

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED  
AND ITS SUBSIDIARIES  
FINANCIAL REPORTING  
FOR THE YEAR ENED DECEMBER 31, 2022  
AND REPORT OF INDEPENDENT'S AUDITOR**

## **Independent Auditor's Report**

To the Shareholders of Syntec Construction Public Company Limited

### **Opinion**

I have audited the consolidated and separate financial statement of Syntec Construction Public Company Limited and its subsidiaries, which comprise the consolidated and separate statements of financial position as at December 31, 2022, and the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Syntec Construction Public Company Limited and its as at December 31, 2022, and its financial performance and its 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 Standard 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. I have determined the following matters to be investigated in order to communicate in my reports. μ

**Recognition of revenue from construction**

The Company has operated construction business and recognized contract revenues based on the percentage of completion under contract. The percentage of completion is calculated by comparing the construction cost of the work completed up to the present with the estimated total construction cost including the additional and deductible work. The process of determining state of completion each project requires the management and project manager to apply significant judgement in considering carefully to estimate project cost for each project including the trend of changes in construction material price, labour, expenses relating to construction, the probability of construction work delayed, and barriers to construct which may cause the Company's burden. In 2022, the Group and the Company had contract revenues amounted to Baht 4,708.72 million and Baht 4,708.72 million (accounting for 90 percent and 97 percent, respectively of total revenues), contract costs amounted to Baht 4,707.87 million and Baht 4,707.87 million (accounting for 84 percent and 93 percent, respectively of total expenses), unbilled construction in progress amounted to Baht 745.07 million and Baht 745.07 million (net amount was 8 percent and 10 percent, respectively of total assets), and provisions such as the estimated costs of rectification in the period of guarantee work totaled to Baht 47.13 million and Baht 47.13 million (accounting for 1 percent and 3 percent, respectively of total liabilities). Therefore, key audit matter is the recognition of contract revenues by percentage of completion, estimate of total construction cost of each project to assessing percentage of completion of each project, the estimate of expected project losses from construction and other provisions. These transactions impact to the Group's and the Company's financial statements.

**Audit Responses**

- Understand the process of construction contracting, hiring subcontractors about a detail of contract, estimate of construction cost, estimate of rectification cost in the period of guarantee work, payment and process of accounting records, authorization including related internal control procedures
- Review the design and implementation of such internal control procedures;
- Perform the operating effectiveness testing over the internal control procedures related to estimating construction costs, procurement of construction materials, payment of labor, and hiring cost of subcontractors, etc.

*K*

- Perform substantive testing as follows:
  - Review the terms of construction contracts and variation order occurring during year;
  - Review the method used by the management to monitor and consider the reasonableness of the evaluation of state of completion, revision of estimating construction costs, estimation of cost of rectification in the period of guarantee work, authorization and sampling test on related documents;
  - Test calculating percentage of completion of each project;
  - Analyze and compare the stage of completion of the project from the actual construction cost and the estimated stage of completion. By the company's project engineers and client project consultants.
  - Test the accuracy of purchasing construction materials, payment of labor and remuneration to subcontractors, and related expenses against supporting documents
  - Observe the projects in progress at the year-end including inquiry of engineers / supervisors who were responsible, and understand the approach used in assessing the stage of completion of work
  - Review the adequacy of disclosures in note to the financial statements.

#### **Allowance for credit losses**

Under TFRS 9, The Group is required to determine allowance for trade receivables or contract assets under TFRS 15 that do not have a significant financing element. Using a simplified approach for measuring the value of expected credit losses (ECL).

The management is required to make significant judgment in calculation of the expected credit losses. Because the method has to take into account the mean probability with the expected probability, time value of money and the best information that can find about forecasting the future. Also, as at December 31, 2022, the Group and the Company had those receivables totaling Baht 2,276.63 million and Baht 2,270.95 million, respectively, and allowance for credit losses totaling Baht 162.05 million and Baht 162.05 million, respectively. (net amount was 22 percent and 27 percent of total assets, respectively)

Therefore, I pay particular attention to the adequacy of allowance for credit losses of those receivables.

#### **Audit Responses**

- Understand the process of accounting records, contracting, issuing invoice, authorization of transactions, following – up debts, collection of debts, estimate of allowance for doubtful accounts and related internal control procedure.
- Review the design and implementation of such internal control procedures;
- Perform the operating effectiveness testing over the internal control procedures;
- Perform substantive testing as follows:
  - Send the confirmation of requests to trade accounts receivable and retention receivables under construction contracts at the end of year;
  - Evaluate and test relevant inputs and assumptions used to calculate expected credit losses.

- Review the management's judgment in estimating the expected credit losses;
- Verify the analytical receivables aging report of trade accounts receivable, retention receivables under construction contracts and unbilled construction in progress to corroborate on whether each receivable was classified in the appropriated arrear bracket, and the method of computation of the allowance for doubtful accounts;
- Calculation test the allowance for credit losses.
- Verify subsequent collection from receivables after the reporting period;
- Review the litigation report with respect to receivables and opinion of internal legal consultant of the Company including review the appropriate of collateral value;
- Review the adequacy of disclosures in note to financial statements.

**Other Information**

Management is responsible for the other information. The other information comprises the information included in the Group 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 above mentioned annual report of the Group, if I conclude that there is a material misstatement thereon, I am required to communicate the matter to those charged with governance and request further appropriate corrections.



### **Responsibilities of Management and Those Charged with Governance for the Consolidated**

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the 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 the Group's and the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated**

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

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

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

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

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

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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



Mr. Komin Linphrachaya

Certified Public Accountant (Thailand) No. 3675

Karin Audit Company Limited

February 24, 2023.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

(Unit : Baht)

	Notes	Consolidated		Separate	
		December 31,2022	December 31,2021	December 31,2022	December 31,2021
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents		242,794,043	338,282,200	104,284,716	234,124,643
Other current financial assets	5	1,932,595,596	1,727,232,151	1,931,631,656	1,726,272,541
Trade accounts receivable	4, 6	685,189,832	537,777,427	679,510,577	530,611,129
Other current receivables	4, 7	113,092,246	72,415,287	90,509,879	68,278,524
Current contract assets	4, 8	1,252,800,174	1,335,761,271	1,252,800,174	1,335,761,271
Short-term loans	4	-	-	117,300,000	84,400,000
Inventories	9	107,335,630	121,725,275	105,771,028	120,723,782
Advance payments to subcontractors		232,401,542	125,245,524	232,401,542	125,245,524
<b>TOTAL CURRENT ASSETS</b>		<b>4,566,209,063</b>	<b>4,258,439,135</b>	<b>4,514,209,572</b>	<b>4,225,417,414</b>
<b>NON-CURRENT ASSETS</b>					
Other non-current financial assets	4	736,679,740	631,439,777	736,679,740	631,439,777
Investment in subsidiaries	10	-	-	1,566,480,850	1,531,981,600
Non-current contract assets	8	176,594,274	123,420,152	176,594,274	126,520,543
Property investments	12	487,945,916	508,797,639	6,673,897	7,125,008
Property, plant and equipment	13	2,956,661,075	3,071,718,472	510,131,172	548,396,291
Right of use assets	14	608,482,450	1,026,594,659	26,964,115	439,478,988
Intangible assets	15	17,197,547	7,119,993	15,612,147	6,767,149
Withholding tax		168,811,414	192,747,122	149,571,899	177,751,096
Pledged deposit at bank	34	21,166,034	21,894,784	1,165,000	1,893,750
Deferred tax assets	20	-	2,883,962	-	2,883,963
Other non-current assets		15,876,477	20,447,271	9,000,391	9,489,230
<b>TOTAL NON-CURRENT ASSETS</b>		<b>5,189,414,927</b>	<b>5,607,063,831</b>	<b>3,198,873,485</b>	<b>3,483,727,395</b>
<b>TOTAL ASSETS</b>		<b>9,755,623,990</b>	<b>9,865,502,966</b>	<b>7,713,083,057</b>	<b>7,709,144,809</b>

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



SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

(Unit : Baht)

	Notes	Consolidated		Separate	
		December 31,2022	December 31,2021	December 31,2022	December 31,2021
<b>LIABILITIES AND EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Trade accounts payables	4, 16	255,964,560	222,574,015	244,832,874	214,407,153
Other current payables	4, 17	338,435,178	353,773,532	283,663,337	335,793,340
Short-term loans from related parties and persons	4	1,200,000	600,000	-	-
Current portion of long-term loans	19	151,520,639	152,006,807	-	-
Current portion of lease liabilities	4, 14	25,156,572	37,285,768	24,882,945	37,009,287
Corporate income tax payable		237,549	291,588	-	-
Current provisions for employee benefits	21	15,660,404	5,730,649	14,732,833	5,634,430
Contract liabilities	4, 8	602,316,782	216,880,806	602,316,782	216,880,806
Retention payables from subcontractors	4, 18	305,251,823	315,868,979	305,251,823	315,868,979
Undue value added tax		101,698,602	87,613,623	101,698,602	87,613,623
Other current provisions	22	47,129,505	14,942,299	47,129,505	14,942,299
Other current liabilities		24,113,616	38,037,580	5,304,960	5,003,348
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,868,685,230</b>	<b>1,445,605,646</b>	<b>1,629,813,661</b>	<b>1,233,153,265</b>
<b>NON-CURRENT LIABILITIES</b>					
Long-term loans	19	1,324,089,677	1,383,026,685	-	-
Lease liabilities	4, 14	488,904,387	648,767,385	5,086,115	189,660,235
Deferred tax liabilities	20	24,963,319	2,419,612	24,759,849	-
Non-current provisions for employee benefits	21	171,316,728	194,855,171	165,725,554	186,783,663
Other non-current provisions	22	39,807,167	35,228,239	34,154,438	31,537,839
Deposit from customers		20,282,734	5,261,173	-	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>2,069,364,012</b>	<b>2,269,558,265</b>	<b>229,725,956</b>	<b>407,981,737</b>
<b>TOTAL LIABILITIES</b>		<b>3,938,049,242</b>	<b>3,715,163,911</b>	<b>1,859,539,617</b>	<b>1,641,135,002</b>

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

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
 STATEMENT OF FINANCIAL POSITION  
 AS AT DECEMBER 31, 2022

(Unit : Baht)

	Notes	Consolidated		Separate	
		December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
<b>LIABILITIES AND EQUITY</b>					
<b>SHAREHOLDER'S EQUITY</b>					
Share capital					
Authorized share capital					
		1,590,957,300	ordinary shares : Baht 1 per share (2021 : 1,600,000,000 ordinary shares)	1,590,957,300	1,600,000,000
		<u>1,590,957,300</u>	<u>1,600,000,000</u>	<u>1,590,957,300</u>	<u>1,600,000,000</u>
Issued and paid share capital					
		1,590,957,300	ordinary shares : Baht 1 per share (2021 : 1,600,000,000 ordinary shares)	1,590,957,300	1,600,000,000
		<u>1,590,957,300</u>	<u>1,600,000,000</u>	<u>1,590,957,300</u>	<u>1,600,000,000</u>
	24	-	(22,899,616)	-	(22,899,616)
Share premium					
		23,744	23,744	23,744	23,744
Discount from changes in the ownership interests in subsidiary					
		(6,869,861)	(6,869,861)	-	-
Retained earnings					
Appropriated					
		160,000,000	160,000,000	160,000,000	160,000,000
	24	-	22,899,616	-	22,899,616
		<u>3,137,199,552</u>	<u>3,519,907,091</u>	<u>3,690,616,696</u>	<u>3,980,232,333</u>
Unappropriated					
		411,945,700	327,753,730	411,945,700	327,753,730
Other components of shareholders' equity					
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY</b>					
		<u>5,293,256,435</u>	<u>5,600,814,704</u>	<u>5,853,543,440</u>	<u>6,068,009,807</u>
Non-controlling interests					
	11	<u>524,318,313</u>	<u>549,524,351</u>	<u>-</u>	<u>-</u>
<b>TOTAL SHAREHOLDERS' EQUITY</b>					
		<u>5,817,574,748</u>	<u>6,150,339,055</u>	<u>5,853,543,440</u>	<u>6,068,009,807</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
		<u>9,755,623,990</u>	<u>9,865,502,966</u>	<u>7,713,083,057</u>	<u>7,709,144,809</u>

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

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2022

					(Unit : Baht)
		Consolidated		Separate	
Notes	2022	2021	2022	2021	
<b>Revenues</b>					
	4,708,721,006	4,964,537,379	4,708,721,006	4,964,537,379	
Contract revenues					
	397,062,952	270,209,277	51,592,127	25,356,027	
Revenue from rendering of services					
	4,695,985	3,840,998	4,695,985	3,840,998	
Gain on disposal and write off of assets					
	4,765,623	-	4,765,623	-	
Reversal allowance for credit losses					
	549,520	947,479	3,254,080	3,084,331	
Interest income					
	40,507,148	74,365,085	32,082,138	69,361,128	
Other income					
<b>Total revenues</b>	<b>5,156,302,234</b>	<b>5,313,900,218</b>	<b>4,805,110,959</b>	<b>5,066,179,863</b>	
<b>Expenses</b>					
	4,707,874,619	4,405,238,059	4,707,874,619	4,405,238,059	
Contract costs					
	334,888,257	317,015,702	56,159,709	57,412,796	
Cost of rendering of services					
	44,433,440	33,329,967	21,653,896	20,781,759	
Distribution costs					
	372,657,818	360,305,834	259,709,725	267,896,085	
Administrative expenses					
	33,994,889	2,342,800	25,490,550	2,342,800	
Other expenses					
	71,912,706	75,545,412	6,629,414	9,052,070	
Finance costs					
<b>Total expenses</b>	<b>5,565,761,729</b>	<b>5,193,777,774</b>	<b>5,077,517,913</b>	<b>4,762,723,569</b>	
	(409,459,495)	120,122,444	(272,406,954)	303,456,294	
<b>Profit (loss) before income tax expense</b>					
	(661,163)	56,206,167	981,394	56,431,896	
Income tax expense	28				
<b>Profit (loss) for the year</b>	<b>(408,798,332)</b>	<b>63,916,277</b>	<b>(273,388,348)</b>	<b>247,024,398</b>	

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

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2022

					(Unit : Baht)			
					Consolidated		Separate	
Notes	2022	2021	2022	2021				
<b>Other comprehensive income</b>								
<b>Items that will not be reclassified</b>								
<b>subsequently to profit or loss :-</b>								
Gains (loss) on investment in equity designated at fair value								
	through other comprehensive income	4	105,239,963	7,517,140	105,239,963	7,517,140		
	Gains (loss) on remeasurements of defined benefit plans	21	29,683,423	-	28,072,128	-		
	Income tax relating to components of other comprehensive							
	income that will not be reclassified to profit or loss	28	(26,662,418)	(1,503,428)	(26,662,418)	(1,503,428)		
<b>Total items that will not be reclassified</b>								
	<b>subsequently to profit or loss</b>		<u>108,260,968</u>	<u>6,013,712</u>	<u>106,649,673</u>	<u>6,013,712</u>		
	<b>Other comprehensive income (loss) for the period, net of tax</b>		<u>108,260,968</u>	<u>6,013,712</u>	<u>106,649,673</u>	<u>6,013,712</u>		
	<b>Total comprehensive income (loss) for the period</b>		<u>(300,537,364)</u>	<u>69,929,989</u>	<u>(166,738,675)</u>	<u>253,038,110</u>		
<b>Profit (loss) attributable to :-</b>								
	Owners of the parent		(367,793,858)	125,232,981	(273,388,348)	247,024,398		
	Non - controlling interests	11	(41,004,474)	(61,316,704)	-	-		
	<b>Profit (loss) for the period</b>		<u>(408,798,332)</u>	<u>63,916,277</u>	<u>(273,388,348)</u>	<u>247,024,398</u>		
<b>Total comprehensive income (loss) attributable to :-</b>								
	Owners of the parent		(259,830,576)	131,246,693	(166,738,675)	253,038,110		
	Non - controlling interests		(40,706,788)	(61,316,704)	-	-		
	<b>Total comprehensive income (loss) for the period</b>		<u>(300,537,364)</u>	<u>69,929,989</u>	<u>(166,738,675)</u>	<u>253,038,110</u>		
<b>Earnings per share</b>								
	Basic (in Baht)	29	<u>(0.23)</u>	<u>0.08</u>	<u>(0.17)</u>	<u>0.16</u>		

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

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2022

(Unit : Baht)

