

DOD Biotech Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2023

1. General information

DOD Biotech Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of food supplements and health drinks of all kinds. The registered office of the Company is at 111, Moo 2, Tumbol Taa jeen, Amphor Muengsamutsakhon, Samut Sakhon.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of DOD Biotech Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2023	2022
			Percent	Percent
Direct subsidiaries				
DOD Healthy Life Co., Ltd.	Holding business	Thailand	99.99	99.99
HY DOD Co., Ltd.	Dissolution	Thailand	-	51.00
DOD Sale Power Co., Ltd.	Advisory service	Thailand	70.00	70.00
Siam Herbal Tech Co., Ltd.	Manufacturing extraction	Thailand	86.83	90.24
AK DOD Co., Ltd.	Trading business	Thailand	51.00	51.00
A Metaverse Co., Ltd.	Supplementary business	Thailand	50.00	50.00
DOD Infinite Co., Ltd.	Holding business	Thailand	99.99	-

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2023	2022
			Percent	Percent
Indirect subsidiary				
PCCA Laboratory Co., Ltd.	Manufacturing cosmetic business	Thailand	90.00	90.00
Auswell Life Co., Ltd.	Supplementary business	Thailand	89.29	-

Details of the changes in the structure of the Group during the current year are presented in Note 12 to the consolidated financial statements.

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
 - c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
 - d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
 - e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
 - f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements present investments in subsidiaries under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the 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 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.

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

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 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

4. Significant accounting policies

4.1 Revenue and expense recognition

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

Interest income

Interest income is calculated using the effective interest method and recognized on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Inventories

Finished goods and work in process are valued at the lower of cost (under the first-in, first-out method) and net realisable value. The cost of inventories includes all production costs and attributable factory overheads.

Raw materials, chemicals, spare parts and factory supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

4.4 Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

4.5 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Land improvements	-	5 - 20 years
Buildings	-	30 years
Buildings improvements	-	5 - 30 years
Machinery and equipment	-	5 - 20 years
Furniture, fixtures and office equipment	-	5 years
Motor vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.6 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

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

	<u>Useful lives</u>
Computer software	5 years
Trademark	4 - 8 years
Customer relationships	10 years

4.7 Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at the acquisition date fair value, the amount of any non-controlling interests in the acquiree and the acquisition date fair value of the Group's previously held equity interest in the acquiree, in a business combination achieved in stages.

For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group measures the identifiable assets acquired and the liabilities assumed at acquisition date fair value, and classifies and designates them in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the Group will be recognised at fair value at the acquisition date. A contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. A contingent consideration classified as an asset or liability is measured at fair value, with changes in fair value recognised in profit or loss.

Goodwill is initially recorded at cost, which equals the excess of cost of the business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of the business combination, the excess is immediately recognised as a gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.8 Leases

At inception of contract, the Group assesses whether a 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 as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

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

Depreciation of right-of-use assets are calculated by reference to their costs on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Right-of-use assets is buildings which has an estimated useful lives of 20 years.

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

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

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

Short-term leases and leases of low-value assets

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

4.9 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

4.10 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.11 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal. An impairment loss is recognised in profit or loss.

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

4.12 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

4.13 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.14 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.15 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and 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.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.16 Fair value measurement

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

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

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

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

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

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

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

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

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

Allowance for expected credit losses of trade receivables

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

Allowance for loss on diminution in value of inventories

The Group has provided allowance for obsolete inventories based upon the quantities of inventories which are no longer in the production plan. For slow-moving inventories, the Group estimates allowance based upon the quantities of inventories which are expected to be unsalable considering the actual sales information of the current year and sales plan for next year.

Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

6. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Thousand Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	2023	2022	2023	2022	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Sales of goods	-	-	51,701	-	Market price
Interest income	-	-	16,397	13,737	5% and 6% per annum (2022: 5% and 6% per annum)
Other income	-	-	4,959	25	Contract price
Other expenses	-	-	314	75	Contract price

As at 31 December 2023 and 2022, the balances of the accounts between the Group and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Trade and other receivables - related parties (Note 8)				
Subsidiaries	-	-	94,097	76,944
Less: Allowance for expected credit losses	-	-	(64,770)	(51,640)
	-	-	29,327	25,304
Other payables - related party (Note 17)				
Subsidiary	-	-	-	80
	-	-	-	80
Advance received for goods - related party				
Subsidiary	-	-	542	-
	-	-	542	-

Loans to subsidiaries

As at 31 December 2023 and 2022, the balances of loans between the Group and the movement in loans are as follows:

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at 1 January 2023	Increase during the year	Decrease during the year	Balance as at 31 December 2023
Loans to subsidiaries				
Short-term loan to subsidiary				
Siam Herbal Tech Co., Ltd.	45,000	43,850	-	88,850
Total short-term loan to a subsidiary	45,000	43,850	-	88,850
Long-term loans to subsidiaries				
DOD Healthy Life Co., Ltd.	298,000	-	-	298,000
DOD Sale power Co., Ltd.	5,800	-	-	5,800
PCCA Laboratory Co., Ltd.	277,100	-	-	277,100
	580,900	-	-	580,900
Less: Allowance for expected credit losses	(362,562)	-	-	(362,562)
Total long-term loans to subsidiaries - net	218,338	-	-	218,338

Loans to subsidiaries carried interest 5 and 6 percent per annum with repayment at call.

Short-term loans from related parties

As at 31 December 2023 and 2022, the balances of short-term loan from related parties and the movement in loan is as follows:

(Unit: Thousand Baht)

	Consolidated financial statement			
	Balance as at 1 January 2023	Increase during the year	Decrease during the year	Balance as at 31 December 2023
Short-term loans from related parties				
Major shareholder	10,000	9,000	(19,000)	-
Total short-term loans from related parties	10,000	9,000	(19,000)	-

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at 1 January 2023	Increase during the year	Decrease during the year	Balance as at 31 December 2023
Short-term loans from related parties				
Major shareholder	10,000	9,000	(19,000)	-
Auswell Life Co., Ltd. (Subsidiary)	-	3,000	(3,000)	-
Total short-term loans from related parties	10,000	12,000	(22,000)	-

Short-term loan from related parties carried 3 percent per annum with repayment on 27 June 2023.

