



## Independent Auditor's Report

To the Shareholders and the Board of Directors of P.S.P Specialties Public Co., Ltd.

### My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of P.S.P Specialties Public Co., Ltd (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2023, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

### What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2023;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

### Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (TFAC Code) 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 TFAC Code. 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 judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determined one key audit matter: Recognition of revenue from sales. The matter was 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 the matter.

Key audit matter	How my audit addressed the key audit matter
<p><b>Recognition of revenue from sales</b></p> <p>Refer to Note 4.17 to the consolidated and separate financial statements on accounting policy in revenue recognition.</p> <p>Revenue from sales represents the major operating revenue of the Group. During the year, the Group and the Company recognised revenue from sales of Baht 11,713.48 million and Baht 11,143.68 million, respectively, which represent 96% of total revenue in 2023.</p> <p>The revenue is determined based on the contractual price and quantity of the products delivered to the customers. The selling price is calculated based on the factors determining in individual agreement for each customer. For contracts that include variable factors according to the raw material price, the Company calculates the impact and adjust sales transactions at the end of financial period. The recognition of revenue is at the point in time when the control of the products is transferred to the customers.</p> <p>I focused on revenue recognition of revenue from sales because the balance and transaction volume of revenue are materially high. In addition, there is a risk of misstatement related to transactions occurring close to the year-end, as transactions could be recorded in the incorrect financial period.</p>	<p>My audit procedures included the following:</p> <ul style="list-style-type: none"><li>evaluating and testing IT general controls over accounting systems, including the access right to programs and data,</li><li>evaluating and testing the significant internal control in place over the revenue process, particularly focusing on the updating of the price change in selling price master data, delivery, and invoicing process,</li><li>testing samples of sales by tracing to relevant supporting documents, including sales invoices, delivery notes and cash receipts,</li><li>testing samples of revenue cut-off prior to and after year end to test whether they are recorded in appropriate timing, based on terms and conditions set out in sales invoices and delivery documents and testing samples of credit notes and debit notes after year end to test the price adjustments and goods return transactions.</li><li>sending debtor confirmations and performing subsequent receipt testing on the outstanding customer balances for which confirmations were not received from the customers.</li></ul> <p>Based on my procedures, I noted no significant issues.</p>

### Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.



### **Responsibilities of the directors for the consolidated and separate financial statements**

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine 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, the directors are 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 the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the consolidated and separate financial statements**

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

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism 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 the directors.
- Conclude on the appropriateness of the directors' 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 the audit committee 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 the audit committee 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 the audit committee, 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.

PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in black ink, appearing to read "P. Thangtanagul".

**Pisit Thangtanagul**  
Certified Public Accountant (Thailand) No. 4095  
Bangkok  
27 February 2024

P.S.P. Specialties Public Company Limited  
Statement of Financial Position  
As at 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
		Baht	Baht	Baht	Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	9	640,375,275	239,153,866	509,551,769	153,244,532
Financial assets measured at fair value through profit or loss	6, 11	342,264,625	70,026,031	182,516,268	7,250,384
Trade and other receivables	12	1,357,445,700	1,417,838,848	1,246,630,687	1,256,519,382
Inventories	13	1,924,720,939	2,817,554,671	1,882,468,799	2,764,007,151
Other current assets		103,767,047	126,287,073	103,001,970	119,326,634
<b>Total current assets</b>		<b>4,368,573,586</b>	<b>4,670,860,489</b>	<b>3,924,169,493</b>	<b>4,300,348,083</b>
<b>Non-current assets</b>					
Restricted bank deposits	10	82,930,485	82,557,385	82,930,485	82,557,385
Investments in subsidiaries	14	-	-	1,519,915,129	1,519,915,129
Investments in associate and interest in joint venture	14	132,819,077	161,310,267	-	32,890,147
Property, plant and equipment	15	2,385,993,104	2,338,515,067	2,380,695,468	2,329,654,055
Intangible assets	17	26,577,870	8,114,959	25,456,911	6,916,648
Right-of-use assets	16	25,336,149	30,873,561	25,336,149	30,873,561
Deferred taxes assets	18	29,278,560	25,608,501	26,997,444	23,804,445
Other non-current assets		10,057,619	8,313,253	9,650,173	7,814,565
<b>Total non-current assets</b>		<b>2,692,992,864</b>	<b>2,655,292,993</b>	<b>4,070,981,759</b>	<b>4,034,425,935</b>
<b>Total assets</b>		<b>7,061,566,450</b>	<b>7,326,153,482</b>	<b>7,995,151,252</b>	<b>8,334,774,018</b>



