

PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

31 DECEMBER 2023

## Independent Auditor's Report

To the Shareholders of PTT Exploration and Production Public Company Limited

### 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 PTT Exploration and Production Public Company Limited (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 income for the year then ended;
- 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 the State Audit Standards and 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 State Audit Standards as determined by the State Audit Commission and 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 State Audit Standards and the TFAC Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Other matter

The State Audit Standards as described in the basis for opinion section and the auditor's responsibilities for the audit of the consolidated and separate financial statements section are relevant to the particular section of audit on the financial reporting by independent auditor.

## 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 determine one key audit matter: Impairment assessment of goodwill. 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><i>Impairment assessment of goodwill</i></b></p> <p>As at 31 December 2023, the Group has recognised goodwill net of an allowance for impairment of US Dollar 1,353.20 million representing 5.13% of its total consolidated assets. In 2023, the Group recognised an impairment loss for the goodwill of US Dollar 120 million as disclosed in Note 20.</p> <p>Management tests impairment of goodwill annually or whenever there is an indicator of impairment. The impairment test is performed at the cash generating unit (CGU) level.</p> <p>Determining the CGU's recoverable amount (the higher of value in use or fair value less costs of disposal), which includes goodwill, requires significant management judgement in identifying both the relevant CGUs and valuation assumptions. These assumptions include global oil price trends, estimated petroleum reserves, exploration, development and production plans, cost profiles,</p>	<p>I carried out the following procedures to assess management's impairment testing of goodwill:</p> <ul style="list-style-type: none"><li>• Evaluated the appropriateness of CGUs that the Group identified and the internal impairment assessment process of the Group.</li><li>• Held discussions with management to understand the basis of the assumptions used to estimate the discounted cash flow to calculate the recoverable amount and assessed whether the impairment testing process and assumptions used in each CGU had been applied consistently across the Group.</li><li>• Challenged management's significant assumptions for estimating the discounted cash flow, specifically global oil price trends, petroleum reserve estimates, exploration, development and production plans, cost profiles, growth rate and discount rate. The procedures included comparing key assumptions with reliable external sources and the approved business plan.</li></ul>

Key audit matter	How my audit addressed the key audit matter
<p>growth rate and discount rate applied to the discounted cash flow forecasts.</p> <p>I focused on the impairment assessment of goodwill from the acquisition of exploration and production businesses in each region as noted below due to their significant values. Also, determining the recoverable amount of each CGU depends on a number of assumptions and management judgement in determining the appropriate level of those assumptions, which were impacted from an uncertainty of current economic conditions.</p> <ul style="list-style-type: none"> <li>• goodwill of US Dollar 445.03 million from acquiring the exploration and production business in Thailand;</li> <li>• goodwill of US Dollar 454.10 million from acquiring the exploration and production business in other Southeast Asia countries; and</li> <li>• goodwill of US Dollar 250.79 million from acquiring the exploration and production business in Africa.</li> </ul>	<ul style="list-style-type: none"> <li>• Assessed the reasonableness of the business plan by comparing the plan for 2023 with actual results.</li> <li>• Tested reasonableness of the discount rate by considering publicly available information on other companies in the industry, obtained independently by the auditor's expert, to assess whether the discount rate that management used was within an acceptable range compared to comparable companies in the industry.</li> <li>• Assessed the factors which were sensitive to assumptions and tested the sensitivity analysis of key assumptions in management's model to assess the potential impact of various possible outcomes from changing in those assumptions.</li> </ul> <p>Based on the results of the procedures performed, I found that management's key assumptions were reasonable and within the acceptable range. They were consistent with supporting evidence.</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 the State Audit Standards and 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 the State Audit Standards and 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 the State Audit Standards and 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.

**Amornrat Pearmpoonvatanasuk**

Certified Public Accountant (Thailand) No. 4599

Bangkok

12 February 2024



PTT Exploration and Production Public Company Limited  
Statement of Financial Position  
As at 31 December 2023