Set out below is the movements in the allowance for expected credit losses of loans to related parties and accrued interest receivables.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Beginning balance	-	-	414,202	402,137
Provision for expected credit loss	-	-	13,130	13,100
Write-off	-	-	-	(1,035)
Ending balance	-	-	427,332	414,202

Directors and management's benefits

The Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated		Separate	financial
	financial statements		statements	
	2023	2022	2023	2022
Short-term employee benefits	33,540	33,613	20,351	25,608
Post-employment benefits	1,918	1,162	889	931
Total	35,458	34,775	21,240	26,539

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Cash	142	115	66	82
Bank deposits	67,847	30,153	21,335	10,891
Total	67,989	30,268	21,401	10,973

As at 31 December 2023, bank deposits in saving accounts carried interests between 0.15 and 0.60 percent per annum (2022: between 0.05 and 0.35 percent per annum).

8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
Trade receivables - related parties				
Aged on the basis of due dates				
Past due				
Up to 3 months	-	-	596	-
Total trade receivables - related parties, net	-	-	596	-
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	49,711	37,789	48,974	37,190
Past due				
Up to 3 months	43,102	31,303	30,480	31,000
3 - 6 months	18	76,226	18	76,226
6 - 12 months	4,139	204,249	4,139	203,797
Over 12 months	396,795	111,705	385,624	100,977
Total	493,765	461,272	469,235	449,190
Less: Allowance for expected credit losses	(411,472)	(422,221)	(400,301)	(411,041)
Total trade receivables - unrelated parties, net	82,293	39,051	68,934	38,149
Total trade receivables - net	82,293	39,051	69,530	38,149
Other receivables				
Advances payment - unrelated parties	88	546	60	546
Other receivables - related parties	-	-	223	94
Other receivables - unrelated parties	16,579	17,665	882	716
Interest receivables - related parties	-	-	93,278	76,850
Interest receivables - unrelated parties	79	28	79	28
Accrued income - unrelated parties	13,305	-	-	-
Total	30,051	18,239	94,522	78,234
Less: Allowance for expected credit losses	(701)	-	(65,471)	(51,640)
Total other receivables - net	29,350	18,239	29,051	26,594
Total trade and other receivables - net	111,643	57,290	98,581	64,743

The normal credit term is 30 to 90 days.

Set out below is the movements in the allowance for expected credit losses of trade receivables.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Beginning balance	422,221	17,207	411,041	86,439
Provision for expected credit losses	10,521	405,014	10,521	405,545
Amount recovered	(21,270)	-	(21,261)	-
Amount written off	-	-	-	(80,943)
Ending balance	<u>411,472</u>	<u>422,221</u>	<u>400,301</u>	<u>411,041</u>

The significant increase in allowance for expected credit losses of trade receivables in 2022 of Baht 405 million was mainly due to the allowance for expected credit losses of an unrelated trade receivable which had long outstanding balance.

On 12 October 2023, the Company entered into a debt repayment memorandum with the debtor and the debtor's trading partner. Under the conditions specified in this memorandum, the counterparty will gradually repay the debt to the Company on a monthly basis without interest. During the year 2023, the Company has received payment of Baht 21 million.

9. Inventories

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2023	2022	2023	2022	2023	2022
Finished goods	63,710	17,699	(7,326)	(3,097)	56,384	14,602
Work in process	10,778	17,147	(1,942)	(1,169)	8,836	15,978
Raw materials	113,979	103,752	(28,796)	(36,304)	85,183	67,448
Total	<u>188,467</u>	<u>138,598</u>	<u>(38,064)</u>	<u>(40,570)</u>	<u>150,403</u>	<u>98,028</u>

	(Unit: Thousand Baht)					
	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2023	2022	2023	2022	2023	2022
Finished goods	18,210	14,537	(7,326)	(3,097)	10,884	11,440
Work in process	4,346	5,429	(1,942)	(1,169)	2,404	4,260
Raw materials	105,590	101,257	(28,796)	(36,304)	76,794	64,953
Total	<u>128,146</u>	<u>121,223</u>	<u>(38,064)</u>	<u>(40,570)</u>	<u>90,082</u>	<u>80,653</u>

During the current year, the Group reversed the write-down of cost of inventories by Baht 2.5 million and reduced the amount of inventories recognised as expenses during the year (2022: Baht 49.3 million) (the Company only: Reversed the write-down of value of inventories by Baht 2.5 million, (2022: Reduced value of inventories to reflect the net realisable value by Baht 15.4 million)).

10. Restricted bank deposits

These represent fixed deposits pledged with the banks to secure bank overdrafts and short-term loans from bank.

11. Other non-current financial assets

	(Unit: Thousand Baht)	
	Consolidated and financial statements	separate
	2023	2022
Equity instruments designated at FVOCI		
Non-listed equity instruments	2,600	2,600
Total other non-current financial assets - net	<u>2,600</u>	<u>2,600</u>

12. Investments in subsidiaries

12.1 Details of investments in subsidiaries as presented in separate financial statements

Company	Percentage of		Paid-up capital		Cost method	
	shareholding					
	2023	2022	2023	2022	2023	2022
	(%)	(%)	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Direct subsidiaries						
DOD Healthy Life Co., Ltd.	99.99	99.99	1,000	1,000	1,000	1,000
HY DOD Co., Ltd.	-	51.00	-	500	-	255
DOD Sale power Co., Ltd.	70.00	70.00	2,000	2,000	1,400	1,400
Siam Herbal Tech Co., Ltd.	86.83	90.24	260,000	260,000	225,753	234,633
AK DOD Co., Ltd.	51.00	51.00	500	500	255	255
A Metaverse Co., Ltd.	50.00	50.00	5,000	2,500	2,500	1,250
DOD Infinite Co., Ltd.	99.99	-	91,000	-	91,000	-
Total					321,908	238,793
Less: Allowance for impairment of investments					(1,137)	(186)
Investments in subsidiaries, net					<u>320,771</u>	<u>238,607</u>

12.2 Changes of investments in subsidiaries of the Company

HY DOD Co., Ltd.