Director



Director

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

P.S.P. Specialties Public Company Limited  
Statement of Financial Position (Cont'd)  
As at 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
		Baht	Baht	Baht	Baht
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Short-term borrowings from financial institutions	19	333,044,745	2,952,300,994	328,044,745	2,932,300,994
Current portion of long-term borrowings	19	442,443,320	441,550,966	442,443,320	441,550,966
Trade and other payables	20	1,259,270,482	1,327,732,372	1,171,856,530	1,297,825,422
Financial liabilities measured at fair value through profit or loss	6	4,366,885	1,899,786	1,087,606	681,074
Current portion of lease liabilities	21	3,070,167	5,205,961	3,070,167	5,205,961
Contract liability	22	384,186,701	264,346,324	383,826,749	263,981,634
Income tax payable		36,453,616	47,444,879	12,551,020	22,080,820
Other current liabilities		12,097,877	15,469,666	9,545,448	12,723,542
<b>Total current liabilities</b>		<b>2,474,933,793</b>	<b>5,055,950,948</b>	<b>2,352,425,585</b>	<b>4,976,350,413</b>
<b>Non-current liabilities</b>					
Lease liabilities	21	13,793,127	13,785,330	13,793,127	13,785,330
Long-term borrowings from financial institutions	19	1,129,162,638	1,671,441,369	1,129,162,638	1,671,441,369
Provision for decommission		2,300,023	2,178,566	2,300,023	2,178,566
Employee benefit obligations	23	155,490,013	137,017,561	155,490,013	137,017,561
Other non-current liabilities		559,011	3,086,611	559,011	3,086,611
<b>Total non-current liabilities</b>		<b>1,301,304,812</b>	<b>1,827,509,437</b>	<b>1,301,304,812</b>	<b>1,827,509,437</b>
<b>Total liabilities</b>		<b>3,776,238,605</b>	<b>6,883,460,385</b>	<b>3,653,730,397</b>	<b>6,803,859,850</b>
<b>Equity</b>					
<b>Share capital</b>					
Authorised share capital					
Ordinary shares, 1,400,000,000 shares of par Baht 1 each (2022 : Ordinary shares, 1,000,000,000 shares of par Baht 1 each)	24	1,400,000,000	1,000,000,000	1,400,000,000	1,000,000,000
Issued and paid-up share capital					
Ordinary shares, 1,400,000,000 shares of paid-up Baht 1 each (2022 : Ordinary shares, 750,000,000 shares of paid-up Baht 1 each)	24	1,400,000,000	750,000,000	1,400,000,000	750,000,000
Premium on paid-up capital	24	1,777,084,570	-	1,777,084,570	-
Discount from business combination under common control		(1,173,761,396)	(1,173,761,396)	-	-
Retained earnings					
Appropriated - legal reserve	25	94,800,000	75,000,000	94,800,000	75,000,000
Unappropriated		1,207,400,903	811,972,211	1,069,536,285	705,914,168
Other components of equity		(20,196,232)	(20,517,718)	-	-
Equity attribute to owners of the parent		3,285,327,845	442,693,097	4,341,420,855	1,530,914,168
Non-controlling interests		-	-	-	-
<b>Total equity</b>		<b>3,285,327,845</b>	<b>442,693,097</b>	<b>4,341,420,855</b>	<b>1,530,914,168</b>
<b>Total liabilities and equity</b>		<b>7,061,566,450</b>	<b>7,326,153,482</b>	<b>7,995,151,252</b>	<b>8,334,774,018</b>

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