		Consolidated financial statements			
		Unit: Thousand US Dollar		Unit: Thousand Baht	
Notes		2023	2022	2023	2022
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Trade and other payables	24	1,443,807	1,531,737	49,411,782	52,940,485
Current portion of long-term liabilities	25	280,860	303,193	9,611,929	10,479,059
Income tax payable		494,710	800,166	16,930,593	27,655,640
Short-term provisions		104,015	488,591	3,559,722	16,886,877
Derivative liabilities	10	42,320	53,027	1,448,333	1,832,740
Other current liabilities		222,889	137,787	7,628,005	4,762,261
Liabilities held-for-sale		-	1,704	-	58,887
<b>Total current liabilities</b>		<b>2,588,601</b>	<b>3,316,205</b>	<b>88,590,364</b>	<b>114,615,949</b>
<b>Non-current liabilities</b>					
Debentures	25	2,785,242	2,809,260	95,320,026	97,094,695
Lease liabilities	25	587,524	720,569	20,106,978	24,904,569
Deferred tax liabilities	22	1,526,388	1,575,376	52,237,956	54,448,734
Provision for employee benefits	28	206,726	190,800	7,074,852	6,594,534
Provision for decommissioning costs	26	3,851,781	2,799,503	131,820,463	96,757,437
Provision for remuneration for production bonus and renewal of petroleum production	27	158,997	193,533	5,441,395	6,688,963
Derivative liabilities	10	802	-	27,442	-
Other non-current liabilities		80,607	47,417	2,758,640	1,638,836
<b>Total non-current liabilities</b>		<b>9,198,067</b>	<b>8,336,458</b>	<b>314,787,752</b>	<b>288,127,768</b>
<b>Total liabilities</b>		<b>11,786,668</b>	<b>11,652,663</b>	<b>403,378,116</b>	<b>402,743,717</b>

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

PTT Exploration and Production Public Company Limited  
Statement of Financial Position  
As at 31 December 2023

	Consolidated financial statements				
	Note	Unit: Thousand US Dollar		Unit: Thousand Baht	
		2023	2022	2023	2022
<b>Liabilities and equity (continued)</b>					
<b>Equity</b>					
Share capital					
Authorised share capital					
Ordinary shares, 3,969,985,400 shares					
at par value of Baht 1 each	29		3,969,985	3,969,985	
Issued and paid-up share capital					
Ordinary shares, 3,969,985,400 shares					
paid-up at Baht 1 each		150,684	3,969,985	3,969,985	
Share premium		3,439,037	105,417,620	105,417,620	
Retained earnings					
Appropriated					
Legal reserve		15,048	396,999	396,999	
Reserve for expansion		431,231	16,900,000	16,900,000	
Unappropriated		10,531,354	349,691,132	311,767,883	
Other components of equity		22,917	22,950,765	28,668,119	
Equity attributable to owners of the parent		14,590,271	499,326,501	467,120,606	
Non-controlling interests		3,398	116,309	-	
<b>Total equity</b>		<b>14,593,669</b>	<b>499,442,810</b>	<b>467,120,606</b>	
<b>Total liabilities and equity</b>		<b>26,380,337</b>	<b>902,820,926</b>	<b>869,864,323</b>	

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

PTT Exploration and Production Public Company Limited

Statement of Financial Position

As at 31 December 2023

	Notes	Separate financial statements			
		Unit: Thousand US Dollar		Unit: Thousand Baht	
		2023	2022	2023	2022
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	11	954,109	1,189,891	32,652,711	41,125,443
Short-term investments	12	200,000	-	6,844,650	-
Trade and other receivables	13	850,042	810,998	29,091,210	28,030,016
Inventories	15	95,547	107,680	3,269,938	3,721,688
Current tax assets		24,420	21,252	835,727	734,530
Other current assets		76,139	196,170	2,605,720	6,780,110
<b>Total current assets</b>		<b>2,200,257</b>	<b>2,325,991</b>	<b>75,299,956</b>	<b>80,391,787</b>
<b>Non-current assets</b>					
Investments in associates	17	25,577	25,577	875,343	884,017
Investments in subsidiaries	17	3,210,564	3,198,250	109,875,958	110,539,109
Long-term loans to a related party	16	6,982,835	6,982,835	238,975,311	241,343,325
Property, plant and equipment	18	1,470,815	1,631,053	50,336,057	56,373,052
Right-of-use assets	19	53,506	44,472	1,831,162	1,537,064
Goodwill	20	-	75,158	-	2,597,624
Intangible assets		79,704	79,659	2,727,726	2,753,203
Deferred tax assets	22	270,138	548,525	9,244,985	18,958,334
Rights to receive reimbursement from decommissioning funds		7,939	-	271,710	-
Derivative assets	10	8,491	17,743	290,606	613,234
Other non-current financial assets		222	212	7,594	7,307
Other non-current assets	23	26,458	24,439	905,464	844,682
<b>Total non-current assets</b>		<b>12,136,249</b>	<b>12,627,923</b>	<b>415,341,916</b>	<b>436,450,951</b>
<b>Total assets</b>		<b>14,336,506</b>	<b>14,953,914</b>	<b>490,641,872</b>	<b>516,842,738</b>