Consolidated

	Equity attributable to owners of the parent											Total equity attributable to owners of the parent	Non controlling interest	Total shareholders' equity		
	Retained earnings				Other components of shareholder's equity											
	Issued and paid share capital	Treasury shares	Share premium on ordinary shares	Discount from changes in the ownership interest in subsidiary	Legal reserve	Treasury shares reserve	Unappropriated	Gains (Losses) on remeasurements of defined benefit plan	Available equity securities	Total other components of shareholder's equity	at the parent					
Notes																
Balance as at January 1, 2021	1,600,000,000	(22,899,616)	23,744	(6,869,861)	160,000,000	22,899,616	3,521,947,903	-	321,740,018	321,740,018	5,596,841,804	569,803,505	6,166,645,309	30		
Dividends to shareholders	-	-	-	-	-	-	(127,273,793)	-	-	-	(127,273,793)	-	(127,273,793)			
Acquisition for non-controlling interests without a change in control	-	-	-	-	-	-	-	-	-	-	-	-	-			41,037,550
Total comprehensive income (expense) for the year	-	-	-	-	-	-	125,232,981	-	6,013,712	6,013,712	131,246,693	(61,316,704)	69,929,989			
Ending balance as at December 31, 2021	1,600,000,000	(22,899,616)	23,744	(6,869,861)	160,000,000	22,899,616	3,519,907,091	-	327,753,730	327,753,730	5,600,814,704	549,524,351	6,150,339,055			
Balance as at January 1, 2022	1,600,000,000	(22,899,616)	23,744	(6,869,861)	160,000,000	22,899,616	3,519,907,091	-	327,753,730	327,753,730	5,600,814,704	549,524,351	6,150,339,055			
Dividends to shareholders	-	-	-	-	-	-	(47,727,692)	-	-	-	(47,727,692)	-	(47,727,692)			
Reduce Treasury shares	(9,042,700)	22,899,616	-	-	-	(22,899,616)	9,042,700	-	-	-	-	-	-			
Non-controlling interests Transferred to Retained earnings	-	-	-	-	-	-	23,771,311	(23,771,311)	-	-	-	-	-			
Total comprehensive income (expense) for the year	-	-	-	-	-	-	(367,793,858)	23,771,311	84,191,970	107,963,281	(29,830,577)	(40,706,788)	(300,537,365)			
Ending balance as at December 31, 2022	1,590,957,300	-	23,744	(6,869,861)	160,000,000	-	3,137,199,552	-	411,945,700	411,945,700	5,293,256,435	524,318,313	5,817,574,748			

SINTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2022

(Unit : Baht)

	Separate										Total
	Retained earnings					Other components of shareholder's equity					
	Notes	Issued and paid share capital	Treasury shares	Share premium on ordinary shares	Legal reserve	Treasury shares reserve	Unappropriated	Gains (Losses) on remeasurements of defined benefit plan	Available equity securities	other components of shareholder's equity	
<b>Balance as at January 1, 2021</b>	30	1,600,000,000	(22,899,616)	23,744	160,000,000	22,899,616	3,860,481,728	-	321,740,018	321,740,018	5,942,245,490
Dividends to shareholders		-	-	-	-	-	(127,273,793)	-	-	-	(127,273,793)
Total comprehensive income (expense) for the year		-	-	-	-	-	247,024,398	-	6,013,712	6,013,712	253,038,110
<b>Ending balance as at December 31, 2021</b>		1,600,000,000	(22,899,616)	23,744	160,000,000	22,899,616	3,980,233,333	-	327,753,730	327,753,730	6,068,009,807
<b>Balance as at January 1, 2022</b>	30	1,600,000,000	(22,899,616)	23,744	160,000,000	22,899,616	3,980,233,333	-	327,753,730	327,753,730	6,068,009,807
Dividends to shareholders		-	-	-	-	-	(47,727,692)	-	-	-	(47,727,692)
Reduce Treasury shares	24	(9,042,700)	22,899,616	-	-	(22,899,616)	9,042,700	-	-	-	-
Transferred to Retained earnings		-	-	-	-	-	22,457,703	(22,457,703)	-	(22,457,703)	-
Total comprehensive income (expense) for the year		-	-	-	-	-	(273,388,348)	22,457,703	84,191,970	106,649,673	(166,738,675)
<b>Ending balance as at December 31, 2022</b>		1,590,957,300	-	23,744	160,000,000	-	3,690,616,696	-	411,945,700	411,945,700	5,833,543,440

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
<b>Cash flows from operating activities</b>				
Profit for the year	(408,798,332)	63,916,277	(273,388,348)	247,024,398
Adjustments to reconcile profit to cash receipts (payments)				
(Reversal) of allowance for credit losses	(4,765,623)	681,053	(4,765,623)	681,053
Loss on write-off of bad debts	6,542,010	-	-	-
Depreciation and amortization	328,009,056	342,098,292	151,537,357	163,170,187
Interest income	(549,520)	(947,479)	(3,254,080)	(3,084,331)
Interest expense	71,912,706	75,545,412	6,629,414	9,052,070
Loss on write-off withholding tax paid	1,365,652	16,770,584	1,365,649	16,508,503
Gain on disposal of fixed assets	(4,970,894)	(19,237,912)	(4,970,894)	(19,237,912)
Loss on write-off of equipment	291,074	15,396,915	274,910	15,396,915
Unrealized gains from changes in fair value				
of investment in debt securities	(5,523,106)	(5,541,587)	(5,518,777)	(5,445,045)
(Gain) loss from modification of longterm loan agreements	(1,175,095)	276,930	-	-
Loss on write-off of investments in associated company	-	72,840	-	-
Estimated costs of rectification in the period				
of guarantee work (reversal)	52,500,000	13,654,341	52,500,000	13,654,342
Provision for litigation (reversal)	4,578,928	1,661,747	2,616,599	1,661,747
Provision for employee benefit	23,969,981	32,378,541	21,238,882	29,971,160
Tax expense	(661,163)	56,206,167	981,394	56,431,896
Loss on sale of business segment	22,873,951	-	22,873,951	-
	85,599,625	592,932,121	(31,879,566)	525,784,983
<b>Changes in operating assets and liabilities</b>				
Trade accounts receivables	(137,394,964)	381,069,636	(137,339,997)	383,304,265
Other current receivables	(49,973,591)	(7,118,586)	(31,412,225)	(12,219,785)
Contract assets	32,136,658	20,903,686	35,237,050	20,903,686
Inventories	14,118,201	(18,101,322)	14,681,309	(17,901,452)
Advance payments to subcontractors	(107,156,018)	44,070,803	(107,156,018)	44,070,803
Other non-current assets	(429,206)	804,971	488,839	1,207,430
Trade accounts payables	33,390,545	(148,225,420)	30,425,721	(150,354,029)
Contract liabilities	385,435,975	(165,048,556)	385,435,975	(165,048,556)

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

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Undue value added tax	14,084,979	(14,953,755)	14,084,979	(14,953,755)
Deposit received from customers	795,986	371,240	-	-
Retention payables from subcontractors	(10,617,156)	(58,944,001)	(10,617,156)	(58,944,001)
Other current payables	(25,572,768)	(321,260,168)	(52,130,003)	(320,427,172)
Other current liabilities	301,610	(2,484,787)	301,610	(2,484,787)
Payment of estimated costs of rectification in the period of guarantee work	(20,312,795)	(9,468,323)	(20,312,795)	(9,468,322)
Payment of provisions for employee benefits	(7,895,246)	(35,043,573)	(5,126,460)	(32,829,750)
<b>Net cash generated from operation</b>	<b>206,511,835</b>	<b>259,503,966</b>	<b>84,681,263</b>	<b>190,639,558</b>
Income tax paid	(154,412,478)	(154,578,258)	(149,541,362)	(150,979,110)
Receive a withholding tax refund	176,354,910	116,802,141	176,354,910	116,713,973
<b>Net cash from operating activities</b>	<b>228,454,267</b>	<b>221,727,849</b>	<b>111,494,811</b>	<b>156,374,421</b>
<b>Cash flows from investing activities</b>				
Interest received	702,643	1,403,772	3,291,442	3,662,388
Purchase of other current financial assets	(1,731,686,525)	(1,364,845,420)	(1,731,686,525)	(1,274,845,420)
Proceeds from other current financial assets	1,531,846,187	1,159,215,146	1,531,846,187	1,069,215,146
Purchase of investment in subsidiaries	-	-	(34,499,250)	(62,649,950)
Proceeds from short-term loans from related parties	-	-	(32,900,000)	(8,400,000)
Pledged deposit at bank Increase (Decrease)	728,749	5,663,498	728,750	5,663,500
Purchase of property, plant and equipment	(121,665,232)	(45,912,968)	(73,854,023)	(32,804,590)
Sale of right of use assets	200,000,000	-	200,000,000	-
Purchase of property investments	(2,189,129)	(1,420,957)	-	-
Purchase of intangible assets	(15,758,456)	(4,507,372)	(14,433,961)	(4,246,531)
Sale of equipment	5,167,585	19,803,036	5,167,585	19,803,036
<b>Net cash from (used in) investing activities</b>	<b>(132,854,178)</b>	<b>(230,601,265)</b>	<b>(146,339,795)</b>	<b>(284,602,421)</b>

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



SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
<b>Cash flows from financing activities</b>				
Interest paid	(58,546,986)	(60,395,596)	(6,629,414)	(9,052,070)
Dividend paid	(47,727,692)	(127,273,793)	(47,727,692)	(127,273,793)
Proceeds from Short-term loans from related parties and persons	600,000	600,000	-	-
Payment of long-term loans	(60,000,000)	(100,000,000)	-	-
Payment of lease liabilities	(40,914,318)	(44,871,867)	(40,637,837)	(44,031,592)
Proceeds from non-controlling interests	15,500,750	41,037,550	-	-
<b>Net cash from (used in) financing activities</b>	<b>(191,088,246)</b>	<b>(290,903,706)</b>	<b>(94,994,943)</b>	<b>(180,357,455)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(95,488,157)</b>	<b>(299,777,122)</b>	<b>(129,839,927)</b>	<b>(308,585,455)</b>
Cash and cash equivalents at 1 January	338,282,200	638,059,322	234,124,643	542,710,098
<b>Cash and cash equivalents at 31 December</b>	<b>242,794,043</b>	<b>338,282,200</b>	<b>104,284,716</b>	<b>234,124,643</b>
<b>Supplemental cash flows information</b>				
Non-cash transactions:				
Increase in right-of-use asset under lease	34,071,505	110,316,302	20,775,109	26,887,804
Lease liabilities from purchase of property, plant and equipment	-	4,192,000	-	4,192,000
Lease liabilities from purchase of intangible assets	-	431,280	-	431,280
Liabilities from work in process	10,308,963	-	-	-
<b>Cash and cash equivalents</b>				
Consist of:				
Petty cash	229,567	274,619	-	-
Cash on hand	448,502	494,678	-	28,887
Cheque on hand	86,760	-	86,760	-
Cash at banks – current accounts	38,634,156	28,361,850	2,343,656	23,023,813
Cash at banks – savings accounts	202,558,865	308,067,023	101,018,107	209,987,913
Highly liquid short-term	836,193	1,084,030	836,193	1,084,030
<b>Total</b>	<b>242,794,043</b>	<b>338,282,200</b>	<b>104,284,716</b>	<b>234,124,643</b>

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

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENED DECEMBER 31, 2022**

**1 General information**

Syntec Construction Public Company Limited (“the Company”) is incorporated in Thailand and has its registered office at 555/7-11 Sukhumvit Soi 63 (Ekamai), Sukhumvit Road, Klongton Nua, Wattana, Bangkok and a branch office located at 61 Soi Langsuan, Lumpini, Pathumwan, Bangkok.

The Company was listed on the Stock Exchange of Thailand on February 12, 1993.

The Company’s major shareholders who hold more than 10% of total paid share capital as at December 31, 2022 were as follows:

	<i>(% of total paid share capital)</i>
Phahusutr Group	30.96

The principal activities of the Company are construction and real estate development for room service or service apartment.

Details of the Company’s subsidiaries were as follows:

Name of entity	Type of business	Country of incorporation	Ownership interest (%)	
			December 31, 2022	December 31, 2021
<b>Direct subsidiaries</b>				
1) SCR Asset Management Co., Ltd.	Service apartment or real estate development for rental	Thailand	68.00	68.00
2) Natural Ville Service Apartment and Management Co., Ltd.	Personnel management for hotel, service apartment and other properties	Thailand	99.97	99.97
3) CSM Capital Partners Co., Ltd.	Service apartment or real estate development for rental	Thailand	60.00	60.00
4) JT Ten Co., Ltd. *	Service apartment or real estate development for rental	Thailand	84.98	84.98
5) PT Three Land Co., Ltd. *	Service apartment or real estate development for rental	Thailand	79.98	79.98
6) AN 8 Co., Ltd. *	Service apartment or real estate development for rental	Thailand	79.90	79.90
7) SHG Management Co., Ltd	Hotel business management and services	Thailand	70.00	70.00

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

Name of entity	Type of business	Country of incorporation	Ownership interest (%)	
			December 31, 2022	December 31, 2021
8) Delta Infra One Co., Ltd.	Service in consulting, purchasing and installing of sanitary, electrical, pipeline and air conditioning systems.	Thailand	90.00	90.00

\* Not commercial operations yet

**2 Basis of preparation of financial statements**

**2.1 Statement of compliance**

The financial statements are prepared in accordance with Thai Financial Reporting Standard (TFRS); guidelines promulgated by the Federation of Accounting Professions (FAP), and related applicable rules and regulations of the Thai Securities and Exchange Commission.

**2.2 Basis of consolidation**

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

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 of non-controlling interests date, the Group measures any non-controlling interest 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 under “discount from changes in the ownership interests in subsidiary” (please see note 11 to the financial statements).

# SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2022

#### Loss of control

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

#### Associated companies

##### Interest in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and a 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 recognized 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.

#### Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealized income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains which arising from transactions with affiliates and jointly controlled entities are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to extent that there is no evidence of impairment.

### 2.3 New financial reporting

#### a) **Financial reporting standards that became effective in the current year**

During the year, the Group has adopted the revised and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

**b) Financial reporting standards that will become effective for fiscal years beginning on or after January 1, 2023**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

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

**2.4 Basis of measurement**

The financial statements have been prepared on the historical cost basis except for the following items.

<u>Items</u>	<u>Measurement bases</u>
Current investments	Fair value
Available-for-sale investments	Fair value
Defined benefit liability	Present value of non-current provisions for defined benefits as disclosed in note 21 to the financial statements

**2.5 Functional and presentation currency**

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

# SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

### 2.6 Use of estimates and judgments

The preparation of financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

#### 2.6.1 Judgments

Information about judgements made in applying accounting policies that have the most significant effects on the amount recognized in the financial statements is included in the following notes:

Note 12	Investment properties
---------	-----------------------

#### 2.6.2 Assumptions and Estimation uncertainties

Information about assumptions of estimation uncertainties that have a significant risk of resulting in a material adjustment to the amount recognised in the financial statements is included in the following notes:

Note 10	Allowance for impairment of investments
Note 20	Current and deferred taxation and utilization of tax losses
Note 21	Assumptions relating to discount rate, salary increase rate, employee turnover rate, mortality rate and disability rate
Note 22	Estimation of construction project costs, provision for the estimating costs of rectification in the period of guarantee work
Note 31	Valuation of financial instruments
Note 33	Provisions for contingent liabilities from litigation

Significant accounting judgments and estimates are summarized as follows:

#### Allowance for impairment of investments in equity securities

The Group/Company treats available-for-sale investments in equity securities as impaired when the management judges that there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires management judgment.

#### Estimation of construction project costs

The Group /Company estimates costs of construction projects based on details of the construction work, taking into account the volume and value of construction materials to be used in the project, labor costs and other miscellaneous costs, to be incurred to completion of service, taking into account the direction of the movement

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENED DECEMBER 31, 2022**

in these costs. Management applied judgement to review regularly the estimates or whenever the actual costs differ significantly from the figures used in the original estimates.

Estimating costs of rectification in the period of guarantee work

Management applies judgement in estimating the costs of rectification in the period of guarantee work which they expect to be realized on each construction project, based on estimates of anticipated costs that take into account the progress of the project and actual costs incurred, together with fluctuations in costs of construction materials, labor and the current situation.

Non-current provisions for employee benefit

The Group/ Company has obligations in respect of the severance to be paid to employees upon retirement under the labor law. The Company treats these severance payment obligations as the post-employment benefit plan.

The obligation under the post-employment benefits (defined benefit plan) is determined by a professionally qualified independent actuary, using the projected unit credit method. Such determination is made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and disability rates.

Litigation

The Company has contingent liabilities as a result of litigation. The management has used judgment to assess of the results of the litigation and believes that no loss will incur. Therefore, no contingent liabilities are recorded as at the end of reporting period.

**2.7 Measurement of fair value**

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

The Group/Company has an established framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Group /Company Audit Committee.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENED DECEMBER 31, 2022**

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

- Level 1: quoted prices (unadjusted) 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 (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 4	Measurement of other non-current financial assets
Note 5	Measurement of other current financial assets
Note 31	Financial instruments

**2.8** As at December 31, 2021, the Company has write-off an investments in an associates in the consolidated and separate financial statements because the said associates have completed the liquidation process and write off the investment in such associate to recognize the loss for the year ended December 31, 2021 amounted to Baht 0.07 million.



# SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2022

#### 3 Significant accounting policies

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

##### 3.1 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.

##### 3.2 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.

##### 3.3 Trade and other current receivables

Trade and other current receivables are stated at their invoice value less allowance for credit losses.

The Company applies the TFRS 9 simplified approach to measuring expected credit losses which uses a simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**3.4 Inventories**

Inventories representing construction materials, which comprise steel bars and construction supplies, are measured at the lower of cost or net realizable value. Spare parts and supplies are measured at average cost less impairment loss.

Cost is calculated using the weighted average cost principle and comprise all cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

**3.5 Contract assets / Contract liabilities**

Contract assets

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

Contract liabilities

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

**3.6 Investment in subsidiaries**

Investments in subsidiaries in the separate financial statements are accounted for using the cost method less allowance for devaluation of investments.

**3.7 Financial assets and financial liabilities**

Classification and measurement of financial assets

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

The Group classifies its debt instruments in the following categories:

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

# SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2022

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

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

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

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

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

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

## SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

### NOTES TO FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED DECEMBER 31, 2022

Dividends from such investments continue to be recognised in profit or loss when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### Classification and measurement of financial liabilities and equity

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

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

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

#### Recognition and derecognition

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

#### Impairment

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

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENED DECEMBER 31, 2022**

**3.8 Investment properties**

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured at cost less accumulated depreciation and impairment losses.

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

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property.

The estimated useful lives are as follows:

Condominium	20 - 28	years
Condominium improvement	5 - 10	years
Furniture	3 - 5	years

No depreciation is provided on freehold land.

**3.9 Property, plant and equipment**

Recognition and measurement

Owned assets

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

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, 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 capitalized borrowing costs.

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

Gains and losses on disposal of an 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 recognized in profit or loss.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENED DECEMBER 31, 2022**

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/Company, 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 part of an item of property, plant and equipment. The estimated useful lives are as follows:

Office buildings and building components	5 - 32 years
Machinery and construction equipment	5 - 15 years
Steel and aluminium formwork	2 - 10 years
Furniture, fixtures and equipment	3 - 20 years
Vehicles	5 - 10 years

No depreciation is provided on freehold land or construction in progress.

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

**3.10 Intangible assets**

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

Amortization

Amortization is based on the cost of the asset, less its residual value.

Amortization is recognized 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 the most closely reflects the expected pattern of consumption of the future economic benefits embodied in the assets. The estimated useful lives are as follows:

Cash paid for a list of customers and existing business	3	Years
Software licenses	3 - 15	Years

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

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**3.11 Impairment**

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

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

Calculation of recoverable amount

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

Reversals of impairment

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

**3.12 Lease**

Lease - where the Group is the lessee

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

The Group recognises a right-of-use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, initial direct costs and estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any incentive received.

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, if the rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENED DECEMBER 31, 2022**

Lease payments included in the measurement of the lease liability are as follows:

- fixed payments including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price, under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period; and
- payments of penalties for early termination of a lease if the Group is reasonably certain to terminate early.

To apply a cost model, the Group measures the ROU asset at cost, less accumulated depreciation and accumulated impairment loss and adjusted for any remeasurement of the lease liability. The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. However, if the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the ROU asset reflects that the Group will exercise a purchase option, the Group depreciates the ROU asset from the commencement date to the end of the useful life of the underlying asset. The useful life of the ROU asset is determined on the same basis as those of property, plant and equipment.

The lease liability is re-measured when there is a change in future lease payments arising from the following items:

- a change in an index or a rate used to determine those payments
- a change in the Group's estimate of the amount expected to be payable under a residual value guarantee
- the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured to reflect changes to the lease payments, the Group recognises the amount of the remeasurement of the lease liability as an adjustment to the ROU asset. However, if the carrying amount of the ROU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the remeasurement in profit or loss.

Short-term leases and leases of low-value assets

The Group has elected not to recognise ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**3.13 Interest - bearing liability**

Interest-bearing liabilities are recognized initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortized cost with any difference between cost and redemption value being recognized in profit or loss over the period of the borrowings on an effective interest basis.



**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**3.14 Trade and other current payables**

Trade and other current payables are stated at cost.

**3.15 Employee benefits**

a) Short-term employee benefits

Short-term employee benefit obligations, which include salaries, wages, bonuses, and contributions to the social security fund, are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group's/Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Post-employment benefits

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

- Defined contribution plans

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

- Defined benefit plan

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

The Group's/Company recognized immediately all actuarial gains or losses arising from defined benefit plans in other comprehensive income.

# SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2022

#### c) Other long-term employee benefits

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

#### d) Termination benefits

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

### 3.16 Provision

A provision is recognized when the Group/Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the effect is material, 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 recognized as finance cost.

Other provisions are as follows:

- Estimated costs of rectification in the period of guarantee work

Estimated costs of rectification in the period of guarantee work are recognized within the period of time under each the project contract, basing on the progress of the project and actual costs incurred to date, together with fluctuations in costs of construction materials, labor and the current situation and historical experience of the project manager on such construction project.

- Estimate of delay penalties

An estimate of delay penalties is considered an effect of contractual changes on the price of the transaction and measuring the progress of completion of the completed workload to be recognized as an increase or decrease of income as at the contract change date.

An estimate of delay will be based on construction results and other factors that may be related to the probability of such damage.

- Estimate of expected losses on construction projects

An estimate of expected losses on construction projects of each project is based on the progress of the project and actual costs incurred to date, together with fluctuations in costs of construction materials, labor and the current situation and historical experience of the project manager on such construction project.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENED DECEMBER 31, 2022**

**3.17 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.

Repurchase of share capital (treasury shares)

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

**3.18 Revenues**

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Contract revenues

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 an input method, based on comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs at completion.

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.

Sales of construction materials

Sales of construction materials and materials be over demand are recognized when the company has complied with the obligation in the contract and transferred the control of the product to the customer.

# SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENED DECEMBER 31, 2022

#### Rendering of service

Rendering of service are room service revenue, revenue from food and beverages, and other service incomes are recognised when guests check in or services are provided.

#### Interest and dividend income

Interest income is recognised in profit or loss as it accrues. Dividend income is recognised in profit or loss on the date the Group's/Company's right to receive payments is established.

Gain from compromise is recognized when the installable payment is made to creditor pursuant to the compromise agreement prepared in front of the Court.

Other income is recognized on an accrual basis. The compensation for damage from the lawsuit or dispute is recognized when has the result and receive the payment.

### **3.19 Expenses**

Expenses are recognized on the accrual basis.

### **3.20 Financial costs**

Financial costs comprise interest expenses on borrowings and unwinding of discount on provisions and contingent consideration.

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

### **3.21 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 substantially enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the 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 entities to the extent that it is probable that they will not reverse in the foreseeable future.

# SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENED DECEMBER 31, 2022

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group/Company 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 end of the reporting period.

In determining the amount of current and deferred tax, the Group / Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group / Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group / Company 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. Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

#### **3.22 Earnings per share**

Basic earnings per share is calculated by dividing the profit or loss for the year attributable to ordinary shareholders by the number of ordinary shares outstanding during the year, adjusted for own share held.

#### **3.23 Segment reporting**

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

#### **3.24 Dividends**

Dividend payment and interim dividend are recorded in the accounting period in which the General Meeting of Shareholders of the Company and the Board of Directors Meeting of the Company have approved the dividend payment.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENED DECEMBER 31, 2022**

**4 Related parties**

For the purposes of these financial statements, parties are considered to be related to the Group / Company if the Group / Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions or vice versa, or where the Group / Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
<b>Subsidiaries</b>		
1. SCR Asset Management Co., Ltd.	Thailand	Subsidiary, 68% shareholding, and some common directors
2. Natural Ville Service Apartment and Management Co., Ltd.	Thailand	Subsidiary, 99.97% shareholding and some common directors
3. CSM Capital Partners Co., Ltd.	Thailand	Subsidiary, 60% shareholding and some common directors
4. JT Ten Co., Ltd.	Thailand	Subsidiary, 84.98% shareholding and some common directors
5. PT Three Land Co., Ltd.	Thailand	Subsidiary, 79.98% shareholding and some common directors
6. AN 8 Co., Ltd.	Thailand	Subsidiary, 79.90% shareholding and some common directors
7. SHG Management Co., Ltd.	Thailand	Subsidiary, 70% shareholding and some common directors
8. Delta Infra One Co., Ltd.	Thailand	Subsidiary, 90% shareholding and some common directors
<b>Associate</b>		
1. Natural Hotel Sukhumvit Co., Ltd	Thailand	Associate, 25% Shareholding and completed the liquidation process

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENED DECEMBER 31, 2022**

Name of entities	Country of incorporation/ nationality	Nature of relationships
<b>Related companies</b>		
1. Bangkok Expressway and Metro Public Company Limited	Thailand	Related company, 0.49% shareholding
2. Mivan (Thailand) Co., Ltd.	Thailand	Related company as a venture in Syntec-Mivan Joint Venture
3. Siam Syntec Planner Co., Ltd.	Thailand	Related company, some common directors
4. Tate Enterprise Co., Ltd.	Thailand	Related company, some common shareholder
5. N&J Assets Management Co., Ltd.	Thailand	Related company, some common directors
6. Narai Phand Co., Ltd.	Thailand	Related company, directors related to the director of the Company
7. N & J Hospitality Co., Ltd.	Thailand	Related company, directors related to the director of the Company
8. Pink Cafe Co., Ltd.	Thailand	Related company, directors related to the director of the Company
9. Safe Series Co., Ltd.	Thailand	Related company, shareholder as a key management personnel of the Company
10. Mankongsangtong Holding Co., Ltd.	Thailand	Related company, common shareholders
11. Thonglor Management Co., Ltd.	Thailand	Related company, shareholder related to the Company's directors
12. Wealthy Living Co.,Ltd.	Thailand	Related company, shareholder related to the Company's directors
13. Chuaphaibul Steel Co., Ltd.	Thailand	Related company, directors related to the director or shareholder of the Company
14. Thai Roong Ruang Industry Co., Ltd.	Thailand	Related company, shareholder and director related to the shareholders and directors of the Company
15. TRR Property Co., Ltd.	Thailand	Related company, shareholder and director as the shareholder and director of the subsidiary
16. CSNJ Patong 3 Co., Ltd.	Thailand	Related company, shareholder related to the Company's directors

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENED DECEMBER 31, 2022**

Name of entities	Country of incorporation/ nationality	Nature of relationships
<b>Related companies</b>		
17. The Gas Carrier Co., Ltd.	Thailand	Related company, directors related to the Company's directors
18. Thai Ruam Toon Warehouse Co., Ltd.	Thailand	Related company, shareholder and director as the shareholder and director of the subsidiary
<b>Related persons</b>		
1. Six related persons	Thailand	Related persons, as the Company's and the subsidiaries' directors, shareholders, key management personnel or related to the key management personnel.
2. Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly including any director of the Group/Company (whether executive or otherwise).



**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENED DECEMBER 31, 2022**

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

	<b><u>Pricing policies</u></b>
Interest income	MLR - 2.48 to MLR - 2.75 per annum
Contract revenues	Cost price plus profit margin not less than 12%
Rendering of service	Service income to be refunded under the contract on the basis determined by related concern
Contract costs	Market price
Purchase of steel	Market price
Cost of service (management fee for service apartment and others)	Contract price on the basis determined by the related concerned
Service expenses	Contract price on the basis determined by the related concerned
Land rental	Contract price on the basis determined by the related concerned
Interest expenses	MLR - 2.48 to MLR - 2.75 per annum
Directors benefit expenses represented meeting allowance and director bonus	Approval from the Company's directors and shareholders
Directors and management benefit expenses represented salary and bonus	Approval from the Company's directors and shareholders

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENED DECEMBER 31, 2022**

Significant transactions for the year ended December 31 with related parties were summarized as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
<b>Revenue</b>				
<b>Subsidiaries</b>				
Rendering of service and others	-	-	4,770,000	4,084,675
Interest income	-	-	2,888,745	2,313,210
<b>Related companies</b>				
Contract revenues	5,535,528	240,071,390	5,535,528	240,071,390
Rental and service expenses	2,422,172	1,549,284	330,000	360,000
<b>Expenses</b>				
<b>Subsidiaries</b>				
Cost of service	-	-	14,425,706	9,851,490
Administrative expenses	-	-	4,943,665	5,612,462
<b>Related companies</b>				
Contract costs	79,693,661	136,758,739	79,693,661	136,758,739
Cost of service	18,403,870	17,333,866	-	-
Space rental and services	2,777,106	194,400	2,777,106	194,400
Interest expenses	16,375	-	-	-
Other service expenses	1,194,644	1,451,974	1,194,644	1,451,974
Purchase of steel	94,336,105	62,958,087	94,336,105	62,958,087
<b>Related person</b>				
Administrative expenses	1,380,000	400,000	-	-
Interest expenses	16,494	-	-	-

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

(Unit : Baht)

	Consolidated		Separate	
	2022	2021	2022	2021
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefits	41,842,338	44,653,942	37,390,817	39,825,256
Post-employment benefits	9,459,162	1,867,818	9,459,162	1,867,818
Total key management personnel compensation	<u>51,301,500</u>	<u>46,521,760</u>	<u>46,849,979</u>	<u>41,693,074</u>

Key management compensation for the years ended December 31, 2022 and 2021 separately shown as follows

(Unit : Baht)

	Consolidated		Separate	
	2022	2021	2022	2021
Construction cost	15,377,753	10,589,500	15,377,753	10,589,500
Cost of service	1,886,710	2,621,987	-	-
Cost of distribution	3,747,901	3,259,800	3,747,901	3,259,800
Administrative expenses	30,289,136	30,050,473	27,724,325	27,843,774
	<u>51,301,500</u>	<u>46,521,760</u>	<u>46,849,979</u>	<u>41,693,074</u>

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

(Unit : Baht)

	Consolidated		Separate	
	2022	2021	2022	2021
<b>Assets</b>				
<b><u>Trade accounts receivables - related parties</u></b>				
Related companies	<u>52,871,855</u>	<u>68,148,824</u>	<u>52,540,526</u>	<u>68,148,824</u>
<b><u>Retention receivables under construction contracts - related parties</u></b>				
Subsidiaries	-	-	-	3,100,391
Related companies	<u>39,647,478</u>	<u>41,954,280</u>	<u>39,647,478</u>	<u>41,954,280</u>
Total	<u>39,647,478</u>	<u>41,954,280</u>	<u>39,647,478</u>	<u>45,054,671</u>

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
<b><u>Other current receivables and advances</u></b>				
Subsidiaries	-	-	693,963	17,004,553
Related companies	-	30,000	-	30,000
Related persons	624,999	838,871	584,999	798,871
Total	624,999	868,871	1,278,962	17,833,424
Less allowance for credit losses	-	-	-	-
Net	624,999	868,871	1,278,962	17,833,424
<b><u>Unbilled construction in progress - related parties</u></b>				
Related companies	4,125,463	3,277,894	4,125,463	3,277,894
<b><u>Short-term loans to related parties</u></b>				
Subsidiaries	-	-	117,300,000	84,400,000

	(Unit : Baht)			
	Consolidated and Separate			
	2022		2021	
	Cost	Fair value	Cost	Fair value
<b><u>Other non-current financial assets</u></b>				
<b><u>Equity securities measured at fair value through other comprehensive income</u></b>				
Related companies				
Cost	221,747,612	736,679,740	221,747,612	631,439,777
Profit (loss) from fair value adjustment	514,932,128	-	409,692,165	-
Fair value	736,679,740	736,679,740	631,439,777	631,439,777

The Company classifies investments in equity securities that are not held for trading that do not qualify for measurement at fair value through profit and loss as fair value type through other comprehensive income.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

The Company recognized dividends from equity securities in the income statement for the year ended December 31, 2022, and 2021 as follows

	(Unit : Baht)	
	Consolidated and Separate	
	2022	2021
Dividends	6,013,712	7,517,140

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
<b>Liabilities</b>				
<b>Trade accounts payable - related parties</b>				
Related companies	18,298,360	6,205,303	18,298,360	6,205,303
<b>Other current payables - related parties</b>				
Subsidiaries	-	-	-	15,510,427
Related companies	1,379,144	1,669,730	14,955	916,101
Total	1,379,144	1,669,730	14,955	16,426,528
<b>Short-term loans from related parties and persons</b>				
Related companies	600,000	300,000	-	-
Related persons	600,000	300,000	-	-
Total	1,200,000	600,000	-	-

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
<b>Advance received from customers under construction contracts - related parties</b>				
Related companies	-	1,793,638	-	1,793,638
<b>Retention payables from subcontractors - related parties</b>				
Related companies	3,473,374	2,844,394	3,473,374	2,844,394
<b>Lease liabilities - related parties</b>				
Related companies	253,755,203	232,639,670	-	-

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

Movements of short - term loans to related parties for the year ended December 31, 2022 were as follows:

(Unit : Thousand Baht)

Relationship	Separate				
	Balance as at January, 1	During the period		Balance as at December, 31	
	2022	Increase	Decrease	2022	
<b><u>Loan to related parties</u></b>					
SCR Asset Management Co., Ltd.	Subsidiary	83,000	2,000	-	85,000
SHG Management Co., Ltd.	Subsidiary	1,400	1,400	-	2,800
Delta Infra One Co., Ltd.	Subsidiary	-	34,500	(5,000)	29,500
		<u>84,400</u>	<u>37,900</u>	<u>(5,000)</u>	<u>117,300</u>

As at December 31, 2022 and December 31, 2021, the Company had short-term loans to a subsidiary (“SCR Asset Management Co., Ltd.”) of Baht 85 million and Baht 83 million represented short-term loans under 18 loan agreements, requiring payable on demand. The principal and interest will be repaid within 2 years, interest charged at MLR-2.48% to MLR -2.75% per annum.

