the Company has not made any provision for possible losses in the financial statements.

33 Litigations

As at 31 December 2023 and 2022, the Company had been sued by several companies for compensation amounting to Baht 75.97 million and Baht 76.49 million, respectively, relating to default on contracts and claim for damages. The ultimate outcomes have not been finalized. The management of the Company believes that the Company has the good defense in those cases and expects that it will not have any effect to the Company. Therefore, there is no provision for loss from those cases in the consolidated and separate financial statements.

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34 Effects from retrospective adjustments

In this year, the Group has made retrospective adjustments relating to the correction of error on recognition of revenue from construction and related cost and other related accounts in accordance with Thai Financial Reporting Standard No. 15: Revenue from Contracts with Customers and other related financial reporting standards. The retrospective adjustments are summarized as follows:

Unit: Thousand Bath

	Consolidated financial statements and Separate financial statements	
	31 December 2022	1 January 2022
Financial position		
Contract assets - Decrease	(37,068)	(30,213)
Property, plant and equipment - Increase	20,098	-
Deferred tax assets - Increase	79,367	95,442
Unbilled costs of constructions - Increase	(359,768)	(446,996)
Deficit - Increase	(297,371)	(381,767)
For the year ended 31 December		
Comprehensive income		
Revenue from construction contracts - Increase (Decrease)	37,068	(6,854)
Cost of construction - Decrease	359,768	87,228
Administrative expenses - Decrease	-	20,099
Income tax expenses - Increase	(79,367)	(16,075)
Comprehensive income - Increase	317,469	84,398
Earnings per shares - Increase (Baht)	0.233	0.062

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35 Reclassification of accounts

Certain accounts in the 2022 financial information have been reclassified to conform with the presentation in the financial information for the year ended 31 December 2023 as follows:

Unit : Thousand Baht

	2022					
	Consolidated financial statements			Separate financial statements		
	Before reclass.	Reclass.	After reclass.	Before reclass.	Reclass.	After reclass.
<i>Statements of financial position</i>						
Bank overdrafts and short-term loans from financial institutions	4,333,051	(408,189)	3,924,862	4,075,953	(321,771)	3,754,182
Current portion of lease liabilities	11,906	526	12,432	-	-	-
Trade payables	1,991,810	408,189	2,399,999	1,823,300	321,771	2,145,071
Other current liabilities	181,541	(526)	181,015	-	-	-

36 Approval of the financial statements

These financial statements have been approved for issue by the Company's Board of Directors on 29 February 2024.