During the current year, HY DOD Co., Ltd. registered its dissolution with Ministry of Commerce on 6 June 2023.

Siam Herbal Tech Co., Ltd

During the year 2021, the Company entered into an agreement to sell part of its shareholding in SHT to a strategic investor and one of the Company's management ("investors"). The Company granted each investor rights to purchase ordinary shares of SHT in accordance with the terms and conditions stipulated in the agreement up to a maximum of 1,560,000 shares in total, or equivalent to approximately 60% of the issued and paid-up shares of SHT. The agreement expired on 7 December 2023.

During the year 2023 and 2022, the Company sold 88,000 shares and 241,000 shares of SHT, respectively. With details as follows.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2023	2022
Cash received from selling shares	7,496	20,010
Less: Non-controlling interests of the subsidiary	(4,818)	(15,079)
Surplus arising from change in ownership interest in a subsidiary	2,678	4,931

A Metaverse Co., Ltd.

During the year 2022, the Company has invested in ordinary shares of A Metaverse Co., Ltd. ("AMV") in the amount of 500,000 shares at Baht 2.5 per share, of Baht 1.25 million, representing 50% of the issued and paid-up shares of AMV, which was registered with the Department of Business Development on 13 December 2022.

On 28 April 2023, the Board of Directors' Meeting passed a resolution approving the call for an additional payment on share, equivalent to 25 percent of the registered shares amounting to 1,000,000 shares with a par value of Baht 10 per share, totaling Baht of 2.5 million. The Company already made a payment of Baht 1.25 million.

DOD Infinite Co., Ltd.

On 20 January 2023, the Board of Directors' Meeting of the Company passed a resolution approving the incorporation of a new subsidiary, DOD Infinite Co., Ltd. ("DOD Infinite"), to operate an investment business, in which the Company invests 599,997 shares (equivalent to 99.99 percent of total issued and paid-up shares) with a par value of Baht 10 per share, totaling Baht 6 million. DOD Infinite already registered its incorporation with Ministry of Commerce on 20 January 2023.

On 6 April 2023, the Board of Directors' Meeting of the Company passed a resolution approving an additional investment in DOD Infinite of Baht 85 million and an increase in DOD Infinite's registered capital from Baht 6 million to Baht 91 million. DOD Infinite already registered the increase in its registered capital with the Ministry of Commerce on 9 May 2023.

No dividend received from subsidiaries during the year.

12.3 Investment of the subsidiary

Auswell Life Co., Ltd.

On 22 February 2023, the subsidiary, DOD Infinite Co., Ltd. ("DOD Infinite"), invested in Auswell Life Co., Ltd. ("AWL") which is engaged in operating a dietary supplementary business, through the acquisition of 425,000 shares of AWL (equivalent to 89.29 percent of the total issued and paid-up shares) from the existing shareholders of AWL, at a price of Baht 205.65 per share, totaling Baht 87 million. DOD Infinite also paid short-term loan of AWL to existing shareholders of AWL of Baht 2.6 million.

The Company has undertaken the measurement of the identifiable assets acquired and liabilities assumed as of the acquisition date. The measurement was concluded. The details of the assets and liabilities of AWL as of the acquisition date are as follows.

	(Unit: Thousand Baht)	
	Fair value	Carrying value
Cash and cash equivalents	18,342	18,342
Trade and other receivables	809	809
Inventories	41,713	41,713
Other current assets	16,182	16,182
Equipment	2,264	1,546
Intangible assets	50,930	20
Deferred tax assets	353	353
Other non-current assets	70	70
Trade and other payables	(15,184)	(15,184)
Short-term loan from unrelated person	(2,600)	(2,600)
Unearned income	(42)	(42)
Other current liabilities	(3,139)	(3,139)
Provision for long-term employee benefits	(1,767)	(1,767)
Deferred tax liabilities	(10,325)	-
Total identifiable net assets	97,606	56,303
Less: Non-controlling interests' proportionate share of identifiable net assets of the acquiree	(10,458)	(6,032)
Identifiable net assets of the acquiree attributable to the Group's interest (89.29 percent)	87,148	50,271

	(Unit: Thousand Baht)
Cash paid for purchase of investment in subsidiary	87,400
Less: Identifiable net assets of the acquiree attributable to the Group's interest	<u>(87,148)</u>
Goodwill	<u><u>252</u></u>

	(Unit: Thousand Baht)
Cash paid for purchase of investment in subsidiary	87,400
Add: Paid short short-term loan of subsidiary	2,600
Less: Cash and cash equivalents of subsidiary	<u>(18,342)</u>
Net cash paid for purchase of investment in subsidiary	<u><u>71,658</u></u>

From 22 February 2023, AWL contributed revenues and profit before tax from continuing operations amounting of Baht 213 million and Baht 39 million, respectively, to the statement of comprehensive income for the year ended 31 December 2023. However, if the combination had taken place on 1 January 2023, the revenue and profit before tax from continuing operations, contributed to the statement of comprehensive income, would have been Baht 243 million and Baht 48 million, respectively.

13. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements

	Land	Land improvement	Buildings	Building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under construction	Total
Cost:									
1 January 2022	220,566	11,582	342,614	167,914	220,284	19,916	6,275	167,472	1,156,623
Additions	-	-	-	3,169	26,732	2,412	-	29,895	62,208
Disposals/write-off	-	-	-	(64)	(4,594)	(2,103)	(120)	(5,415)	(12,296)
Transfers	-	4,231	-	49,621	22,569	2,762	-	(79,183)	-
31 December 2022	220,566	15,813	342,614	220,640	264,991	22,987	6,155	112,769	1,206,535
Additions	-	-	-	2,782	7,005	2,443	5	5,839	18,074
Acquisition of a subsidiary	-	-	-	309	738	1,164	920	-	3,131
Disposals	-	-	-	-	-	(523)	-	-	(523)
Transfers	-	-	-	97,977	10,670	-	-	(108,647)	-
31 December 2023	220,566	15,813	342,614	321,708	283,404	26,071	7,080	9,961	1,227,217
Accumulated depreciation:									
1 January 2022	-	2,817	52,123	34,068	91,642	9,908	5,649	-	196,207
Depreciation for the year	-	1,240	17,811	8,266	29,016	3,240	293	-	59,866
Depreciation on disposals/write-off	-	-	-	(52)	(4,395)	(1,874)	(120)	-	(6,441)
31 December 2022	-	4,057	69,934	42,282	116,263	11,274	5,822	-	249,632
Acquisition of a subsidiary	-	-	-	67	207	361	232	-	867
Depreciation for the year	-	1,281	17,812	13,834	26,975	3,523	262	-	63,687
Depreciation on disposals	-	-	-	-	-	(459)	-	-	(459)
31 December 2023	-	5,338	87,746	56,183	143,445	14,699	6,316	-	313,727
Allowance for impairment loss:									
1 January 2022	1,700	-	23,000	4,965	16,183	2,642	1	8,227	56,718
Decrease during the year	-	-	-	-	(128)	(141)	-	(5,377)	(5,646)
31 December 2022	1,700	-	23,000	4,965	16,055	2,501	1	2,850	51,072
31 December 2023	1,700	-	23,000	4,965	16,055	2,501	1	2,850	51,072
Net book value:									
31 December 2022	218,866	11,756	249,680	173,393	132,673	9,212	332	109,919	905,831
31 December 2023	218,866	10,475	231,868	260,560	123,904	8,871	763	7,111	862,418
Depreciation for the year									
2022 (Baht 38 million included in manufacturing cost, and the balance in selling and administrative expenses)									59,866
2023 (Baht 38 million included in manufacturing cost, and the balance in selling and administrative expenses)									63,687

(Unit: Thousand Baht)

Separate financial statements

	Land	Land improvement	Buildings	Building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under construction	Total
Cost:									
1 January 2022	144,377	11,582	148,037	112,718	187,872	15,749	6,895	32,787	660,017
Additions	-	-	-	1,055	5,275	1,266	-	15,181	22,777
Disposals	-	-	-	-	(2,935)	(287)	(120)	-	(3,342)
Transfers	-	-	-	17,026	9,233	2,762	-	(29,021)	-
31 December 2022	144,377	11,582	148,037	130,799	199,445	19,490	6,775	18,947	679,452
Additions	-	-	-	40	2,822	1,428	5	67	4,362
Disposals	-	-	-	-	-	(514)	-	-	(514)
Transfers	-	-	-	55	8,100	-	-	(8,155)	-
31 December 2023	144,377	11,582	148,037	130,894	210,367	20,404	6,780	10,859	683,300
Accumulated depreciation:									
1 January 2022	-	2,817	19,722	18,209	84,712	10,482	6,272	-	142,214
Depreciation for the year	-	1,070	5,782	5,773	19,890	2,266	292	-	35,073
Depreciation on disposals	-	-	-	-	(2,934)	(255)	(120)	-	(3,309)
31 December 2022	-	3,887	25,504	23,982	101,668	12,493	6,444	-	173,978
Depreciation for the year	-	1,070	5,782	6,002	17,471	2,141	91	-	32,557
Depreciation on disposals	-	-	-	-	-	(459)	-	-	(459)
31 December 2023	-	4,957	31,286	29,984	119,139	14,175	6,535	-	206,076
Net book value:									
31 December 2022	144,377	7,695	122,533	106,817	97,777	6,997	331	18,947	505,474
31 December 2023	144,377	6,625	116,751	100,910	91,228	6,229	245	10,859	477,224
Depreciation for the year									
2022 (Baht 31 million included in manufacturing cost, and the balance in selling and administrative expenses)									35,073
2023 (Baht 28 million included in manufacturing cost, and the balance in selling and administrative expenses)									32,557

As at 31 December 2023, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 136 million (2022: Baht 108 million) (the Company only: Baht 76 million, 2022: Baht 61 million).

The Group has mortgaged their property, plant and equipment amounting to approximately Baht 213 million (2022: Baht 376 million) (the Company only: Baht 213 million, 2022: Baht 259 million) as collateral against bank overdrafts, short-term borrowings, long-term borrowings and letters of guarantee from banks.

The Group has property, plant and equipment which retired from active use and not classified as held for sales with net book value amounting to Baht 220 million (2022: Baht 232 million).

14. Leases

The Group has lease contracts for various items of buildings and vehicles used in its operations. Leases generally have lease terms between 5 - 20 years.

a) Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
1 January 2022	57,333	446
Increase	3,300	3,300
Depreciation for the year	(3,462)	(494)
31 December 2022	57,171	3,252
Depreciation for the year	(3,757)	(789)
31 December 2023	<u>53,414</u>	<u>2,463</u>

b) Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Lease liabilities	84,336	89,667	1,669	2,467
Less: Deferred interest expenses	(28,255)	(31,222)	(75)	(150)
Total	56,081	58,445	1,594	2,317
Less: Portion due within one year	(2,796)	(2,621)	(674)	(723)
Lease liabilities - net of current portion	<u>53,285</u>	<u>55,824</u>	<u>920</u>	<u>1,594</u>

Movements of the lease liability account during the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Balance at beginning of year	58,445	58,231	2,316	300
Additions	-	3,300	-	3,300
Increase from acquisition of a subsidiary	355	-	-	-
Accretion of interest	2,986	2,318	76	62
Repayments	(5,705)	(5,404)	(798)	(1,345)
Balance at end of year	<u>56,081</u>	<u>58,445</u>	<u>1,594</u>	<u>2,317</u>

c) Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Depreciation expense of right-of-use assets	3,757	3,462	789	494
Interest expense on lease liabilities	2,986	2,318	76	62
Expense relating to leases of low-value assets	873	159	171	159

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 6 million (2022: Baht 5 million), including the cash outflow related to leases of low-value assets.