As at December 31, 2022 and December 31, 2021, the Company had short-term loans to a subsidiary (“SHG Management Co., Ltd.”) of Baht 2.80 million and Baht 1.40 million represented short-term loans under 2 loan agreement, requiring payable on demand. The principal and interest will be repaid within 2 years, interest charged at MLR-2.50% per annum.

As at December 31, 2022, the Company had short-term loans to a subsidiary (“Delta Infra One Co, Ltd.”) of Baht 29.50 million represented short-term loans under 6 loan agreement, requiring payable on demand. The principal and interest will be repaid within 2 years, interest charged at MLR-2.50% per annum.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

Movements of short - term loans from related parties and persons for the year ended December 31, 2022 were as follows:

		(Unit : Baht)			
		Consolidated			
		Balance as at	During the period		Balance as at
		January, 1	Increase	Decrease	December, 31
<u>Relationship</u>		<u>2022</u>			<u>2022</u>
<b>Short - term loans from related parties and parties</b>					
	Shareholders of subsidiary				
Tate Enterprise Co., Ltd.		200	200	-	400
	Shareholders of subsidiary				
Thonglor Management Co., Ltd.		100	100	-	200
	Shareholders of subsidiary				
Related persons		300	300	-	600
		<u>600</u>	<u>600</u>	<u>-</u>	<u>1,200</u>

As at December 31, 2022 and December 31, 2021, the subsidiary had short-term loans from Shareholders of the subsidiary of Baht 1.20 million and Baht 0.60 million represented short-term loans under 6 loan agreements, requiring payable on demand. The principal and interest will be repaid within 2 years, interest charged at MLR-2.50% per annum.

**The commitments with related parties**

The Ordinary General Meeting of Shareholders of the Company held on April 29, 2022, resolved the approval of Directors' remunerations for the year 2022 which were represented the meeting allowance of Baht 18,000 per time per person, and the annual audit committee directors' remunerations of Baht 300,000 per annum per person.

The Ordinary General Meeting of Shareholders of the Company held on April 30, 2021, resolved the approval of Directors' remunerations for the year 2021 which were represented the meeting allowance of Baht 18,000 per time per person, and the annual audit committee directors' remunerations of Baht 310,000 per annum per person.

**5 Other current financial assets**

		(Unit : Baht)			
		Consolidated			
		2022		2021	
		Cost	Fair value	Cost	Fair value
<b>Other current financial assets</b>					
Premium savings		22,715,475	22,715,475	22,661,658	22,661,658
Fixed Deposit		-	-	90,892,027	90,892,027
Mutual fund – debt securities		1,904,357,015	1,909,880,121	1,608,229,976	1,613,678,466
<b>Total</b>		<u>1,927,072,490</u>	<u>1,932,595,596</u>	<u>1,721,783,661</u>	<u>1,727,232,151</u>

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

(Unit : Baht)

	Separate			
	2022		2021	
	Cost	Fair value	Cost	Fair value
<b>Other current financial assets</b>				
Premium savings	22,715,475	22,715,475	22,661,658	22,661,658
Fixed Deposit	-	-	90,892,027	90,892,027
Mutual fund – debt securities	1,903,397,404	1,908,916,181	1,607,273,811	1,612,718,856
<b>Total</b>	<b>1,926,112,879</b>	<b>1,931,631,656</b>	<b>1,720,872,496</b>	<b>1,762,272,541</b>

Financial assets mandatorily measured at FVPL include the following:

(Unit : Baht)

	Consolidated		Separate	
	2022	2021	2022	2021
	Mutual fund – debt securities	1,909,880,121	1,613,678,466	1,908,916,181

As at December 31, 2022 and December 31, 2021, investments in mutual fund – debt securities of the Company amounted to Baht 141 million respectively, had been used as collateral for liabilities under letter of guarantee with two domestic commercial banks.



SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENED DECEMBER 31, 2022

6 Trade accounts receivables

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Related companies	52,871,855	68,148,824	52,540,526	68,148,824
Other parties	775,510,060	627,285,049	770,162,134	617,213,838
Total	828,381,915	695,433,873	822,702,660	685,362,662
<u>Less allowance for receivable credit</u>				
losses	(143,192,083)	(157,656,446)	(143,192,083)	(154,751,533)
<b>Net</b>	<b>685,189,832</b>	<b>537,777,427</b>	<b>679,510,577</b>	<b>530,611,129</b>

Aging analyses for trade accounts receivables were as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Within credit terms	569,293,545	282,811,027	566,661,680	281,504,102
Still litigation	193,138,115	159,515,229	193,138,115	154,751,533
Overdue:				
- Less than 3 months	32,563,405	171,731,918	30,476,507	168,797,056
- Over 3 months to 6 months	8,377,781	11,583,517	7,584,800	11,068,460
- Over 6 months to 12 months	110,895	29,495,919	-	28,986,996
- Over 12 months	24,898,174	40,296,263	24,841,558	40,254,515
Total overdue	65,950,255	253,107,617	62,902,865	249,107,027
<b>Total</b>	<b>828,381,915</b>	<b>695,433,873</b>	<b>822,702,660</b>	<b>685,362,662</b>

The normal credit term granted by the Group/Company ranges from 15 days to 45 days.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

The loss allowance for trade receivables can be reconciled as follows:

	(Unit : Baht)	
	Consolidated	Separate
<b>For the year ended December 31, 2022</b>		
As at January 1, 2022	(157,656,444)	(154,751,533)
Increase in loss allowance recognised in profit or loss	(52,540,526)	(52,540,526)
Reversal allowance for credit losses	64,099,976	64,099,976
Receivables written off during the year as uncollectible	2,904,911	-
<b>As at December 31, 2022</b>	<b>(143,192,083)</b>	<b>(143,192,083)</b>

As of December 31, 2022, the Company recorded an allowance for loss of trade accounts receivable of 143.19 million baht, Retention receivables under construction contracts of 13.89 million baht, and Unbilled construction value of 4.97 million baht arising from lawsuits. Receiving of debts of 4 trade accounts receivable, and 1 debtor in the process of suing. The company has considered setting up the allowance for loss in full, except for the following 3 trade accounts receivable that have considered a reversal. Allowance for loss of trade accounts receivable in the amount of 64.10 million baht, Retention receivables in the amount of 6.47 million baht, and Unbilled construction that has not been collected from customers in the amount of 11.43 million baht, including allowance for losses transferred during the year in the amount of 82 million baht. the Company has considered as follows.

**The first trade receivable.** The value of trade accounts receivable in the amount of 50.70 million baht, Retention receivable in the amount of 3.65 million baht, and Unbilled construction in progress in the amount of 9.57 million baht. Securities seized from the debtor.

**Second trade receivable** There is a value of trade receivables in the amount of 13.67 million baht, Retention receivables in the amount of 23.49 million baht, and Unbilled construction in progress in the amount of 5.40 million baht. During the year, the company has considered a total reversal of 10.81 million baht by considering. The collateral value that the debtor has placed as collateral for the court. In this regard, the Company has recorded an allowance for the loss of such debtor as of December 31, 2022, in the amount of 6.39 million baht.

**Third trade receivable** There were trade accounts receivable in the amount of 33.18 million baht, Retention receivables in the amount of 28.19 million baht, and Unbilled construction in progress in the amount of 6.92 million baht. During the year, the company has considered a total reversal of 6.10 million baht by considering the judgment of the Court of Appeal ordering payment in the amount of 36.89 million baht and considering the debtor's ability to repay debt from the financial statements. In this regard, the company has recorded an allowance for the loss of such debtor as of December 31, 2022, in the amount of 31.41 million baht.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

7 Other current receivables

	(Unit :Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Other receivables	73,303,191	40,177,953	73,116,229	55,868,135
Accrued income	11,226,699	10,557,756	5,000,000	829,248
Prepaid expenses	25,065,286	14,571,656	22,144,245	11,316,170
Input tax not due	5,123,342	3,363,722	3,805,913	2,728,237
Advances	6,216,958	4,678,733	3,358,680	4,541,917
Prepaid value added tax	9,071,958	6,837,146	-	766,496
<b>Total</b>	<b>130,007,434</b>	<b>80,186,966</b>	<b>107,425,067</b>	<b>76,050,203</b>
<b>Less allowance for credit losses</b>	<b>(16,915,188)</b>	<b>(7,771,679)</b>	<b>(16,915,188)</b>	<b>(7,771,679)</b>
<b>Net</b>	<b>113,092,246</b>	<b>72,415,287</b>	<b>90,509,879</b>	<b>68,278,524</b>
Related parties	25,200	30,000	703,663	17,034,553
Key management personnel	653,223	838,871	613,223	798,871
Other parties	129,329,011	79,318,095	106,103,181	58,216,779
<b>Total</b>	<b>130,007,434</b>	<b>80,186,966</b>	<b>107,425,067</b>	<b>76,050,203</b>
<b>Less allowance for credit losses</b>	<b>(16,915,188)</b>	<b>(7,771,679)</b>	<b>(16,915,188)</b>	<b>(7,771,679)</b>
<b>Net</b>	<b>113,092,246</b>	<b>72,415,287</b>	<b>90,509,879</b>	<b>68,278,524</b>

The loss allowance for trade receivables can be reconciled as follows:

	(Unit : Baht)
	Consolidated and Separate
<b>For the year ended December 31, 2022</b>	
As at January 1, 2022	(7,771,679)
Increase in loss allowance recognised in profit or loss	(9,143,509)
<b>As at December 31, 2022</b>	<b>(16,915,188)</b>

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

8 Contract assets

8.1 Contract balance

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
<b>Contract assets</b>				
Retentions receivables under construction contract	684,325,724	757,169,470	684,325,724	760,269,861
Unbilled construction in progress	745,068,724	702,011,953	745,068,724	702,011,953
<b>Total</b>	<u>1,429,394,448</u>	<u>1,459,181,423</u>	<u>1,429,394,448</u>	<u>1,462,281,814</u>
Current	1,252,800,174	1,335,761,271	1,252,800,174	1,335,761,271
Non-current	<u>176,594,274</u>	<u>123,420,152</u>	<u>176,594,274</u>	<u>126,520,543</u>
<b>Total contract assets</b>	<u>1,429,394,448</u>	<u>1,459,181,423</u>	<u>1,429,394,448</u>	<u>1,462,281,814</u>

8.2 Retentions receivables under construction contracts

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Retentions receivables under construction contract	698,212,444	769,413,366	698,212,444	772,513,757
Less allowance for credit losses	<u>(13,886,720)</u>	<u>(12,243,896)</u>	<u>(13,886,720)</u>	<u>(12,243,896)</u>
<b>Net</b>	<u>684,325,724</u>	<u>757,169,470</u>	<u>684,325,724</u>	<u>760,269,861</u>
Current	507,731,450	633,749,318	507,731,450	633,749,318
Non-current	<u>176,594,274</u>	<u>123,420,152</u>	<u>176,594,274</u>	<u>126,520,543</u>
<b>Total</b>	<u>684,325,724</u>	<u>757,169,470</u>	<u>684,325,724</u>	<u>760,269,861</u>

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

The loss allowance for Retentions receivables under construction contract can be reconciled as follows:

	(Unit : Baht)
	<u>Consolidated and Separate</u>
<b>For the year ended December 31, 2022</b>	
As at January 1, 2022	(12,243,896)
Increase in loss allowance recognised in profit or loss	(13,076,060)
Reversal allowance for credit losses	11,433,236
<b>As at December 31, 2022</b>	<u>(13,886,720)</u>

**8.3 Unbilled construction in progress**

	(Unit : Baht)	
	<u>Consolidated and Separate</u>	
	December 31, 2022	December 31, 2021
Unbilled construction in progress	750,038,143	710,973,878
Less allowance for credit losses	(4,969,419)	(8,961,925)
<b>Net</b>	<u><b>745,068,724</b></u>	<u><b>702,011,953</b></u>

The loss allowance for Unbilled construction in progress can be reconciled as follows:

	(Unit : Baht)
	<u>Consolidated and Separate</u>
<b>For the year ended December 31, 2022</b>	
As at January 1, 2022	(8,961,925)
Increase in loss allowance recognised in profit or loss	(2,475,829)
Reversal allowance for credit losses	6,468,335
<b>As at December 31, 2022</b>	<u>(4,969,419)</u>

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	(Unit : Million Baht)	
	Consolidated and Separate	
	December 31, 2022	December 31, 2021
Construction project contracts amount	48,314	53,916
Contract revenue recognized as revenue since commencing date to present	41,499	50,200
<u>Less</u> progress billings (as invoices)	(40,845)	(49,585)
Unbilled construction in progress	654	615
Unbilled construction in progress (Still litigation)	96	96
Unbilled construction in progress at the end of period	750	711
<u>Less</u> allowance for credit losses	(5)	(9)
<b>Net</b>	<b>745</b>	<b>702</b>
Excess of progress billing over work in progress (Contract liabilities)	(602)	(217)
<b>Net</b>	<b>143</b>	<b>485</b>

As at December 31, 2022, the Company has a balance of unbilled construction in progress amount to Baht 654 million which is expected to be paid within 1 year.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

9 Inventories

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Construction materials	96,404,108	110,878,556	96,404,108	110,878,556
Spare parts and supplies	10,931,522	10,846,719	9,366,920	9,845,226
<b>Total</b>	<b>107,335,630</b>	<b>121,725,275</b>	<b>105,771,028</b>	<b>120,723,782</b>
The cost of inventories is recorded as expenses and included in the construction cost accounting (Million Baht).	1,822	1,104	1,822	1,104

10 Investments in subsidiaries

Company's name	(Unit : Baht)			
	Paid-up Share Capital		Cost	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	Million Baht	Million Baht		
SCR Asset Management Co., Ltd.	600	600	408,064,000	408,064,000
Natural Ville Service Apartment and Management Co., Ltd.	2	2	1,999,700	1,999,700
CSM Capital Partners Co., Ltd.	1,360	1,325	816,000,000	795,000,000
PT Three Land Co., Ltd.	120	120	95,976,000	95,976,000
JT Ten Co., Ltd.	140	140	118,972,000	118,972,000
AN 8 Co., Ltd.	130	130	103,870,000	103,870,000
SHG Management Co., Ltd.	9	9	6,300,000	6,300,000
Delta Infra One Co., Ltd.	17	2	15,299,150	1,799,900
<b>Total</b>			<b>1,566,480,850</b>	<b>1,531,981,600</b>

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**Reconciliation of investments in subsidiaries**

	(Unit : Baht)	
	Separate	
	December 31, 2022	December 31, 2021
Beginning balance	1,531,981,600	1,469,331,650
Increase	34,499,250	62,649,950
Ending balance	<u>1,566,480,850</u>	<u>1,531,981,600</u>

The Extraordinary General meeting of the subsidiary company ("Delta Infra One Co, Ltd."), held on July 15, 2022, approved to increase the company's authorized share capital from Baht 4 million to Baht 17 million in order to use as working capital of the subsidiary. The subsidiary company registered the capital increase with the Ministry of Commerce on August 2, 2022.

The Extraordinary General meeting of the subsidiary company ("CSM Capital Partners Co., Ltd"), held on April 4, 2022, approved to increase the company's authorized share capital from Baht 1,325 million to Baht 1,360 million in order to use as working capital of the subsidiary. The subsidiary company registered the capital increase with the Ministry of Commerce on April 22, 2022.

The Extraordinary General Meeting of the subsidiary company (" CMS Capital Partners Co. , Ltd" ), held on March 12, 2021, approved to increase the company's authorized share capital from Baht 1,225 million to Baht 1,325 million in order to use as working capital of the subsidiary. The subsidiary company registered the capital increase with the Ministry of Commerce on March 25, 2021.



**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**11 Non-controlling interests**

The following table summarizes the information about each subsidiary of the group of companies with significant non-controlling interests.