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

PTT Exploration and Production Public Company Limited

Statement of Financial Position

As at 31 December 2023

	Notes	Separate financial statements			
		Unit: Thousand US Dollar		Unit: Thousand Baht	
		2023	2022	2023	2022
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Trade and other payables	24	309,611	385,854	10,595,877	13,336,041
Current portion of lease liabilities	25	34,169	31,264	1,169,388	1,080,538
Short-term loans from a related party	16	493,854	511,605	16,901,299	17,682,293
Income tax payable		243,560	541,373	8,335,397	18,711,148
Short-term provisions		22,056	277,561	754,831	9,593,157
Derivative liabilities	10	20,677	44,055	707,645	1,522,630
Other current liabilities		40,520	101,670	1,386,734	3,513,969
<b>Total current liabilities</b>		<b>1,164,447</b>	<b>1,893,382</b>	<b>39,851,171</b>	<b>65,439,776</b>
<b>Non-current liabilities</b>					
Debentures	25	508,121	503,055	17,389,568	17,386,788
Lease liabilities	25	32,291	19,294	1,105,085	666,844
Deferred tax liabilities	22	514	-	17,605	-
Provision for employee benefits	28	120,247	106,931	4,115,255	3,695,792
Provision for decommissioning costs	26	925,972	825,031	31,689,767	28,515,021
Provision for remuneration for renewal of petroleum production	27	18,390	21,953	629,347	758,758
Other non-current liabilities		10,243	15,466	350,546	534,530
<b>Total non-current liabilities</b>		<b>1,615,778</b>	<b>1,491,730</b>	<b>55,297,173</b>	<b>51,557,733</b>
<b>Total liabilities</b>		<b>2,780,225</b>	<b>3,385,112</b>	<b>95,148,344</b>	<b>116,997,509</b>

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

PTT Exploration and Production Public Company Limited

Statement of Financial Position

As at 31 December 2023

	Separate financial statements				
	Note	Unit: Thousand US Dollar		Unit: Thousand Baht	
		2023	2022	2023	2022
<b>Liabilities and equity (continued)</b>					
<b>Equity</b>					
Share capital					
Authorised share capital					
Ordinary shares, 3,969,985,400 shares					
at par value of Baht 1 each	29		3,969,985	3,969,985	
Issued and paid-up share capital					
Ordinary shares, 3,969,985,400 shares					
paid-up at Baht 1 each		150,684	150,684	3,969,985	
Share premium		3,439,037	3,439,037	105,417,620	
Retained earnings					
Appropriated					
Legal reserve		15,048	15,048	396,999	
Reserve for expansion		431,231	431,231	16,900,000	
Unappropriated		7,500,990	7,498,155	252,272,599	
Other components of equity		19,291	34,647	16,536,325	
<b>Total equity</b>		<b>11,556,281</b>	<b>11,568,802</b>	<b>395,493,528</b>	
<b>Total liabilities and equity</b>		<b>14,336,506</b>	<b>14,953,914</b>	<b>516,842,738</b>	