15. Other intangible assets

	(Unit: Thousand Baht)					
	Consolidated				Separate	
	financial statements				financial statements	
	Customer relationship	Trademark	Software	Total	Software	Total
Cost:						
1 January 2022	-	-	13,012	13,012	8,775	8,775
Additions	-	-	1,082	1,082	548	548
31 December 2022	-	-	14,094	14,094	9,323	9,323
Acquisition of a subsidiary	33,000	17,910	66	50,976	-	-
Disposals	-	-	(375)	(375)	(375)	(375)
31 December 2023	33,000	17,910	13,785	64,695	8,948	8,948
Accumulated amortisation:						
1 January 2022	-	-	5,303	5,303	3,323	3,323
Amortisation for the year	-	-	1,635	1,635	1,047	1,047
31 December 2022	-	-	6,938	6,938	4,370	4,370
Acquisition of a subsidiary	-	-	46	46	-	-
Amortisation for the year	2,561	2,258	1,203	6,022	1,040	1,040
Amortisation on disposal	-	-	(375)	(375)	(375)	(375)
31 December 2023	2,561	2,258	7,812	12,631	5,035	5,035
Allowance for impairment loss:						
31 December 2022	-	-	1,587	1,587	-	-
31 December 2023	-	-	1,587	1,587	-	-
Net book value						
31 December 2022	-	-	5,569	5,569	4,953	4,953
31 December 2023	30,439	15,652	4,386	50,477	3,913	3,913

16. Bank overdrafts and short-term loans from banks

	Interest rate (percent per annum)	(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
Bank overdrafts	MOR	14,689	17,699	14,689	17,699
Short-term loans from banks	MOR -1, MLR -0.50	95,800	121,000	95,800	121,000
Total		110,489	138,699	110,489	138,699

Bank overdrafts and short-term loans from bank are secured by the mortgage of the Company's land, building on land, fixed deposit, machineries and certain directors.

17. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Trade payables - unrelated parties	75,404	80,442	71,317	75,454
Other payables - related party	-	-	-	80
Other payables - unrelated parties	15,772	12,583	8,307	9,845
Accrued expenses - unrelated parties	25,253	17,171	6,443	12,392
Prepaid cheque - unrelated parties	79	47	79	47
Total trade and other payables	116,508	110,243	86,146	97,818

18. Long-term loans

(Unit: Thousand Baht)

Loan	Interest rate (percent per annum)	Repayment schedule	Consolidated		Separate	
			financial statements		financial statements	
			2023	2022	2023	2022
1	MLR	Semi-annual installments as from July 2020 due in July 2023	-	7,110	-	7,110
2	MLR	Semi-annual installments as from March 2019 due in March 2024	2,120	12,200	2,120	12,200
3	MLR	Semi-annual installments as from January 2017 due in September 2023	-	1,243	-	-
4	MLR	Semi-annual installments as from February 2017 due in October 2023	-	1,382	-	-
Total			2,120	21,935	2,120	19,310
Less: Current portion			(2,120)	(19,815)	(2,120)	(17,190)
Long-term loans, net of current portion			-	2,120	-	2,120

Movements of the long-term loan account during the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Beginning balance	21,935	48,071	19,310	42,110
Repayments	(19,815)	(26,136)	(17,190)	(22,800)
Ending balance	<u>2,120</u>	<u>21,935</u>	<u>2,120</u>	<u>19,310</u>

The loans are secured by the mortgage of land, buildings on land as collateral for the borrowings and is guaranteed by certain directors.

The loan agreements contain several covenants which, among other things, require the Group to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements.

As at 31 December 2022, the Company and a subsidiary was unable to maintain the financial ratios of long-term borrowings in accordance with a bank's requirement. However, the Company and the subsidiary has no non-current portion of long term loan.

19. Share capital and warrants to purchase ordinary shares

On 18 April 2023, the Annual General Meeting of Shareholders passed a resolution approving:

- a) Increase in the Company's registered capital of Baht 35,971,191.00 from Baht 307,500,369.50 to Baht 343,471,560.50 through the issue of 71,942,382 additional ordinary shares with a par value of Baht 0.50 per share in order to accommodate the allocation of the newly issued ordinary shares to the existing shareholders proportionate to their respective shareholdings, the allocation through private placements and the adjustment of rights of DOD-W2 warrants.
- b) Allocation of no more than 24,390,000 newly issued ordinary shares with a par value of Baht 0.50 per share to be offered to unrelated persons through a private placement at an offering price of Baht 4.10 per share, representing up to 5.95 percent of the total issued and paid-up shares, totaling of Baht 100 million.
- c) Allocation of no more than 25,552,382 newly issued ordinary shares with a par value of Baht 0.50 per share, to be allocated to existing shareholders in proportion to the number of shares held by each shareholders at a ratio of 17 existing ordinary shares to 1 newly issued ordinary share, at an offering price of Baht 4.00 per share, representing up to 6.23 percent of the Company's total issued and paid-up shares, totaling of Baht 102 million.
- d) Issuance and offering of debentures, to support the existing and new business expansion plans, with a maximum amount of Baht 500 million.

During the current year, the Company received payments from the offering of 24,390,000 additional ordinary shares at an offering price of Baht 4.10 per share to unrelated persons through a private placement, totaling Baht 100 million. Additionally, the Company received payments from the offering of 16,023,719 additional ordinary shares at an offering price of Baht 4.00 per share to existing shareholders, totaling Baht 64 million. The transaction cost incurred amounted to Baht 4.6 million (presented as a deduction from share premium). The Company registered the increase in its paid-up capital with the Ministry of Commerce on 5 May 2023 and 19 June 2023, respectively.

DOD-W2 warrant

On 20 October 2021, the extraordinary general meeting of shareholders approved the issuance of up to 205,000,246 units of “Warrants to Purchase Ordinary Shares of the Company” (DOD-W2) which are to be sold to the shareholders of the Company in proportion to their respective shareholdings at an offering price of Baht 0.10 per unit. The warrants have a term of 2 years.

From the issuance and offering of newly issued ordinary shares through a private placement as described above, the Company adjusted exercise price and exercise ratio of DOD-W2 warrant as follows.