(Unit : Million Baht)

	Natural Ville																	
	SCR Asset Management Co., Ltd.		Service apartment and Management Co., Ltd.		CSM Capital Partners Co., Ltd.		PT Three Land Co., Ltd.		JT Ten Co., Ltd.		AN 8 Co., Ltd.		SHG Management Co., Ltd.		Delta Infra One Co., Ltd.		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Percentage of non-controlling interests	32.00	32.00	0.03	0.03	40.00	40.00	20.02	20.02	15.02	15.02	20.10	20.10	20.10	30.00	30.00	10.01	10.01	10.01
Current assets	47	41	2	21	87	56	3	3	15	21	127	124	2	2	2	6	6	1
Non-current assets	865	915	1	-	2,022	2,115	306	306	316	321	-	5	2	2	2	49	-	-
Current liabilities	(209)	(157)	-	(17)	(219)	(274)	-	-	(1)	-	-	-	(5)	(3)	(42)	-	-	-
Non-current liabilities	(396)	(442)	-	(2)	(953)	(953)	(254)	(233)	(232)	(230)	(3)	-	(2)	(2)	-	-	-	-
Net assets	307	357	3	2	937	944	58	76	98	112	124	129	(3)	(1)	13	1	1	1
Carrying amounts of non-controlling interests	98	114	-	-	374	377	12	15	15	17	25	26	(1)	-	1	-	524	549

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

(Unit : Million Baht)

	Natural Ville																	
	SCR Asset Management Co., Ltd.		Service apartment and Management Co., Ltd.		CSM Capital Partners Co., Ltd.		PT Three Land Co., Ltd.		JT Ten Co., Ltd.		AN 8 Co., Ltd.		SHG Management Co., Ltd.		Delta Infra One Co., Ltd.		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Income	95	81	15	11	260	170	-	-	-	-	4	3	9	7	-	-	-	-
Profit (Loss)	(50)	(58)	-	-	(44)	(90)	(18)	(18)	(14)	(12)	(5)	2	(2)	(5)	(2)	(1)	(2)	(1)
Other comprehensive income	-	-	1	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>(50)</b>	<b>(58)</b>	<b>1</b>	<b>-</b>	<b>(43)</b>	<b>(90)</b>	<b>(18)</b>	<b>(18)</b>	<b>(14)</b>	<b>(12)</b>	<b>(5)</b>	<b>2</b>	<b>(2)</b>	<b>(5)</b>	<b>(2)</b>	<b>(1)</b>	<b>(2)</b>	<b>(1)</b>
<b>Profit (loss) allocated for Non-controlling interests</b>	<b>(16)</b>	<b>(19)</b>	<b>-</b>	<b>-</b>	<b>(17)</b>	<b>(36)</b>	<b>(4)</b>	<b>(4)</b>	<b>(2)</b>	<b>(1)</b>	<b>(1)</b>	<b>-</b>	<b>(1)</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>(41)</b>	<b>(61)</b>
Cash flows from operating activities	23	14	(3)	1	105	56	-	-	-	-	(2)	(1)	(1)	(4)	(5)	(1)	(5)	(1)
Cash flows from investing activities	(1)	(1)	-	-	(9)	(4)	-	(2)	(3)	(8)	4	(5)	-	-	(39)	-	(39)	-
Cash flows from financing activities	(18)	(2)	-	-	(60)	(39)	-	-	(2)	(1)	-	-	2	4	44	1	44	1
<b>Cash and equivalent Net increase (decrease) in cash</b>	<b>4</b>	<b>11</b>	<b>(3)</b>	<b>1</b>	<b>36</b>	<b>13</b>	<b>-</b>	<b>(2)</b>	<b>(5)</b>	<b>(9)</b>	<b>2</b>	<b>(6)</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**12 Investment properties**

	(Unit : Baht)			
	Consolidated			
	Land	Condominium	Furniture	Total
<b>Cost</b>				
As at January 1, 2022	306,571,138	325,353,767	3,717,590	635,642,495
Additions	-	2,036,216	152,913	2,189,129
<b>As at December 31, 2022</b>	<b>306,571,138</b>	<b>327,389,983</b>	<b>3,870,503</b>	<b>637,831,624</b>
<b>Accumulated depreciation</b>				
At January 1, 2022	-	124,087,744	2,757,112	126,844,856
Depreciation charge for the year	-	22,637,743	403,109	23,040,852
<b>At December 31, 2022</b>	<b>-</b>	<b>146,725,487</b>	<b>3,160,221</b>	<b>149,885,708</b>
<b>Net book value</b>				
<b>At December 31, 2021</b>	<b>306,571,138</b>	<b>201,266,023</b>	<b>960,478</b>	<b>508,797,639</b>
<b>At December 31, 2022</b>	<b>306,571,138</b>	<b>180,664,496</b>	<b>710,282</b>	<b>487,945,916</b>
<b>Fair value measurement</b>				
Appraised price	437,258,703	263,453,684	1,013,067	
Evaluation criteria	Market Approach	Market Approach, Cost Approach	Market Approach	

	(Unit: Baht)	
	Consolidated	
	2022	2021
Room service costs	22,589,741	22,469,374
Administrative expenses	451,111	313,435
<b>Total</b>	<b>23,040,852</b>	<b>22,782,809</b>

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

	(Unit : Baht)	
	Separate	
	Condominium	Total
<b>Cost</b>		
At January 1, 2022	12,534,196	12,534,196
<b>At December 31, 2022</b>	<b>12,534,196</b>	<b>12,534,196</b>
<b>Accumulated depreciation</b>		
At January 1, 2022	5,409,188	5,409,188
Depreciation charge for the year	451,111	451,111
<b>At December 31, 2022</b>	<b>5,860,299</b>	<b>5,860,299</b>
<b>Net book value</b>		
<b>At December 31, 2021</b>	<b>7,125,008</b>	<b>7,125,008</b>
<b>At December 31, 2022</b>	<b>6,673,897</b>	<b>6,673,897</b>
<b>Fair value measurement</b>		
Appraised price	15,293,000	
Evaluation criteria	Market Approach and Cost Approach	

	(Unit: Baht)	
	Separate	
	2022	2021
Depreciation for the year is included in administrative expenses	451,111	313,436

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENED DECEMBER 31, 2022**

**Measurement of fair value**

Investment property as of December 31, 2022, appraised by independent valuers According to the report dated January 4,2023 the fair value measurement of investment properties is organized in the hierarchy of fair value measurements at level 2 and level 3.

Investment property as of December 31, 2022, of the subsidiary appraised by independent valuers According to the report dated January 31,2023, the fair value measurement of investment properties is organized in the hierarchy of fair value measurements at level 3.

**Pledge**

As of December 31, 2022, the subsidiary company used the investment property, which is a condominium in Eight Thonglor Project, with a book value of Baht 472 million, as collateral for loans from a domestic commercial bank amount of Baht 1,000 million and please also see note 19 to the financial statements

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

13 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the year ended December 31, 2022 were as follows:

	Consolidated							Total
	Land	Buildings and building components	Construction machinery and equipment	Aluminium lining Boards (formwork)	Furniture, fixtures and equipment	Vehicles	Construction in progress	
<b>Cost</b>								
At January 1, 2022	1,295,186,410	2,150,848,942	1,104,501,247	101,575,472	324,606,287	144,531,931	57,256,913	5,178,507,202
Additions	-	1,585,605	20,180,302	12,936,023	67,853,613	-	29,418,652	131,974,195
Transfers in (out)	-	15,585,133	2,786,463	-	-	-	(18,371,596)	-
Transfer business segment	-	-	-	-	(65,644,815)	-	-	(65,644,815)
Disposals/write-off	-	-	(10,684,985)	(3,773,546)	(14,111,086)	(8,416,880)	-	(36,986,497)
At December 31, 2022	1,295,186,410	2,168,019,680	1,116,783,027	110,737,949	312,703,999	136,115,051	68,303,969	5,207,850,085
<b>Accumulated depreciation</b>								
At January 1, 2022	-	826,918,051	827,347,500	70,245,533	259,649,326	122,628,320	-	2,106,788,730
Depreciation charge for the year	-	143,599,489	40,079,491	9,290,562	23,261,446	7,218,012	-	223,449,000
Transfer business segment	-	-	-	-	(42,539,786)	-	-	(42,539,786)
Disposals/write-off	-	-	(10,367,848)	(3,773,542)	(13,950,577)	(8,416,967)	-	(36,508,934)
At December 31, 2022	-	970,517,540	857,059,143	75,762,553	226,420,409	121,429,365	-	2,251,189,010

(Unit : Baht)

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

	Consolidated							(Unit : Baht)
	Land	Buildings and building components	Construction machinery and equipment	Aluminium lining Boards (formwork)	Furniture, fixtures and equipment	Vehicles	Construction in progress	
<b>Net book value</b>								
Owned assets	1,295,186,410	1,323,930,891	277,153,747	31,329,939	64,956,961	21,903,611	57,256,913	3,071,718,472
<b>Total at December 31, 2021</b>	<b>1,295,186,410</b>	<b>1,323,930,891</b>	<b>277,153,747</b>	<b>31,329,939</b>	<b>64,956,961</b>	<b>21,903,611</b>	<b>57,256,913</b>	<b>3,071,718,472</b>
Owned assets	1,295,186,410	1,197,502,140	259,723,884	34,975,396	86,283,590	14,685,686	68,303,969	2,956,661,075
<b>Total at December 31, 2022</b>	<b>1,295,186,410</b>	<b>1,197,502,140</b>	<b>259,723,884</b>	<b>34,975,396</b>	<b>86,283,590</b>	<b>14,685,686</b>	<b>68,303,969</b>	<b>2,956,661,075</b>

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

	Separate							Total
	Land	Buildings and building components	Construction machinery and equipment	Aluminium lining Boards (formwork)	Furniture, fixtures and equipment	Vehicles	Construction in progress	
<b>Cost</b>								
<b>At January 1, 2022</b>	85,869,331	303,896,986	1,104,501,247	116,084,291	216,034,646	144,531,931	12,371,411	1,983,289,843
Additions	-	-	20,180,302	12,936,023	12,802,288	-	27,935,410	73,854,023
Transfers in (out)	-	15,585,133	2,786,463	-	-	-	(18,371,596)	-
Transfer business segment	-	-	-	-	(65,644,815)	-	-	(65,644,815)
Disposals/write-off	-	-	(10,684,985)	(3,773,546)	(13,872,809)	(8,416,880)	-	(36,748,220)
<b>At December 31, 2022</b>	<b>85,869,331</b>	<b>319,482,119</b>	<b>1,116,783,027</b>	<b>125,246,768</b>	<b>149,319,310</b>	<b>136,115,051</b>	<b>21,935,225</b>	<b>1,954,750,831</b>
<b>Accumulated depreciation</b>								
<b>At January 1, 2022</b>	-	228,445,236	827,347,500	84,754,352	171,718,144	122,628,320	-	1,434,893,552
Depreciation charge for the year	-	18,633,228	40,079,491	9,290,562	13,321,219	7,218,012	-	88,542,512
Transfer business segment	-	-	-	-	(42,539,786)	-	-	(42,539,786)
Disposals/write-off	-	-	(10,367,848)	(3,773,542)	(13,718,262)	(8,416,967)	-	(36,276,619)
<b>At December 31, 2022</b>	<b>-</b>	<b>247,078,464</b>	<b>857,059,143</b>	<b>90,271,372</b>	<b>128,781,315</b>	<b>121,429,365</b>	<b>-</b>	<b>1,444,619,659</b>

(Unit : Baht)



SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

(Unit : Baht)

	Separate							Total
	Land	Buildings and building components	Construction machinery and equipment	Aluminium lining Boards (formwork)	Furniture, fixtures and equipment	Vehicles	Construction in progress	
<b>Net book value</b>								
Owned assets	85,869,331	75,451,750	277,153,747	31,329,939	44,316,502	21,903,611	12,371,411	548,396,291
<b>Total at December 31, 2021</b>	<b>85,869,331</b>	<b>75,451,750</b>	<b>277,153,747</b>	<b>31,329,939</b>	<b>44,316,502</b>	<b>21,903,611</b>	<b>12,371,411</b>	<b>548,396,291</b>
Owned assets	85,869,331	72,403,655	259,723,884	34,975,396	20,537,995	14,685,686	21,935,225	510,131,172
<b>Total at December 31, 2022</b>	<b>85,869,331</b>	<b>72,403,655</b>	<b>259,723,884</b>	<b>34,975,396</b>	<b>20,537,995</b>	<b>14,685,686</b>	<b>21,935,225</b>	<b>510,131,172</b>

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

Depreciation was included in:

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Contract costs	74,118,248	67,044,051	74,118,248	67,044,051
Room service costs	136,705,802	141,556,483	2,077,200	3,536,698
Distribution costs	31,372	124,410	31,372	124,410
Administrative expenses	12,593,578	19,722,479	12,315,692	19,621,855
<b>Total</b>	<b>223,449,000</b>	<b>228,447,423</b>	<b>88,542,512</b>	<b>90,327,014</b>

As at December 31, 2022 and 2021, buildings and equipment of the group companies at cost of Baht 981 million and Baht 875 million, respectively, have been fully depreciated but still in use.

During 2022, a subsidiary (Delta Infra One Co., Ltd.) made a total of 2 contracts to invest in developing construction design and installing power generator equipments. At the expiration of the contracts, the ownership of the assets installed in the buyer's asset will be instantly transferred to the buyer.

Assets under construction:

- Total budget cost of project in constructing service apartment building of a subsidiary (SCR Asset Management Co., Ltd.) at Sriracha Poe, Prachinburi Province (Project 3), amounted to Baht 550 million. Actual cost incurred to December 31, 2022, in the amount of Baht 6 million, (recorded as construction in progress of Baht 6 million), remaining amounted to Baht 6 million.

Pledge:

As at December 31, 2022, land, buildings and building improvement of the Company in the carrying amount of Baht 96 million including indemnity from insurance of those assets were mortgaged as collateral for contingent liabilities due to the letter of guarantee issued by the domestic commercial banks.

As at December 31, 2022, land with existing structures of the subsidiary (SCR Asset Management Co., Ltd) in the carrying amount of Baht 634 million and structures to be constructed in the future was mortgaged as collateral for contingent on borrowings from the domestic commercial bank in the credit line amounting to Baht 620 million. (Note 19)

As at December 31, 2022, the residences in Eight Thonglor Project of the subsidiary (CSM Capital Partners Co., Ltd) in the carrying amount of Baht 1,214 million were mortgaged as collateral for contingent on borrowings from the domestic commercial bank in the credit line amounting to Baht 1,000 million. (Note 19)

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**14. Right-of-use assets, net and lease liabilities, net**

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
<b>Right-of-use assets</b>				
Land	600,481,251	607,689,849	19,533,121	21,423,202
Building and building improvement	-	402,319,408	-	402,319,408
Vehicles	8,001,199	16,585,402	7,430,994	15,736,378
<b>Total right-of-use assets</b>	<b>608,482,450</b>	<b>1,026,594,659</b>	<b>26,964,115</b>	<b>439,478,988</b>
<b>Lease liabilities</b>				
Current	25,156,572	37,285,768	24,882,945	37,009,287
Non- Current	488,904,387	648,767,385	5,086,115	189,660,235
<b>Total lease liabilities</b>	<b>514,060,959</b>	<b>686,053,153</b>	<b>29,969,060</b>	<b>226,669,522</b>

Movements of the right-of-use assets account for the years ended December 31, 2022 and 2021 can be summarized as follows:

	(Unit : Baht)			
	Consolidated			
	Land	Buildings and building components	Vehicles	Total
<b>At January 1, 2021</b>	537,391,335	440,050,455	25,341,723	1,002,783,513
Increase	110,316,302	-	-	110,316,302
Depreciation charge for the year	(40,017,788)	(37,731,047)	(8,756,321)	(86,505,156)
<b>Total at December 31, 2021</b>	<b>607,689,849</b>	<b>402,319,408</b>	<b>16,585,402</b>	<b>1,026,594,659</b>
Increase	39,545,851	-	-	39,545,851
Dncrease	(5,474,346)	-	-	(5,474,346)
Transfer business segment	-	(375,889,666)	-	(375,889,666)
Depreciation charge for the year	(41,280,103)	(26,429,742)	(8,584,203)	(76,294,048)
<b>Total at December 31, 2022</b>	<b>600,481,251</b>	<b>-</b>	<b>8,001,199</b>	<b>608,482,450</b>

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENED DECEMBER 31, 2022**

(Unit : Baht)

	Separate			
	Land	Buildings and building components	Vehicles	Total
<b>At January 1, 2021</b>	16,811,942	440,050,455	24,041,762	480,904,159
Increase	26,887,804	-	-	26,887,804
Depreciation charge for the year	(22,276,544)	(37,731,047)	(8,305,384)	(68,312,975)
<b>Total at December 31, 2021</b>	21,423,202	402,319,408	15,736,378	439,478,988
Increase	26,249,456	-	-	26,249,456
Dncrease	(5,474,347)	-	-	(5,474,347)
Transfer business segment	-	(375,889,666)	-	(375,889,666)
Depreciation charge for the year	(22,665,190)	(26,429,742)	(8,305,384)	(57,400,316)
<b>Total at December 31, 2022</b>	19,533,121	-	7,430,994	26,964,115

According to the minutes of the Company's Board of Directors Meeting No. 9/2022 held on September 19, 2022, it was resolved to approve the sale of land leasehold rights and residential buildings. to a company totalling 200 million baht. The Company has transferred the right to lease the land. and residential building to the buyer on October 1, 2022.