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

## Statement of Income

For the year ended 31 December 2023

		Consolidated financial statements			
		Unit: Thousand US Dollar		Unit: Thousand Baht	
Notes		2023	2022	2023	2022
<b>Revenues</b>					
	Revenue from sales	8,511,079	9,270,564	296,242,285	326,018,964
	Revenue from pipeline transportation	128,067	150,923	4,451,314	5,331,365
	Other income				
	Gain on foreign exchange rate	48,129	-	1,625,597	-
	Gain on disposal of participating interests	73,239	-	2,561,078	-
	Interest income	152,274	44,031	5,303,998	1,566,585
	Other income	144,545	195,134	5,031,970	6,984,948
	<b>Total revenues</b>	<b>9,057,333</b>	<b>9,660,652</b>	<b>315,216,242</b>	<b>339,901,862</b>
<b>Expenses</b>					
	Operating expenses	1,224,841	1,110,010	42,663,573	39,091,978
	Exploration expenses	94,044	71,683	3,308,662	2,551,124
	Administrative expenses	486,938	578,363	16,979,153	20,386,490
	Petroleum royalties	450,155	687,723	15,632,043	24,137,820
	Depreciation, depletion and amortisation	2,334,711	2,363,135	81,321,703	83,168,048
	Other expenses				
	Loss on foreign exchange rate	-	91,064	-	3,277,904
	Loss on remeasuring of financial instruments	55,588	184,486	1,880,828	5,889,156
	Impairment loss on assets and goodwill	20	120,000	300,080	4,255,168
	Finance costs	294,457	233,583	10,243,440	8,218,448
	<b>Total expenses</b>	<b>5,060,734</b>	<b>5,620,127</b>	<b>176,284,570</b>	<b>197,373,606</b>
	Share of profit of associates and joint ventures	42,556	19,556	1,476,513	667,830
	<b>Profit before income taxes</b>	<b>4,039,155</b>	<b>4,060,081</b>	<b>140,408,185</b>	<b>143,196,086</b>
	Income taxes	34	(1,831,388)	(2,061,501)	(63,703,666)
	<b>Profit for the year</b>	<b>2,207,767</b>	<b>1,998,580</b>	<b>76,704,519</b>	<b>70,901,335</b>
<b>Profit (loss) attributable to:</b>					
	Owners of the parent	2,207,826	1,998,580	76,706,392	70,901,335
	Non-controlling interests	(59)	-	(1,873)	-
		<b>2,207,767</b>	<b>1,998,580</b>	<b>76,704,519</b>	<b>70,901,335</b>
		Unit: US Dollar		Unit: Baht	
		2023	2022	2023	2022
<b>Earnings per share</b>					
	Basic earnings per share	35	0.54	0.51	18.89
				17.94	

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

PTT Exploration and Production Public Company Limited  
Statement of Comprehensive Income  
For the year ended 31 December 2023

	Consolidated financial statements			
	Unit: Thousand US Dollar		Unit: Thousand Baht	
	2023	2022	2023	2022
Profit for the year	2,207,767	1,998,580	76,704,519	70,901,335
Other comprehensive income (expense)				
Items that will be reclassified subsequently to profit or loss				
Currency translation differences	50,326	(850)	518,392	468,895
Changes in hedging reserves	(37,766)	62,562	(1,309,436)	2,281,901
Income taxes relating to changes in hedging reserves	11,249	(12,512)	391,358	(456,380)
Share of other comprehensive income (expense) of associates and joint ventures	1,033	(2,607)	32,683	(92,647)
Total items that will be reclassified subsequently to profit or loss	24,842	46,593	(367,003)	2,201,769
Items that will not be reclassified subsequently to profit or loss				
Currency translation differences	-	-	(5,356,587)	11,798,378
Gain on remeasuring of financial assets	88	134	3,005	4,551
Share of other comprehensive income of associates	-	474	-	15,916
Gain (loss) from changes in actuarial assumptions of provision for employee benefits	(12,338)	14,787	(433,784)	514,420
Income taxes resulting from changes in actuarial assumptions of provision for employee benefits	2,701	(6,759)	95,749	(235,166)
Total items that will not be reclassified subsequently to profit or loss	(9,549)	8,636	(5,691,617)	12,098,099
Other comprehensive income (expense) for the year - net of tax	15,293	55,229	(6,058,620)	14,299,868
Total comprehensive income for the year	2,223,060	2,053,809	70,645,899	85,201,203
Total comprehensive income (expense) attributable to:				
Owners of the parent	2,223,158	2,053,809	70,651,003	85,201,203
Non-controlling interests	(98)	-	(5,104)	-
	2,223,060	2,053,809	70,645,899	85,201,203