	Existing	Revise
Exercise price (Baht per share)	18.00	17.8774
Exercise ratio (unit per 1 ordinary share)	1.00	1.0069

On 30 November 2023, the DOD-W2 warrant holders exercised purchase 72 issued ordinary share with a par value of Baht 0.5 each, at an exercise price of Baht 17.8774 per share. The Company registered the increase in its issued and paid-up share capital with the Ministry of Commerce on 7 December 2023.

Subsequently, the DOD-W2 warrant remaining amount 205,000,171 units expired in November 2023.

20. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

21. Other expenses

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Impairment loss on financial assets (reversal)	(10,039)	405,861	3,061	418,645
Impairment loss on investment in subsidiary	-	-	1,137	186
Total	(10,039)	405,861	4,198	418,831

22. Discontinued operation

During the second quarter 2021, a meeting of the Company's Board of Directors passed a resolution to discontinue an operation of PCCA Laboratory Company Limited and Ultima Life Company Limited. Therefore, the comparative statement of comprehensive income has been reclassified to present the discontinued operation as a separate transaction from the continued operation.

Discontinued operation in the consolidated financial statements for the year ended 31 December 2023 and 2022 are as follows.

	(Unit: Thousand Baht)			
	PCCA Laboratory		Ultima Life	
	Company Limited		Company Limited	
	2023	2022	2023	2022
Statements of comprehensive income				
Revenue	5,702	12,368	-	-
Expenses	(21,526)	(60,354)	-	(13,416)
Loss before income tax	(15,824)	(47,986)	-	(13,416)
Income tax benefits	1,372	1,372	-	-
Loss for the year from discontinued operation	(14,452)	(46,614)	-	(13,416)

Significant cash flow information from the discontinued operation for the year ended 31 December 2023 and 2022 are as follows.

	(Unit: Thousand Baht)			
	PCCA Laboratory		Ultima Life	
	Company Limited		Company Limited	
	2023	2022	2023	2022
Net cash from (used in) operating activities	(1,146)	6,683	-	-
Net cash used in investing activities	(5)	(2)	-	-
Net cash used in financing activities	(2,625)	(3,336)	-	-
Net cash flows from (used in) discontinued operation	(3,776)	3,345	-	-

23. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Salaries and wages and other employee benefits	175,514	159,696	133,200	144,794
Depreciation and amortisation	73,466	64,502	34,386	36,615
Loss on impairment of financial assets (Reversal)	(10,048)	404,636	3,061	418,645
Raw materials and consumables used	291,727	319,998	196,824	247,573
Changes in inventories of finished goods and work in progress	2,071	11,230	(2,590)	656

24. Income tax

Income tax expenses (benefits) for the years ended 31 December 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Current income tax:				
Current income tax charge	24,636	6,437	15,468	6,437
Adjustment in respect of income tax of previous year	1,899	(903)	1,899	(903)
Deferred tax:				
Relating to origination and reversal of temporary differences	1,522	(84,641)	2,134	(82,687)
Income tax expense (benefits) reported in profit or loss	28,057	(79,107)	19,501	(77,153)

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Deferred tax on actuarial gains	380	-	380	-
	380	-	380	-

The reconciliation between accounting profit (loss) and income tax expenses (benefits) is shown below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Accounting profit (loss) before tax	48,881	(424,226)	50,433	(391,209)
Applicable tax rate	20%	20%	20%	20%
Accounting profit (loss) before tax multiplied by				
income tax rate	9,776	(84,845)	10,087	(78,242)
Unused tax losses for the year	6,755	7,039	-	-
Adjustment in respect of income tax of previous year	1,899	(903)	1,899	(903)
Effects of:				
Promotional privileges	-	(8,002)	-	(8,002)
Non-deductible expenses	9,758	7,982	3,189	3,401
Additional expense deductions allowed	(131)	(378)	(24)	(378)
Others	-	-	4,350	6,971
Total	9,627	(398)	7,515	1,992
Income tax expenses (benefits) reported in profit or loss	28,057	(79,107)	19,501	(77,153)

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Deferred tax assets				
Allowance for expected credit losses	80,200	82,208	80,200	82,208
Allowance for diminution in value of inventories	7,613	8,114	7,613	8,114
Provision for long-term employee benefits	2,143	1,536	1,432	1,437
Others	680	680	680	680
Total	90,636	92,538	89,925	92,439
Deferred tax liabilities				
Adjustment fair value of assets at business				
acquisition date	18,492	10,682	-	-
Total	18,492	10,682	-	-

As at 31 December 2023, the subsidiaries has unused tax losses totaling Baht 428 million (2022: Baht 343 million) on which deferred tax assets have not been recognised as the subsidiaries believes future taxable profits may not be sufficient to allow utilisation of the unused tax losses.

The unused tax losses amounting to Baht 428 million will expire by 2028.

25. Earnings (loss) per share

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

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

However, no calculation of diluted earning per share for the year ended 31 December 2023 and 2022 was required for warrants (DOD-W2) because the exercise prices of the warrants was higher than the average market price of the Company's ordinary shares.

The following table sets forth the computation of basic per share.

	Consolidated financial statements					
	Continued operation		Discontinued operation		Total	
	2023	2022	2023	2022	2023	2022
<u>Basic earnings (loss) per share</u>						
Profit (loss) attributable to equity holders of the parent (Thousand Baht)	20,194	(342,965)	(13,007)	(55,369)	7,187	(398,334)
Weighted average number of ordinary shares (Thousand shares)	435,309	410,000	435,309	410,000	435,309	410,000
Basic earnings (loss) per share (Baht per share)	0.05	(.84)	(.03)	(.13)	0.02	(.97)

	Separate financial statements	
	2023	2022
<u>Basic earnings (loss) per share</u>		
Profit (loss) for the year (Thousand Baht)	30,932	(314,056)
Weighted average number of ordinary shares (Thousand shares)	435,309	410,000
Earnings (loss) per share (Baht per share)	0.07	(.77)

26. 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 executive committee.

For management purposes, the Group is organised into business units based on its products and services and have reportable segments as Supplementary business, Manufacturing cosmetic business, Manufacturing extraction business and others.