Business segment are as follows:

	(Unit : Baht)
	Consolidated and Separate
Net book value as of 30 September 2022	
Right-of-use assets - net	375,889,666
Lease liabilities - net	(176,837,733)
Inventories	271,444
Intangible assets	445,545
Property, plant and equipment	23,105,029
Loss on sale of business segment	(22,873,951)
<b>Total</b>	<b>200,000,000</b>

On October 1, 2022, the Company transferred the leasehold rights of land and residential buildings agreement which is the real estate development business for room service of the Company to the buyer.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

The statement of income included following transactions related to leases.

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
<b>Depreciation charge of right-of-use assets</b>				
Land	41,280,103	40,017,788	22,665,190	22,276,543
Building and building improvement	26,429,742	37,731,047	26,429,742	37,731,047
Vehicles	8,584,203	8,756,321	8,305,384	8,305,384
<b>Total Depreciation charge of right-of-use assets</b>	<b>76,294,048</b>	<b>86,505,156</b>	<b>57,400,316</b>	<b>68,312,974</b>

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Finance cost relating to leases	20,603,491	21,974,981	6,481,083	9,052,070
Expenses relating to short-term leases (Included in cost of sales and administrative expenses)	6,451,014	5,804,421	6,451,014	5,804,421

The total cash outflow for leases of the Group and the Company in 2022 and 2021 were Baht 25 million in the consolidated, Baht 29 million and 44 million in the separate, respectively.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENED DECEMBER 31, 2022**

**15 Intangible assets**

	(Unit : Baht)		
	Consolidated		
	List of customers and existing business	Software license	Total
<b>Cost</b>			
At January 1, 2021	8,000,000	49,962,164	57,962,164
Additions	-	4,938,652	4,938,652
<b>At December 31, 2021 and January 1, 2022</b>	<b>8,000,000</b>	<b>54,900,816</b>	<b>62,900,816</b>
Additions	-	15,758,456	15,758,456
Transfer business segment	-	(2,896,245)	(2,896,245)
Disposals/write-off	-	(163,839)	(163,839)
<b>At December 31, 2022</b>	<b>8,000,000</b>	<b>67,599,188</b>	<b>75,599,188</b>
<b>Accumulated amortization</b>			
At January 1, 2021	8,000,000	43,417,920	51,417,920
Disposals/write-off	-	4,362,903	4,362,903
<b>At December 31, 2021 and January 1, 2022</b>	<b>8,000,000</b>	<b>47,780,823</b>	<b>55,780,823</b>
Amortization charge for the year	-	5,225,156	5,225,156
Transfer business segment	-	(2,450,700)	(2,450,700)
Disposals/write-off	-	(153,638)	(153,638)
<b>At December 31, 2022</b>	<b>8,000,000</b>	<b>50,401,641</b>	<b>58,401,641</b>
<b>Net book value</b>			
<b>At December 31, 2021</b>	-	<b>7,119,993</b>	<b>7,119,993</b>
<b>At December 31, 2022</b>	-	<b>17,197,547</b>	<b>17,197,547</b>

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

	(Unit : Baht)	
	Separate	
	Software license	Total
<b>Cost</b>		
At January 1, 2021	48,219,291	48,219,291
Additions	4,677,811	4,677,811
<b>At December 31, 2021 and January 1, 2022</b>	<b>52,897,102</b>	<b>52,897,102</b>
Additions	14,433,961	14,433,961
Transfer business segment	(2,896,245)	(2,896,245)
Disposals/write-off	(61,838)	(61,838)
<b>At December 31, 2022</b>	<b>64,372,980</b>	<b>64,372,980</b>
<b>Accumulated amortization</b>		
At January 1, 2021	41,913,191	41,913,191
Amortization charge for the year	4,216,762	4,216,762
<b>At December 31, 2021 and January 1, 2022</b>	<b>46,129,953</b>	<b>46,129,953</b>
Amortization charge for the year	5,143,418	5,143,418
Transfer business segment	(2,450,700)	(2,450,700)
Disposals/write-off	(61,838)	(61,838)
<b>At December 31, 2022</b>	<b>48,760,833</b>	<b>48,760,833</b>
<b>Net book value</b>		
<b>At December 31, 2021</b>	<b>6,767,149</b>	<b>6,767,149</b>
<b>At December 31, 2022</b>	<b>15,612,147</b>	<b>15,612,147</b>

Amortization for the year was included in:

	(Unit: Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Construction cost	2,094,267	66,119	2,094,267	66,119
Service cost	66,125	228,432	-	105,227
Administrative expenses	3,064,764	4,068,352	3,049,151	4,045,416
<b>Total</b>	<b>5,225,156</b>	<b>4,362,903</b>	<b>5,143,418</b>	<b>4,216,762</b>

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

16 Trade accounts payables

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Related companies	18,298,360	6,205,303	18,298,360	6,205,303
Other parties	237,666,200	216,368,712	226,534,514	208,201,850
<b>Total</b>	<b>255,964,560</b>	<b>222,574,015</b>	<b>244,832,874</b>	<b>214,407,153</b>

17 Other current payables

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Related companies	1,379,144	1,669,730	14,955	16,426,528
Other parties	337,056,034	352,103,802	283,648,382	319,366,812
<b>Total</b>	<b>338,435,178</b>	<b>353,773,532</b>	<b>283,663,337</b>	<b>335,793,340</b>
<b>Other parties</b>				
Other payables	45,691,825	31,218,961	8,273,311	14,722,082
Accrued value added tax	21,645,489	14,786,371	20,211,266	13,414,056
Accrued withholding tax	6,644,127	7,576,440	6,286,240	7,273,866
Other accrued expenses	121,331,172	87,944,535	107,134,144	73,379,313
Accrued estimated construction cost	141,743,421	210,577,495	141,743,421	210,577,495
<b>Total</b>	<b>337,056,034</b>	<b>352,103,802</b>	<b>283,648,382</b>	<b>319,366,812</b>

18 Retention payables from subcontractors

	(Unit : Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Related companies	3,473,374	2,844,394	3,473,374	2,844,394
Other parties	301,778,449	313,024,585	301,778,449	313,024,585
<b>Total</b>	<b>305,251,823</b>	<b>315,868,979</b>	<b>305,251,823</b>	<b>315,868,979</b>



SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

19 Long-term loans

	(Unit : Baht)	
	Consolidated	
	2022	2021
Beginning balance	1,535,033,492	1,632,244,438
Deduction	(60,000,000)	(100,000,000)
	1,475,033,492	1,532,244,438
(Profit) loss from changes in contract terms	(1,175,095)	276,930
Additional (deduction) the principal based on effective real interest rate method	1,751,919	2,512,124
Ending balance	1,475,610,316	1,535,033,492
Less current portion of long-term loans	(151,520,639)	(152,006,807)
<b>Net</b>	<b>1,324,089,677</b>	<b>1,383,026,685</b>

**Loans from domestic financial institution**

19.1 On December 2, 2014, a subsidiary (SCR Asset Management Co., Ltd.) entered into a loan agreement with a domestic financial institution in credit line of Baht 390.70 million. As of December 31, 2022, it was fully withdrawn, requiring monthly repayable interest from the date of the first drawdown and requiring monthly repayable principal within 10 years and 6 months. The first repayment shall be in 31st month of Baht 1.90 million to Baht 6.40 million. These loans were secured by 2 plots of land including structures, existing at the present and to be constructed in the future are mortgaged as collateral under the mortgage agreement dated December 15, 2017.

Under the above loan agreement contains certain restrictive conditions such as opening operating account with a commercial bank, shareholding of the main shareholder of the Company and the events of default or non-compliance with the loan agreements, which assumes that it is default. The default entitles the bank to accelerate the maturity of all amounts outstanding and immediately payable. Since the year 2019, the agreement requires certain financial ratio (DSCR) not less than 1.1.

On September 23, 2013, a subsidiary (SCR Asset Management Co., Ltd.) entered into a loan agreement with a local financial institution in credit line of Baht 224 million. As of December 31, 2022, loan was completely drawdown in the amount of Baht 206 million because the project is completed, requiring monthly repayable principal with interest within 8 years and 6 months. The first repayment at nineteenth month of Baht 1.30 million to Baht 4 million. These loans were secured by 11 plots of land including structures, existing at the present and to be constructed in the future are mortgaged as collateral under the mortgage agreement dated June 12, 2014, in the credit line amounting to Baht 229 million.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

Under the above loan agreements contains certain restrictive conditions such as opening operating account with a commercial bank, shareholding of the main shareholder of the Company and an event of default or non-compliance with the loan agreements, which assumes that it is default. This may entitle the bank has the right to accelerate the maturity of all outstanding loans immediately due. In addition, the agreements determined certain financial ratio of the subsidiary as follows:

	<u>Financial ratio per</u> <u>agreements</u>	<u>Financial ratio as at</u> <u>December 31,2022</u>
Financial ratio (DSCR)	Not less than 1.1	0.18

On September 28, 2022 and September 30, 2021, the subsidiary received a letter notifying except for the conditions of DSCR under the loan agreement for the year 2022 and 2021, respectively.

In the year 2022 and 2021, Local financial institutions have approved to several change the terms of the loan agreement. According to the objectives of the subsidiary that requested the domestic financial institutions to relax the conditions for repayment of the original loan agreements, the final details are as follows:

Credit line of Baht 390.70 million

1. The Company agrees to pay only interest for a period of 30 months starting from July 2020 to December 2022.
2. The Company agrees to repay the principal amounting to Baht 390.70 million to the domestic financial institutions within a period of 96 months, starting from January 2023 to December 2030.

Credit line of Baht 205 million

1. The Company agrees to pay only interest for a period of 37 months starting from May 2020 to May 2023.
2. The Company agrees to repay the principal amounting to Baht 94.18 million to the domestic financial institutions within a period of 22 months, starting from May 2023 to February 2025.

For the year ended December 31, 2022 and 2021, the subsidiary company has loss from the modification of loan agreements amounting to Baht 4.16 million and Baht 0.74 million, respective.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

19.2 On April 7, 2016, the subsidiary (“CSM Capital Partners Co., Ltd.”) had entered into the loan agreement with a domestic commercial bank in the amount of Baht 1,550 million to support the development of Eight Thonglor Residences Project, requiring repayable the principal and interest within 4 years and 10 years from the date of the first drawdown. Interest rate is charged at MLR-2.10 to MLR-2.75 per annum. Such loan was secured by Eight Thonglor Residences Project of 137 units.

On April 28, 2020, the subsidiary (“CSM Capital Partners Co., Ltd.”) had entered into the 2-loan agreement with a domestic commercial bank in credit line of Baht 150 million and Baht 1,000 million, respectively. The purpose of the loan agreements is to repay the original loan agreements of April 7, 2016.

Subsequently, In the year 2021 and 2020, Domestic financial institutions has approved the amendment of the loan agreement on April 28, 2020. According to the objectives of the subsidiary that requested the domestic financial institutions to relax the conditions for repayment of the original loan agreements, the details are as follows:

Credit line of Baht 150 million

The repayment of principal and payment of interest shall be paid within 2 years from the date of the first drawdown. Which will be due for repayment of the loan by April 2022. The interest rate is charged at MLR-2.48 per annum.

Credit line of Baht 1,000 million

The repayment of principal and payment of interest shall be paid within 11 years from the date of the first drawdown. Which will be due for repayment of the loan by April 2032. The interest rate is charged at MLR-2.25 to MLR-2.48 per annum.

For the year ended December 31, 2022 and 2021, the subsidiary company has gain from the modification of loan agreements amounting to Baht 2.98 million and Baht 0.46

The loan agreements were secured by Eight Thonglor Residences Project of 137 units.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

Under the above loan agreements contain certain restrictive conditions such as increasing authorized shares, opening an DSRA account (Debt Service Reserve Account) with the bank amount of Baht 20 million and granting the right to claim deposits amount of Baht 90 million (for the memorandum of agreement on April 21, 2021) and maintaining debt to equity ratio, and the events of default of agreement or non-compliance with loan agreements that assumes to be default. This may entitle the bank has the right to accelerate the subsidiary repay all outstanding immediately. Since the year 2020, the loan agreements also require the subsidiary to maintain debt service coverage ratio (DSCR) not less than 1.1. In addition, the agreement determines certain financial ratios of the Company as follows:

	<u>Financial ratio per</u> <u>agreements</u>	<u>Financial ratio as at</u> <u>December 31, 2022</u>
Debt to equity ratio	Not more than 2.00	1.25
	<u>Financial ratio per</u> <u>agreements</u>	<u>Financial ratio as at</u> <u>December 31, 2022</u>
Financial ratio (DSCR)	Not less than 1.1	2.88

**20 Deferred income tax**

Deferred tax assets and liabilities as at December 31 were as follows:

	(Unit: Baht)			
	<u>Consolidated</u>		<u>Separate</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Deferred tax assets - Net	-	2,883,962	-	2,883,962
Deferred tax liabilities - Net	(24,963,319)	(2,419,612)	(24,759,849)	-
<b>Deferred tax assets (liabilities), net</b>	<b><u>(24,963,319)</u></b>	<b><u>464,350</u></b>	<b><u>(24,759,849)</u></b>	<b><u>2,883,962</u></b>

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

Movements of deferred tax assets and liabilities during the year were as follows:

(Unit: Million Baht)

	Consolidated			At December 31, 2022
	At January 1, 2022	Charged / credited to		
		Profit (loss)	Other comprehensive income	
<b>Deferred tax assets</b>				
Estimated cost of construction	43	(15)	-	28
Non - current provisions for employee benefits	38	4	(6)	36
Provisions	7	9	-	16
<b>Total</b>	<b>88</b>	<b>(2)</b>	<b>(6)</b>	<b>80</b>
<b>Deferred tax liabilities</b>				
Property, plant and equipment	2	-	-	2
Accrued rental and service income	1	(1)	-	-
Lease liabilities	1	(1)	-	-
Gain (loss) on measuring investment in equity	82	-	21	103
Long-term loans	1	(1)	-	-
<b>Total</b>	<b>87</b>	<b>(3)</b>	<b>21</b>	<b>105</b>
<b>Net</b>	<b>1</b>	<b>1</b>	<b>(27)</b>	<b>(25)</b>

(Unit: Million Baht)

	Separate			At December 31, 2022
	At January 1, 2022	Charged / credited to		
		Profit (loss)	Other comprehensive income	
<b>Deferred tax assets</b>				
Estimated cost of construction	43	(15)	-	28
Non - current provisions for employee benefits	38	4	(6)	36
Provisions	7	9	-	16
<b>Total</b>	<b>88</b>	<b>(2)</b>	<b>(6)</b>	<b>80</b>
<b>Deferred tax liabilities</b>				

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

(Unit: Million Baht)

	Separate			At December 31, 2022
	At January 1, 2022	Charged / credited to		
		Profit (loss)	Other comprehensive income	
Property, plant and equipment	2	-	-	2
Lease liabilities	1	(1)	-	-
Gain (loss) on measuring investment in equity	82	-	21	103
<b>Total</b>	<b>85</b>	<b>(1)</b>	<b>21</b>	<b>105</b>
<b>Net</b>	<b>3</b>	<b>(1)</b>	<b>(27)</b>	<b>(25)</b>

(Unit: Million Baht)

	Consolidated			At December 31, 2021
	At January 1, 2021	Charged / credited to		
		Profit (loss)	Other comprehensive income	
<b>Deferred tax assets</b>				
Estimated cost of construction	100	(57)	-	43
Non - current provisions for employee benefits	38	-	-	38
Provisions	9	(2)	-	7
<b>Total</b>	<b>147</b>	<b>(59)</b>	<b>-</b>	<b>88</b>
<b>Deferred tax liabilities</b>				
Property, plant and equipment	4	(2)	-	2
Accrued rental and service income	2	(1)	-	1
Lease liabilities	1	-	-	1
Gain (loss) on measuring investment in equity	81	-	1	82
Long-term loans	1	-	-	1
<b>Total</b>	<b>89</b>	<b>(3)</b>	<b>1</b>	<b>87</b>
<b>Net</b>	<b>58</b>	<b>(56)</b>	<b>(1)</b>	<b>1</b>

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

(Unit: Million Baht)

	Separate			At December 31, 2021
	At January 1, 2021	Charged / credited to		
		Profit (loss)	Other comprehensive income	
<b>Deferred tax assets</b>				
Estimated cost of construction	100	(57)	-	<b>43</b>
Non - current provisions for employee benefits	38	-	-	<b>38</b>
Provisions	9	(2)	-	<b>7</b>
<b>Total</b>	<b>147</b>	<b>(59)</b>	<b>-</b>	<b>88</b>
<b>Deferred tax liabilities</b>				
Property, plant and equipment	4	(2)	-	<b>2</b>
Lease liabilities	1	-	-	<b>1</b>
Gain (loss) on measuring investment in equity	81	-	1	<b>82</b>
<b>Total</b>	<b>86</b>	<b>(2)</b>	<b>1</b>	<b>85</b>
<b>Net</b>	<b>61</b>	<b>(57)</b>	<b>(1)</b>	<b>3</b>

Deferred tax assets arising from temporary differences that have not been recognized in the financial statements were

(Unit: Million Baht)

	Consolidated		Separate	
	2022	2021	2022	2021
Deductible temporary differences	40	49	23	36
Tax losses	237	160	53	1
<b>Total</b>	<b>277</b>	<b>209</b>	<b>76</b>	<b>37</b>

The tax losses will be expired in 2023 to 2027. The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit against which the Group/subsidiaries can utilize the benefits therefrom.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

21 Non-current provision for employee benefits

The Group/Company operates post-employment benefits based on the requirement of the Thai Labor Protection Act B.E. 2541 to provide retirement benefits to employees based on pensionable remuneration and length of service.