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

## PTT Exploration and Production Public Company Limited

## Statement of Income

For the year ended 31 December 2023

	Notes	Separate financial statements			
		Unit: Thousand US Dollar		Unit: Thousand Baht	
		2023	2022	2023	2022
<b>Revenues</b>					
Revenue from sales		2,476,779	3,698,710	85,836,619	129,755,643
Other income					
Gain on foreign exchange rate		52,939	-	1,813,526	-
Gain on remeasuring of financial instruments		-	1,228	-	25,671
Interest income		454,544	346,864	15,816,284	12,126,601
Other income		206,787	178,905	7,196,663	6,291,005
Dividend income from related parties		74,256	136,107	2,581,264	4,810,495
<b>Total revenues</b>		<b>3,265,305</b>	<b>4,361,814</b>	<b>113,244,356</b>	<b>153,009,415</b>
<b>Expenses</b>					
Operating expenses		219,946	235,281	7,599,750	8,248,412
Exploration expenses		1,026	1,038	36,701	35,732
Administrative expenses		453,426	371,290	15,801,814	12,998,744
Petroleum royalties		307,436	466,747	10,657,228	16,377,896
Depreciation, depletion and amortisation		465,929	853,336	16,082,260	30,019,247
Other expenses					
Loss on foreign exchange rate		-	37,040	-	1,345,189
Loss on remeasuring of financial instruments		43,093	-	1,445,573	-
Finance costs		89,204	56,667	3,106,528	1,994,272
<b>Total expenses</b>		<b>1,580,060</b>	<b>2,021,399</b>	<b>54,729,854</b>	<b>71,019,492</b>
<b>Profit before income taxes</b>		<b>1,685,245</b>	<b>2,340,415</b>	<b>58,514,502</b>	<b>81,989,923</b>
Income taxes	34	(581,064)	(799,452)	(20,164,868)	(28,046,043)
<b>Profit for the year</b>		<b>1,104,181</b>	<b>1,540,963</b>	<b>38,349,634</b>	<b>53,943,880</b>
		Unit: US Dollar		Unit: Baht	
		2023	2022	2023	2022
<b>Earnings per share</b>					
Basic earnings per share	35	0.28	0.39	9.66	13.67

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

PTT Exploration and Production Public Company Limited

Statement of Comprehensive Income

For the year ended 31 December 2023

	Separate financial statements			
	Unit: Thousand US Dollar		Unit: Thousand Baht	
	2023	2022	2023	2022
Profit for the year	1,104,181	1,540,963	38,349,634	53,943,880
Other comprehensive income (expense)				
Items that will be reclassified subsequently to profit or loss				
Changes in hedging reserves	(22,173)	43,366	(770,529)	1,557,346
Income taxes relating to changes in hedging reserves	6,814	(8,673)	237,326	(311,469)
Total items that will be reclassified subsequently to profit or loss	(15,359)	34,693	(533,203)	1,245,877
Items that will not be reclassified subsequently to profit or loss				
Currency translation differences	-	-	(5,356,587)	11,798,378
Gain (loss) on remeasuring of financial assets	3	(2)	78	(36)
Gain (loss) from changes in actuarial assumptions of provision for employee benefits	(5,148)	13,557	(182,532)	471,686
Income taxes resulting from changes in actuarial assumptions of provision for employee benefits	2,574	(6,779)	91,266	(235,843)
Total items that will not be reclassified subsequently to profit or loss	(2,571)	6,776	(5,447,775)	12,034,185
Other comprehensive income (loss) for the year - net of tax	(17,930)	41,469	(5,980,978)	13,280,062
Total comprehensive income for the year	1,086,251	1,582,432	32,368,656	67,223,942

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

PTT Exploration and Production Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2023

Consolidated financial statements												
											Unit: Thousand US Dollar	
							Other components of equity					
							Other comprehensive income (expense)			Share of other comprehensive income (expense)		
Retained earnings												
Issued and paid-up share capital	Share premium	Subordinated capital debentures	Legal reserve	Reserve for expansion	Unappropriated	Currency translation differences	Remeasuring of financial assets	Cash flow hedge reserve	Share of other comprehensive income (expense) of associates and joint ventures	Total other components of equity	Total equity	
Balance as at 1 January 2022	150,684	3,439,037	156,570	15,048	431,231	8,306,161	(47,956)	(674)	(726)	(21,156)	(70,512)	12,428,219
<b>Changes in equity for the year</b>												
Interest expenses for subordinated capital debentures	-	-	-	-	-	(4,256)	-	-	-	-	-	(4,256)
Redemption of subordinated capital debentures	-	-	(156,570)	-	-	13,980	-	-	-	-	-	(142,590)
Income tax for subordinated capital debentures	-	-	-	-	-	(399)	-	-	-	-	-	(399)
Dividends paid	-	-	-	-	-	(819,492)	-	-	-	-	-	(819,492)
Profit for the year	-	-	-	-	-	1,998,580	-	-	-	-	-	1,998,580
Other comprehensive income (expense) for the year	-	-	-	-	-	(13,231)	(850)	134	50,050	19,126	68,460	55,229
<b>Balance as at 31 December 2022</b>	<b>150,684</b>	<b>3,439,037</b>	<b>-</b>	<b>15,048</b>	<b>431,231</b>	<b>9,481,343</b>	<b>(48,806)</b>	<b>(540)</b>	<b>49,324</b>	<b>(2,030)</b>	<b>(2,052)</b>	<b>13,515,291</b>