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit and total assets/total liabilities information regarding the Group's operating segments for the years ended 31 December 2023 and 2022.

For the year ended 31 December 2023

(Unit: Thousand Baht)

	Supplementary business	Manufacturing cosmetic business (Discontinued operation)	Manufacturing extraction business	Others	Elimination of inter-segment	Total
Revenues from sales	715,316	-	14,648	-	(51,810)	678,154
Finance income	16,639	7	10	488	(16,878)	266
Other income	36,570	6,050	2,901	-	(7,881)	37,640
Total revenue	768,525	6,057	17,559	488		716,060
Total profit (loss) from reportable segments before finance costs	105,766	(8,547)	(37,950)	(139)	(17,744)	41,386
Finance costs	(5,320)	(17,156)	(3,356)	(18,228)	35,730	(8,330)
Total profit (loss) from reportable segments	100,446	(25,703)	(41,306)	(18,367)		33,056
Income tax expense						(26,684)
Net profit for the year						<u>6,372</u>

For the year ended 31 December 2022

(Unit: Thousand Baht)

	Supplementary business	Manufacturing cosmetic business (Discontinued operation)	Manufacturing extraction business	Others	Elimination of inter-segment	Total
Revenues from sales	531,703	11,275	5,113	418	(75)	548,434
Finance income	13,822	3	18	472	(14,204)	111
Other income	10,654	1,116	324	220	(51)	12,263
Total revenue	556,179	12,394	5,455	1,110		560,808
Total profit (loss) from reportable segments before finance costs	(387,112)	(40,870)	(35,535)	18	(14,804)	(478,303)
Finance costs	(4,097)	(17,324)	(636)	(18,228)	32,960	(7,325)
Total loss from reportable segments	(391,209)	(58,194)	(36,171)	(18,210)		(485,628)
Income tax benefit						80,479
Net loss for the year						(405,149)
<u>As at 31 December 2023</u>						
Total assets for reportable segments	1,571,331	150,219	224,848	98,289	(587,048)	1,457,639
Total liabilities for reportable segments	287,901	355,221	103,228	394,101	(762,872)	377,579
<u>As at 31 December 2022</u>						
Total assets for reportable segments	1,294,102	164,466	220,527	10,380	(398,557)	1,290,918
Total liabilities for reportable segments	303,878	343,764	12,750	376,184	(639,290)	397,286

Geographic information

The Group operates in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

The Group has revenue from a major customer in amount of Baht 63 million, arising from sales of the supplementary business (2022: Baht 278 million derived from a major customer, arising from sales of the supplementary business).

27. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 2 to 15 percent of basic salary. The fund, which is managed by BBL Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2023 amounting to approximately Baht 2 million (2022: Baht 2 million) were recognised as expenses.

28. Commitments and contingent liabilities

28.1 Capital commitments

As at 31 December 2023, the Group had capital commitments of approximately Baht 4 million (2022: Baht 18 million), (the Company only: Baht 3 million, 2022: Baht 3 million) relating to the construction of factory buildings and acquisition of machinery.

28.2 Long-term service commitments

On 24 January 2020, the Company entered into a license agreement on a research about "The Development of medical food products for patients with diabetes using rice as the main raw material to replace imported products from abroad" with the Agricultural Research Development Agency (Public Organization). The agreement enables the Company to exercise unlimited rights on the research for a period of 8 years upon signing the agreement with permission to produce and distribute the product both domestically and abroad.

The Company is also permitted to use the technology in its production under this agreement, or to use it for the purpose of research, development, and improvement, or even transfer the technology to others without prior notice.

28.3 Guarantees

The Group were outstanding bank guarantees of approximately Baht 2 million (2022: Baht 2 million) (the Company only: Baht 1 million, 2022: Baht 1 million) issued by banks on behalf of the Group in respect of electric utility.

28.4 Litigation

- a) On 15 February 2022, the Company, the Company's former employee, an independent dealer and other related persons (collectively referred to as "the Defendant") were involved in a lawsuit brought by a customer ("the Plaintiff") due to a misconduct committed by an agent, whereby the Plaintiff claimed a compensation of approximately Baht 8 million. Subsequently, on 4 July 2023, the Court dismissed this case.
- b) On 14 January 2022, a subsidiary ("the Defendant") was involved in lawsuit brought by a company ("the Plaintiff") over a breach of contract, whereby the Plaintiff claimed a compensation of approximately Baht 2 million. Subsequently, on 17 August 2023, the Court of First Instance rendered a verdict in favour of the Plaintiff and the Company is currently engaged in negotiation for the payment agreement. As at 31 December 2023, the Group recorded a provision for the litigation in the financial statements amount Baht 2 million.
- c) On 19 August 2022, a subsidiary ("the Defendant") was involved in a lawsuit brought by a company ("the Plaintiff") over a breach of contract on the delivery of goods, whereby the Plaintiff claimed a compensation of approximately Baht 2 million. Subsequently, on 23 May 2023, the Plaintiff and the Defendant reached a settlement agreement, whereby they agreed to resolve the matter by making payments in 15 installments, totaling Baht 2.5 million with its interest. The payment schedule is set to commence in June 2023. The Court already rendered a consent judgement on the matter. During the current period, the subsidiary already recorded provision for this litigation of Baht 2.5 million.
- d) On 13 September 2022, the Company ("the Defendant") was involved in a lawsuit brought by an individual ("the Plaintiff") over a breach of contract committed by an employee, whereby the Plaintiff claimed a compensation of approximately Baht 400,000. Subsequently, on 19 May 2023, the Court of First Instance ordered the Company to pay compensation to the Plaintiff of Baht 400,000 and the Company is currently in the process of preparing the appeal. As at 31 December 2023, the Group did not record a provision for the litigation in the financial statements since the management believed that the any losses from the litigation will not be incurred.
- e) On 22 December 2023, the Company ("Defendant") was involved in a lawsuit brought by a company ("Plaintiff") over a breach of contract, whereby the Plaintiff claimed a compensation of approximately Baht 481,432. The case is under the Civil Court's consideration. As at 31 December 2023, the Group did not record a provision for the litigation in the financial statements since the management believed that the any losses from the litigation will not be incurred.

29. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the assets measured at fair value at level 3 as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements and Separate financial statements	
	2566	2565
Assets measured at fair value		
Financial assets measured at FVOCI		
Equity investments	2,600	2,600

30. Financial instruments

30.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, loans to subsidiaries, investments, and short-term and long-term loans from banks. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, loans, deposits with banks and financial institutions and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, outstanding trade receivables are consistently monitored and the Group has policy to conduct most transactions with reliable corporate partners in order to reduce the risk of financial loss due to failure to comply with contractual obligations.

The Group has concentration of credit risk of its trade receivables in the consolidated financial statement 78% from a major customer and the separate financial statements 83% from a major customer (2022: the consolidated financial statement 89% from a major customer and the separate financial statements 91% from a major customers).

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due. The Group does not hold collateral as security. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and not subject to enforcement activity.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

The market risk comprising interest rate risk.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its loans to subsidiaries and loans from bank. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings, in which it agrees to exchange, at specified intervals, between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

As at 31 December 2023 and 2022, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements

2023

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years				
<u>Financial assets</u>							
Cash and cash equivalents	-	-	-	68	-	68	0.15 - 0.60
Restricted bank deposits	-	-	-	17	-	17	0.60 - 1.35
	-	-	-	85	-	85	
<u>Financial liabilities</u>							
Bank overdrafts and short-term							
loans from banks	96	-	-	14	-	110	2.55 - 5.40
Lease liabilities	3	10	43	-	-	56	5.25
Long-term loans	-	-	-	2	-	2	6.10
	99	10	43	16	-	168	

(Unit: Million Baht)

Consolidated financial statements

2022

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years				
<u>Financial assets</u>							
Cash and cash equivalents	-	-	-	30	-	30	0.05 - 0.35
Restricted bank deposits	-	-	-	17	-	17	0.40
	-	-	-	47	-	47	
<u>Financial liabilities</u>							
Bank overdrafts and short-term							
loans from banks	121	-	-	18	-	139	1.88 - 6.65
Short-term loans from related parties	10	-	-	-	-	10	3.00
Lease liabilities	3	10	45	-	-	58	5.25
Long-term loans	-	-	-	22	-	22	4.85 - 5.13
	134	10	45	40	-	229	

(Unit: Million Baht)

Separate financial statements

2023							
Fixed interest rates							
Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)	
Financial assets							
Cash and cash equivalents	-	-	-	21	-	21	0.15 - 0.60
Short-term loans to subsidiaries	89	-	-	-	-	89	5.00
Long-term loans to subsidiaries	218	-	-	-	-	218	6.00
Restricted bank deposits	-	-	-	16	-	16	1.35
	<u>307</u>	<u>-</u>	<u>-</u>	<u>37</u>	<u>-</u>	<u>344</u>	
Financial liabilities							
Bank overdrafts and short-term							
loans from banks	96	-	-	14	-	110	2.55 - 5.40
Lease liabilities	1	1	-	-	-	2	5.25
Long-term loans	-	-	-	2	-	2	6.10
	<u>97</u>	<u>1</u>	<u>-</u>	<u>16</u>	<u>-</u>	<u>114</u>	

(Unit: Million Baht)

Separate financial statements

2022							
Fixed interest rates							
Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)	
Financial assets							
Cash and cash equivalents	-	-	-	11	-	11	0.05 - 0.35
Short-term loans to subsidiaries	45	-	-	-	-	45	5.00
Long-term loans to subsidiaries	218	-	-	-	-	218	6.00
Restricted bank deposits	-	-	-	16	-	16	0.40
	<u>263</u>	<u>-</u>	<u>-</u>	<u>27</u>	<u>-</u>	<u>290</u>	
Financial liabilities							
Bank overdrafts and short-term							
loans banks	121	-	-	18	-	139	1.88 - 6.65
Short-term loans from related							
parties	-	-	-	-	-	10	3.00
Lease liabilities	1	1	-	-	-	2	5.25
Long-term loans	-	-	-	19	-	19	4.85 - 5.13
	<u>132</u>	<u>1</u>	<u>-</u>	<u>37</u>	<u>-</u>	<u>170</u>	

Liquidity risk

The Group manages its liquidity risk by maintaining a level of cash and cash equivalents as well as management of current assets and current liabilities and sources of funds as deemed adequate to finance the operations of the Group.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2023 and 2022 based on contractual undiscounted cash flows:

(Unit: Million Baht)

	Consolidated financial statements				
	2023				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Bank overdraft and short-term loans					
from banks	-	110	-	-	110
Trade and other payables	-	117	-	-	117
Lease liabilities	-	6	20	58	84
Long-term loans	-	2	-	-	2
	-	235	20	58	313

(Unit: Million Baht)

	Consolidated financial statements				
	2022				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Bank overdraft and short-term loans					
from banks	-	139	-	-	139
Short-term loans from related parties	-	10	-	-	10
Trade and other payables	-	110	-	-	110
Lease liabilities	-	6	21	63	90
Long-term loans	-	20	2	-	22
	-	285	23	63	371

(Unit: Million Baht)

	Separate financial statements				
	2023				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Bank overdraft and short-term loans					
from banks	-	110	-	-	110
Trade and other payables	-	86	-	-	86
Lease liabilities	-	1	1	-	2
Long-term loans	-	2	-	-	2
	-	199	1	-	200

(Unit: Million Baht)

	Separate financial statements				
	2022				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Bank overdraft and short-term loans					
from banks	-	139	-	-	139
Short-term loans from related parties	-	10	-	-	10
Trade and other payables	-	98	-	-	98
Lease liabilities	-	1	1	-	2
Long-term loans	-	17	2	-	19
	-	265	3	-	268

30.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

31. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

As at 31 December 2023, the Group's debt-to-equity ratio was 0.35:1 (2022: 0.44:1) and the Company's was 0.21:1 (2022: 0.31:1).

32. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 22 February 2024.