The defined benefit plans expose the Group/Company to actuarial risk, such as longevity risk, interest rate risk and market (investment) risk.

Non-current provision for employee benefits in the statement of financial position as at December 31 was as follows:

	(Unit: Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Post-employment benefits: -				
Legal severance payments plan	186,977,132	200,585,820	180,458,387	192,418,093
Less Current provision for employee benefits	15,660,404	5,730,649	14,732,833	5,634,430
Non-current provision for employee benefits	<u>171,316,728</u>	<u>194,855,171</u>	<u>165,725,554</u>	<u>186,783,663</u>

Movement in the present value of the defined benefit obligations

	(Unit: Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Defined benefit obligations at January 1	200,585,820	203,250,852	192,418,093	195,276,683
<b>Recognized in profit or loss</b>				
(Gains) or losses on settlement	822,963	6,864,534	123,273	7,473,084
Current service costs	20,290,979	22,880,938	18,401,772	19,977,632
Interest on obligations	2,856,039	2,633,069	2,713,837	2,520,444
	23,969,981	32,378,541	21,238,882	29,971,160
<b>Recognized in the other comprehensive income</b>				
Actuarial (gains) loss	(29,683,423)	-	(28,072,128)	-
<b>Other</b>				
Employee benefit paid	(7,895,246)	(35,043,573)	(5,126,460)	(32,829,750)
<b>Non-current provisions for employee benefit at December 31</b>	<u>186,977,132</u>	<u>200,585,820</u>	<u>180,458,387</u>	<u>192,418,093</u>



**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENED DECEMBER 31, 2022**

Actuarial gains and losses recognised in the other comprehensive income at the reporting date arising from:

	(Unit: Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Financial assumptions	(8,988,568)	-	(9,204,842)	-
Demographic assumptions	(495,410)	-	31,973	-
Experience adjustment	(20,199,445)	-	(18,899,259)	-
<b>Total</b>	<b>(29,683,423)</b>	<b>-</b>	<b>(28,072,128)</b>	<b>-</b>

Expense recognized in profit or loss.

	(Unit: Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
(Gains) or losses on settlement	822,963	6,864,534	123,273	7,473,084
Current service costs	20,290,979	22,880,938	18,401,772	19,977,632
Interest on obligation	2,856,039	2,633,069	2,713,837	2,520,444
<b>Total</b>	<b>23,969,981</b>	<b>32,378,541</b>	<b>21,238,882</b>	<b>29,971,160</b>

Expenses are recognized in the statement of comprehensive income.

	(Unit: Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Contract costs	14,530,855	21,997,062	14,530,855	21,997,062
Cost of service	1,155,761	1,406,124	-	-
Administrative expenses	8,283,365	8,975,355	6,708,027	7,974,098
<b>Total</b>	<b>23,969,981</b>	<b>32,378,541</b>	<b>21,238,882</b>	<b>29,971,160</b>

Principal actuarial assumptions at the reporting date

	Consolidated	
	2022	2021
	(%)	
Discount rate	1.69 - 2.60	1.29 - 1.83
Salary increase rate	0.00 - 5.00	2.00 - 4.00
Staff turnover rate	0 - 37.00	0 - 31.00
Mortality rate (Thai Mortality Ordinary Table)	TMO 2017	TMO 2017
Disability rate	5% of mortality rate	5% of mortality rate

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

	Separate	
	2022	2021
	(%)	
Discount rate	1.69	1.31
Salary increase rate	0.00 - 3.00	2.00 - 4.00
Staff turnover rate	0.00 - 20.00	0.00 - 21.00
Mortality rate (Thai Mortality Ordinary Table)	TMO 2017	TMO 2017
Disability rate	5% of mortality rate	5% of mortality rate

**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 : Million Baht)			
	Consolidated			
	December 31, 2022		December 31, 2021	
	Increase	Decrease	Increase	Decrease
1 percent change				
Discount rate	(8.91)	10.08	(12.11)	13.92
Salary increase rate	9.31	(9.01)	14.71	(13.14)
Employee turnover rate	(6.14)	5.19	(12.85)	7.67
Mortality table (1 year)	0.42	(0.45)	0.59	(0.61)

	(Unit : Million Baht)			
	Separate			
	December 31, 2022		December 31, 2021	
	Increase	Decrease	Increase	Decrease
1 percent change				
Discount rate	(8.17)	9.22	(11.12)	12.75
Salary increase rate	9.13	(8.25)	13.60	(12.17)
Employee turnover rate	(5.55)	5.21	(11.80)	7.22
Mortality table (1 year)	0.41	(0.41)	0.57	(0.57)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENED DECEMBER 31, 2022**

Analysis of the amounts of benefits to be paid in the future before discount as of December 31, 2022 are as follows:

	(Unit : Baht)	
	Consolidated	Separate
<b>Retirement benefits</b>		
Within 1 year	15,660,404	14,732,833
After 1 year, within 5 years.	124,203,825	123,582,563
After 5 years	501,437,719	434,505,307
<b>Total</b>	<b>641,301,948</b>	<b>572,820,703</b>

**22 Provisions**

	(Unit : Baht)			
	Consolidated		Separate	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Provision for the estimating costs of rectification and guarantee work	47,129,505	14,942,299	47,129,505	14,942,299
Provision for litigation	36,116,767	31,537,839	34,154,438	31,537,839
Estimated demolition cost	3,690,400	3,690,400	-	-
<b>Total</b>	<b>86,936,672</b>	<b>50,170,538</b>	<b>81,283,943</b>	<b>46,480,138</b>
Current	47,129,505	14,942,299	47,129,505	14,942,299
Non-current	39,807,167	35,228,239	34,154,438	31,537,839
<b>Total</b>	<b>86,936,672</b>	<b>50,170,538</b>	<b>81,283,943</b>	<b>46,480,138</b>

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

Movements for the year ended December 31 were as follows:

(Unit : Million Baht)

	Consolidated									
	Provision for the estimating costs of rectification and guarantee work				Provision for litigation		Estimated demolition cost		Total	
	guarantee work		Provision for litigation		cost		Total			
	2022	2021	2022	2021	2022	2021	2022	2021		
As at January 1	15	11	31	29	4	4	50	44		
Provision increased	52	17	5	2	-	-	57	19		
Reversal	-	(3)	-	-	-	-	-	(3)		
Payment of provision	(20)	(10)	-	-	-	-	(20)	(10)		
<b>As at December 31</b>	<b>47</b>	<b>15</b>	<b>36</b>	<b>31</b>	<b>4</b>	<b>4</b>	<b>87</b>	<b>50</b>		

(Unit : Million Baht)

	Separate							
	Provision for the estimating costs of rectification and guarantee work				Provision for litigation		Total	
	guarantee work		Provision for litigation		Total			
	2022	2021	2022	2021	2022	2021		
As at January 1	15	11	31	29	46	40		
Provision increased	52	17	3	2	55	19		
Reversal	-	(3)	-	-	-	(3)		
Payment of provision	(20)	(10)	-	-	(20)	(10)		
<b>As at December 31</b>	<b>47</b>	<b>15</b>	<b>34</b>	<b>31</b>	<b>81</b>	<b>46</b>		

**23 Legal reserve**

Section 116 of the Public Companies Act B.E. 1992 Section 116 requires that a 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 authorized capital. The legal reserve is not available for dividend distribution. At present, the Company has fully provided legal reserve.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

**24 Treasury shares and Treasury shares reserve**

**Treasury shares**

The treasury shares account within equity comprises the cost of the Company's own shares held by the Company.

On May 12, 2022, the Board of Directors' Meeting of the Company approved on the resale of repurchased shares. Number of shares resold 9.04 million shares or equal to 0.57% of the total of paid-up capital. The period for resale of shares will be from May 27, 2022 to June 15, 2022, and approve the reduction of the paid-up capital by writing off the unsold treasury shares after the redemption period

On June 27, 2022, the Company registered the capital reduction with the Ministry of Commerce according to the number of unallocated treasury shares of 9.04 million shares and transferred the treasury shares reserve to the unappropriated retained earnings of Baht 22.90 million. After the capital reduction, the company has 1,591 million ordinary shares.

As at December 31, 2021 the Company held 9.04 million shares of the Company, comprising 0.57% of the Company's issued share capital, at a total cost of Baht 22.90 million.

In 2018, the Board of Directors of the Company approved a treasury share plan ("Plan") to re-purchase not more than 3.70%, or 60 million shares, of the Company's shares then in issue. The purpose of the Plan is to manage the Company's excess liquidity. The maximum amount approved for share purchase under the Plan is Baht 200 million and the price to be paid for the shares is not to exceed 115% of the average closing price on the Stock Exchange of Thailand (SET) over the 5 trading days before each share purchase is made. The Company could purchase the shares through the SET during the period from December 17, 2018 to June 16, 2019. The shares purchased may be resold after 6 months but within 3 years from the date of purchase.

**Treasury shares reserve**

The treasury shares reserve represents the amount appropriated from retained earnings equal to the cost of the Company's own shares held by the Company. The treasury shares reserve is not available for dividend distribution.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

**25 Segment information**

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as managing director and/or the Company's Board of Directors.

Information of the performance of each segment reported a profit before tax of the segment. Which is presented in the management reports on a monthly basis, summarized as follows:

The Group/Company comprises the 3 reportable segments as follows:

- Segment 1: Construction business
- Segment 2: Real estate development for room service or service apartment and rental business.
- Segment 3: Operate the management business for hotel, service apartment and other properties.

**Geographical segments**

Management considers that the Group/Company operates in a single geographical area, namely in Thailand, and has, therefore, only one major geographical segment.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENED DECEMBER 31, 2022**

**Information about reportable segments:**

	(Unit: Million Baht)							
	Segment 1		Segment 2		Segment 3		Total reportable segment	
	2022	2021	2022	2021	2022	2021	2022	2021
<b>Revenues from customer</b>								
- External	4,740	5,027	412	284	4	3	5,156	5,314
- Inter - segments	7	6	4	4	20	15	31	25
- Eliminated	(7)	(6)	(4)	(4)	(20)	(15)	(31)	(25)
<b>Total revenue</b>	<b>4,740</b>	<b>5,027</b>	<b>412</b>	<b>284</b>	<b>4</b>	<b>3</b>	<b>5,156</b>	<b>5,314</b>
<b>Recognition</b>								
Point in time	31	62	412	284	4	3	447	349
Over time	4,709	4,965	-	-	-	-	4,709	4,965
<b>Total revenue</b>	<b>4,740</b>	<b>5,027</b>	<b>412</b>	<b>284</b>	<b>4</b>	<b>3</b>	<b>5,156</b>	<b>5,314</b>
<b>Segment profit (loss)</b>								
before income tax	(154)	338	(174)	(199)	(21)	(12)	(349)	127
Interest income	-	-	-	-	-	-	-	-
Interest expense	2	2	70	73	-	-	72	75
Depreciation and amortization	112	124	216	218	-	-	328	342
<b>Segment assets</b>	<b>6,085</b>	<b>5,638</b>	<b>3,664</b>	<b>4,219</b>	<b>7</b>	<b>9</b>	<b>9,756</b>	<b>9,866</b>
<b>Investment properties</b>	<b>7</b>	<b>7</b>	<b>481</b>	<b>502</b>	<b>-</b>	<b>-</b>	<b>488</b>	<b>509</b>
<b>Property, plant and equipment</b>	<b>560</b>	<b>524</b>	<b>2,397</b>	<b>2,548</b>	<b>-</b>	<b>-</b>	<b>2,957</b>	<b>3,072</b>
<b>Right-of-use assets</b>	<b>27</b>	<b>37</b>	<b>581</b>	<b>989</b>	<b>-</b>	<b>-</b>	<b>608</b>	<b>1,026</b>
<b>Segment liabilities</b>	<b>1,872</b>	<b>1,437</b>	<b>2,062</b>	<b>2,273</b>	<b>4</b>	<b>5</b>	<b>3,938</b>	<b>3,715</b>

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items

(Unit: Million Baht)

	Consolidated		Separate	
	2022	2021	2022	2021
<b>Revenues</b>				
Total revenue from reportable segments	5,126	5,250	4,760	4,990
Other revenue	61	89	45	76
Elimination of inter-segment revenue	(31)	(25)	-	-
<b>Consolidated revenue</b>	<b>5,156</b>	<b>5,314</b>	<b>4,805</b>	<b>5,066</b>
<b>Profit or loss</b>				
Total profit for reportable segments	(409)	120	(272)	303
Elimination of inter-segment profits	-	-	-	-
<b>Profit before income tax</b>	<b>(409)</b>	<b>120</b>	<b>(272)</b>	<b>303</b>

(Unit: Million Baht)

	Consolidated		Separate	
	2022	2021	2022	2021
<b>Assets</b>				
Segmental assets	6,799	6,794	5,636	5,629
Investments in subsidiaries	-	-	1,567	1,532
Property, plant and equipment	2,957	3,071	510	548
<b>Total assets</b>	<b>9,756</b>	<b>9,865</b>	<b>7,713</b>	<b>7,709</b>
<b>Liabilities</b>				
Total liabilities for reportable segments	3,938	3,715	1,860	1,641
Other liabilities	-	-	-	-
<b>Total liabilities</b>	<b>3,938</b>	<b>3,715</b>	<b>1,860</b>	<b>1,641</b>



**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENED DECEMBER 31, 2022**

	(Unit: Million Baht)		
	Reportable segment totals	Adjustments	Consolidated totals
<b>Other material items</b>			
<b>2022</b>			
Interest income	7	(6)	1
Interest expense	78	(6)	72
Depreciation and amortization	329	(1)	328
<b>2021</b>			
Interest income	6	(5)	1
Interest expense	81	(5)	76
Depreciation and amortization	343	(1)	342

**Major customers**

Revenue from one customer of the Company's segment 1 for the years 2022 and 2021 approximately Baht 1,233 million and Baht 924 million, respectively.

On December 31, 2022, a subsidiary had suspended its operations due to the end of the contracts with a customer ("Holding Company"). At present, the company's executives are currently considering the conduction of business in the future of The Company.

**26 Provident fund**

The Group/Company has established a provident fund for staff of the Group/Company on a voluntary basis for employees being members of the fund. In which the employees contribute 3 - 5 percent of their monthly salary. And the Group/Company contributes at the rate of 3 to 5 percent of the monthly salary of the employees. Provident fund Registered as a provident fund in accordance with the regulations of the Ministry of Finance and managed by a licensed fund manager.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

**27 Expenses by nature**

Certain accounts included in calculating profit (loss) from operations for the years ended December 31 have been classified by nature as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
Raw material and consumables used	1,822	1,104	1,822	1,104
Room service costs	86	65	28	18
Subcontractor cost	1,593	1,858	1,593	1,858
Employee and workers expenses	1,029	1,124	955	1,070
Depreciation and amortization expenses	328	342	152	163
Management benefit expenses	51	47	47	42
Loss on write-off of bad debts	9	-	-	-
Other expenses	576	577	474	498
Finance costs	72	76	7	9
<b>Total expenses</b>	<b>5,566</b>	<b>5,193</b>	<b>5,078</b>	<b>4,762</b>

**28 Income tax**

Income tax for the years ended December 31, 2022 and 2021 are summarized as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	2022	2021	2022	2021
<b>Current income tax</b>				
For the current year	-	-	-	-
<b>Deferred income tax:</b>				
Changes in temporary differences	(1)	56	1	56
<b>Income tax presented in the income statement</b>	<b>(1)</b>	<b>56</b>	<b>1</b>	<b>56</b>

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

The amount of income tax related to components in the statements of comprehensive income for the years ended December 31, 2022 and 2021 are summarized as follows:

(Unit: Million Baht)

	Consolidated					
	2022			2021		
	Before income tax	Income (expense) income tax	Net of income tax	Before income tax	Income (expense) income tax	Net of income tax
Change in fair value of equity securities	105	(21)	84	8	(2)	6
Profit (loss) on remeasurement of employee benefits	30	(6)	24	-	-	-
<b>Total</b>	<b>135</b>	<b>(27)</b>	<b>108</b>	<b>8</b>	<b>(2)</b>	<b>6</b>

(Unit: Million Baht)

	Separate					
	2022			2021		
	Before income tax	Income (expense) income tax	Net of income tax	Before income tax	Income (expense) income tax	Net of income tax
Change in fair value of equity securities	105	(21)	84	8	(2)	6
Profit (loss) on remeasurement of employee benefits	28	(6)	22	-	-	-
<b>Total</b>	<b>133</b>	<b>(27)</b>	<b>106</b>	<b>8</b>	<b>(2)</b>	<b>6</b>

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENED DECEMBER 31, 2022**

**Reconciliation to find the effective tax rate**

(Unit: Million Baht)

	Consolidated			
	2022		2021	
	Tax rate (Percent)	Amount	Tax rate (Percent)	Amount
Profit before income tax	20	(409)	20	120
Tax amount according to income tax rate		(82)		24
Expenses that have the right to deduct increased		3		(11)
Expenses not deductible for tax purposes		5		9
Losses in the current year that are not recognized as assets		73		34
<b>Total</b>		<b>(1)</b>		<b>56</b>

(Unit: Million Baht)

	Separate			
	2022		2021	
	Tax rate (Percent)	Amount	Tax rate (Percent)	Amount
Profit before income tax	20	(272)	20	303
Tax amount according to income tax rate		(54)		61
Expenses that have the right to deduct increased		6		(9)
Expenses not deductible for tax purposes		(2)		4
Losses in the current year that are not recognized as assets		51		-
<b>Total</b>		<b>1</b>		<b>56</b>

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENED DECEMBER 31, 2022**

**29 Earnings per share**

The calculation of basic earnings per share for the year ended December 31, 2022 and 2021 were based on the profit for the year attributable to ordinary shareholder of the Company and the number of ordinary shares outstanding during the year as follows:

	Consolidated		Separate	
	2022	2021	2022	2021
Profit for the period attributable to				
shareholders of the Company (basic)	(367,793,858)	125,232,981	(273,388,348)	247,024,398
Number of ordinary shares outstanding	1,590,957,300	1,590,957,300	1,590,957,300	1,590,957,300
<b>Basic earnings per share (in Baht)</b>	<b>(0.24)</b>	<b>0.08</b>	<b>(0.17)</b>	<b>0.16</b>

**30 Dividends**

Year 2022: -

On April 29, 2022, the annual general meeting of shareholders approved the payment of dividend at the rate of Baht 0.03 per share, totaling Baht 47.73 million, which the company has already paid to the shareholders on May 20, 2022.

Year 2021: -

The Board of Directors' Meeting of the Company held on August 13, 2021, the resolved to pay an interim dividend for the period from January 1, 2021 to June 30, 2021 at the rate of Baht 0.03 per share, which the Company made the payment on September 10, 2021.

On April 30, 2021, the annual general meeting of shareholders approved the payment of dividend at the rate of Baht 0.05 per share, totaling Baht 79.55 million, which the Company made the payment on May 21, 2021.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENED DECEMBER 31, 2022**

**31 Financial instruments**

**Financial risk management policies**

The Group/Company is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group/Company do not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group/Company. The Group/Company has a system control in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group/Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

**Capital management**

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

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENED DECEMBER 31, 2022**

**Interest rate risk**

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group/Company's operations and its cash flows because loan interest rates are mainly fixed. The Group/Company is primarily exposed to interest rate risk from its borrowings. The Group/Company does not use derivative financial instruments to manage those exposures.

The effective interest rates of deposit at the banks, debt securities and interest-bearing financial liabilities as at December 31 and the year in which those liabilities mature or re-price were as follows:

	(Unit : Million Baht)				
	Consolidated				
	Effective Interest rate (% per annum)	Within 1 year	After 1 year but within 5 years	After 5 years	Total
<b>2022</b>					
<b>Current</b>					
Cash and cash equivalents	0.10 - 0.35	243	-	-	243
Other current financial assets	-	1,932	-	-	1,932
Short-term loans	2.83 - 3.58	4	-	-	4
Current Portion of Long-term Loans	3.76 - 4.23	(152)	-	-	(152)
<b>Non-current</b>					
Pledged deposit at banks	0.40 - 0.55	1	-	-	1
Long-term loans	3.76 - 4.23	-	(502)	(822)	(1,324)
<b>Total</b>		<b>2,028</b>	<b>(502)</b>	<b>(822)</b>	<b>704</b>
<b>2021</b>					
<b>Current</b>					
Cash and cash equivalents	0.12 - 0.31	338	-	-	338
Other current financial assets	-	1,727	-	-	1,727
Short-term loans	3.08	1	-	-	1
Current Portion of Long-term Loans	3.30 - 3.58	(152)	-	-	(152)
<b>Non-current</b>					
Pledged deposit at banks	0.25	2	-	20	22
Long-term loans	3.30 - 3.58	-	(626)	(757)	(1,383)
<b>Total</b>		<b>1,916</b>	<b>(626)</b>	<b>(737)</b>	<b>553</b>

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENED DECEMBER 31, 2022**

(Unit : Million Baht)

	Effective Interest rate (% per annum)	Separate			Total
		Within 1 year	After 1 year but within 5 years	After 5 years	
<b>2022</b>					
<b>Current</b>					
Cash and cash equivalents	0.10 - 0.30	104	-	-	104
Other current financial assets	-	1,932	-	-	1,932
Short-term loans	2.83 - 3.58	117	-	-	117
<b>Non-current</b>					
Pledged deposit at banks	0.40 - 0.55	1	-	-	1
<b>Total</b>		<b>2,154</b>	<b>-</b>	<b>-</b>	<b>2,154</b>
<b>2021</b>					
<b>Current</b>					
Cash and cash equivalents	0.20 - 0.31	234	-	-	234
Other current financial assets	-	1,726	-	-	1,726
Short-term loans	3.00	84	-	-	84
<b>Non-current</b>					
Pledged deposit at banks	0.25	2	-	-	2
<b>Total</b>		<b>2,046</b>	<b>-</b>	<b>-</b>	<b>2,046</b>

**Foreign currency risk**

The Company has no exposure on foreign currency risk due to the number of creditors denominated in foreign currencies is immaterial.



## **SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

### **NOTES TO FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED DECEMBER 31, 2022**

##### **Credit risk**

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group/Company as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers, historical payment and legal opinion analysis, requiring credit over a certain amount. Collection in advance before starting projects and collection based on the completion of work are performed. The exposure to credit risk is represented by the carrying amount less an allowance for credit losses

In the reporting date as described in note 6 to the financial statement. However, due to the large number of parties comprising the Group's/Company's customer base, management does not anticipate material losses from its debt collection.

##### **Liquidity risk**

The Group/Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's/Company's operations and to mitigate the effects of fluctuations in cash flows.

##### **Carrying amount and fair values**

The Company's accounting policies and disclosures require the determination of fair values for both financial and non-financial assets and liabilities. Fair value means the price that will be received from the sale of assets or will pay to transfer the liabilities in the normal transaction between the market participants at the measurement date the purpose of measurement and / or fair value disclosure is determined by the following methods.

The fair value of cash and cash equivalents Trade and other current receivables Retention receivable for work in progress, unbilled construction in progress Short-term loans Deposit pledged as collateral Bank overdrafts and short-term loans Trade and other current payables and other current liabilities which are close to the price recorded in the account.

The fair value of investments in equity securities is determined by reference to the quoted price at the reporting date.

The fair value of investments in debt securities - mutual funds is based on investment unit prices announced by fund managers on the last business day of the end of the reporting period.

The fair value of long-term loans is close to the price recorded in the account, since most of the instruments. These financial instruments bear interest at market rates.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

For financial assets and liabilities other than those measured at amortized cost, than the above, the book values and fair values are as follows:

	(Unit : Million Baht)				
	Consolidated				
Carrying amount	Fair Value			Total	
	Level 1	Level 2	Level 3		
<b>December 31, 2022:</b>					
<b>Assets</b>					
<b>Financial assets measured at fair value through profit or loss</b>					
Mutual fund – debt securities	1,910	-	1,910	-	1,910
<b>Financial assets measured at fair value through other comprehensive income</b>					
Equity securities	737	737	-	-	737
	<u>2,647</u>	<u>737</u>	<u>1,910</u>	<u>-</u>	<u>2,647</u>
<b>December 31, 2021:</b>					
<b>Assets</b>					
<b>Financial assets measured at fair value through profit or loss</b>					
Mutual fund – debt securities	1,614	-	1,614	-	1,614
<b>Financial assets measured at fair value through other comprehensive income</b>					
Equity securities	631	631	-	-	631
	<u>2,245</u>	<u>631</u>	<u>1,614</u>	<u>-</u>	<u>2,245</u>

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

(Unit : Million Baht)

	Separate				Total
	Carrying amount	Fair Value			
		Level 1	Level 2	Level 3	
<b>December 31, 2022:</b>					
<b>Assets</b>					
<b>Financial assets measured at fair value through profit or loss</b>					
Mutual fund – debt securities	1,909	-	1,909	-	1,909
<b>Financial assets measured at fair value through other comprehensive income</b>					
Equity securities	737	737	-	-	737
	<u>2,646</u>	<u>737</u>	<u>1,909</u>	<u>-</u>	<u>2,646</u>
<b>December 31, 2021:</b>					
<b>Assets</b>					
<b>Financial assets measured at fair value through profit or loss</b>					
Mutual fund – debt securities	1,613	-	1,613	-	1,613
<b>Financial assets measured at fair value through other comprehensive income</b>					
Equity securities	631	631	-	-	631
	<u>2,244</u>	<u>631</u>	<u>1,613</u>	<u>-</u>	<u>2,244</u>

The above fair value measured at the quoted prices in active markets.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

**32 Commitments with non-related parties**

As at December 31, 2022 the Group/Company had commitments as follows:

	(Unit: Million Baht)	
	Consolidated	Separate
<b>Capital commitments: -</b>		
Not provide for		
Condominium	4	4
Camp and other buildings	6	6
Cost of construction building for service room	544	-
<b>Total</b>	<b>554</b>	<b>10</b>
<b>Other commitments: -</b>		
Subcontractor agreements	1,984	1,984
Letters of guarantee from banks for purchasing inventories, utilities usage, guarantee the work performance and advance received from customers	2,039	2,039
<b>Total</b>	<b>4,023</b>	<b>4,023</b>

The subsidiary (SCR Assets Management Co., Ltd.) had commitment under the technical consulting agreement and the service apartment management with other company, requiring consulting fee and service including conditions according to the agreements.

The subsidiary (CSM Capital Partners Co., Ltd.) had commitment under the room management agreement with other company, requiring management fee and conditions according to the agreements.

As at December 31, 2022 the Group had unutilized credit facilities obtaining from domestic financial institutions totaling Baht 4,660 million.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENED DECEMBER 31, 2022**

**33 Contingent liabilities and assets**

**Litigations**

As at December 31, 2022, contingent liabilities were as follows:

- The Company was sued by other person regarding the tort and claiming a compensation of construction and guarantee in the amount of Baht 2.55 million at the sue date. Subsequently, the Court of Appeal ordered the Company to jointly demolish and pay damages of Baht 100,000 with interest rate 7.5% per annum from September 23, 2013, onwards and monthly damages of Baht 5,000 onwards until the demolition will be completed. On December 5, 2018, the Company has filed a petition to the Supreme Court, which on October 28, 2020, the Supreme Court ruled in accordance with the Appeal Court. On December 31, 2022, the Company already recorded the provision on the above lawsuits amounting to Baht 0.72 million.
- On June 28, 2011, the Black case no. 2398/2554, the Company and Mivan (Thailand) Co., Ltd., as the plaintiff, sued National Housing Authority regarding false of construction agreement and claimed a compensation in the amount of Baht 850 million at the sue date. On September 7, 2012, as Black case no. 2206/2555, the Company sued National Housing Authority to the Federal Administrative Court. The sued amount was Baht 874 million and on July 7, 2015, the Black case no. 1218/2558, the National Housing Authority as the plaintiff, sued the Company regarding false of construction agreement and claimed a compensation in the amount of Baht 63 million at the sue date. The Administrative Court ordered to include this consideration with Black Case No. 2206/2555, Subsequently, on August 10, 2018, the Administrative Court ordered the Company made a payment to the National Housing Authority of Baht 25.32 million with interest rate 7.5% per annum for the principal of Baht 21.25 million from July 7, 2015, until the settlement was completed and ordered the National Housing Authority returned three letters of guarantee to the Company. On September 6, 2018, the Company filed an appeal with the Court. As of February 24, 2023, the case has been in the process of the Court's consideration, the result has not been finalized. However, on December 31, 2022, the Company already recorded the provision on the above lawsuits amounting to Baht 32.07 million (inclusive interest).
- On March 13, 2019, the Company was sued by one customer claiming damage a compensation of construction due to breach of contract amounting to Baht 247.65 million with interest rate 7.5% per annum from the filing date onward. Subsequently, on June 20, 2019, the Company submitted an answer to the court and counterclaimed the plaintiff with amounting to Baht 78.55 million. On 29 September 2022, the Court of First Instance dismissed the plaintiff to pay the Company 71.81 million baht plus interest and extend the period to file an appeal until March 12, 2023.

## SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

### NOTES TO FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED DECEMBER 31, 2022

- On May 31, 2019, the Company and the subsidiary were sued for infringement and claiming damage a compensation by an insurance company regarding construction claim amounting to Baht 0.42 million. Subsequently, On November 24, 2020, the Court of First Instance dismissed the case against the Company and its subsidiary, On April 19, 2022, the Court of Appeal upheld the judgment of the Court of First Instance dismissing the lawsuit against the Company. Currently, the case is under consideration by the Supreme Court.
- On December 4, 2019, the Company was sued for breach of contract and claiming damage by a condominium juristic person claim amounting to Baht 4.20 million with interest rate 7.5% per annum from the filing date onwards until the payment was completed. Currently in the process of solving the plaintiff's appeal.
- On August 21, 2020, the company was sued by a condominium juristic person as a co-defendant as breach of contract and was claimed for the damages in a capital amount of Baht 38.34 million. And on February 10, 2023, the company entered into a compromise agreement which the company agreed to pay in the amount of Baht 0.40 million and The court issued a verdict as agreed. At present, the case is finished.
- On November 19, 2020, the Subsidiary was sued for breach of contract and claiming damage by a company claim amounting to Baht 22.94 million with interest rate 7.5% per annum from the filing date onwards until the payment was completed. Subsequently, on January 19, 2021, the Subsidiary has submitted an answer to the court. On July 27, 2022, the Court of First Instance ordered the subsidiary to pay Baht 10 million plus interest at the rate of 7.5%, starting from October 24, 2021 until April 10, 2021 and 5% per year from April 11, 2021 onwards, currently in the process of solving the plaintiff's appeal.
- On December 16, 2020, the Company was sued for infringement and claiming damage a compensation by one non-related person claim amounting to Baht 3.45 million with interest rate 7.5% of damages Baht 1.55 million from the filing date onwards. Subsequently, the Company has submitted an answer to the court. On February 28, 2022, the Court of First Instance ordered the company to paying Baht 1.29 million with interest rate 5% per annum. On June 28, 2022, the Company appealed to the court. As of February 24, 2023, the case has been in the process of the Court's consideration, the result has not been finalized. However, on December 31, 2022, the Company already recorded the provision on the above lawsuits amounting to Baht 1.36 million (inclusive interest)
- On June 13, 2022, the Company was sued by a third party to refund the construction work guarantee amounting to Baht 0.67 million baht. The plaintiff agreed to reduce the debt to the company and the company paid the plaintiff on August 16, 2022, the plaintiff requested to withdraw the lawsuit on the same day. and the Court allowed the trial to be completed.

#### **34 Pledge assets**

As at December 31, 2022 and 2021, the Group/Company's cash at banks of Baht 21 million and Baht 22 million in consolidated financial statements and Baht 1 million and Baht 2 million in separate financial statement, respectively, was

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENED DECEMBER 31, 2022**

used as collateral for loans, issuance of the letters of guarantee from three domestic commercial banks and guarantee to the Court for the settle debt to a creditor as the Court's judgment.

As at December 31, 2022 and 2021, current investments in debt securities amounted to Baht 141 million, respectively, had been used as collateral for liabilities under letter of guarantee with two domestic commercial banks.

As at December 31, 2022 and 2021, land, office buildings and structures existing at present, and to be constructed in the future of which the book value amounted to Baht 96 million and Baht 99 million, respectively, including of indemnity from fire insurance of those assets were mortgaged as collateral for loans from banks, issuance of the letter of guarantee from banks, other short-term loans and other long-term loans from others pursuant to the mortgage agreements in the credit line amounting to and Baht 2,500 million, respectively.

**35 Approval of financial statements**

These financial statements were authorized for issue by the Board of Directors on February 24, 2023.