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

PTT Exploration and Production Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2023

Consolidated financial statements													Unit: Thousand US Dollar	
Attributable to owners of the parent														
Retained earnings						Other components of equity								
						Other comprehensive income (expense)			Share of other comprehensive					
						Currency translation differences	Remeasuring of financial assets	Cash flow hedge reserve	income (expense) of associates and joint ventures		Total other components of equity	Total owners of the parent	Non-controlling interests	Total equity
Notes	Issued and paid-up share capital	Share premium	Legal reserve	Reserve for expansion	Unappropriated									
Balance as at 1 January 2023	150,684	3,439,037	15,048	431,231	9,481,343	(48,806)	(540)	49,324	(2,030)	(2,052)	13,515,291	-	13,515,291	
<b>Changes in equity for the year</b>														
Foreign exchange difference from repayment of subordinated perpetual loan														
31	-	-	-	-	(49,406)	-	-	-	-	-	(49,406)	-	(49,406)	
Increase in share capital of subsidiaries														
	-	-	-	-	-	-	-	-	-	-	-	3,496	3,496	
32	-	-	-	-	(1,098,772)	-	-	-	-	-	(1,098,772)	-	(1,098,772)	
Profit for the year														
	-	-	-	-	2,207,826	-	-	-	-	-	2,207,826	(59)	2,207,767	
Other comprehensive income (expense) for the year														
	-	-	-	-	(9,637)	50,365	88	(26,517)	1,033	24,969	15,332	(39)	15,293	
Balance as at 31 December 2023	150,684	3,439,037	15,048	431,231	10,531,354	1,559	(452)	22,807	(997)	22,917	14,590,271	3,398	14,593,669	

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

PTT Exploration and Production Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2023

Consolidated financial statements												
											Unit: Thousand Baht	
						Other components of equity						
						Other comprehensive income (expense)				Share of other comprehensive		
Retained earnings						Currency translation differences		Remeasuring of financial assets	Cash flow hedge reserve	income (expense) of associates and joint ventures	Total other components of equity	Total equity
Issued and paid-up share capital	Share premium	Subordinated capital debentures	Legal reserve	Reserve for expansion	Unappropriated							
Balance as at 1 January 2022	3,969,985	105,417,620	4,981,992	396,999	16,900,000	269,709,716	14,554,658	(23,888)	109,213	(666,547)	13,973,436	415,349,748
Changes in equity for the year												
Interest expenses for subordinated capital debentures	-	-	-	-	-	(145,093)	-	-	-	-	-	(145,093)
Redemption of subordinated capital debentures	-	-	(4,981,992)	-	-	490,594	-	-	-	-	-	(4,491,398)
Income tax for subordinated capital debentures	-	-	-	-	-	(14,283)	-	-	-	-	-	(14,283)
Dividends paid	-	-	-	-	-	(28,779,571)	-	-	-	-	-	(28,779,571)
Profit for the year	-	-	-	-	-	70,901,335	-	-	-	-	-	70,901,335
Other comprehensive income (expense) for the year	-	-	-	-	-	(394,815)	12,267,273	4,551	1,825,521	597,338	14,694,683	14,299,868
Balance as at 31 December 2022	3,969,985	105,417,620	-	396,999	16,900,000	311,767,883	26,821,931	(19,337)	1,934,734	(69,209)	28,668,119	467,120,606

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

PTT Exploration and Production Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2023

Consolidated financial statements													Unit: Thousand Baht	
Attributable to owners of the parent														
	Notes	Retained earnings				Other components of equity					Total other components of equity	Total owners of the parent	Non-controlling interests	Total equity
		Issued and paid-up share capital	Share premium	Legal reserve	Reserve for expansion	Unappropriated	Currency translation differences	Remeasuring of financial assets	Cash flow hedge reserve	Share of other comprehensive income (expense) of associates and joint ventures				
Balance as at 1 January 2023		3,969,985	105,417,620	396,999	16,900,000	311,767,883	26,821,931	(19,337)	1,934,734	(69,209)	28,668,119	467,120,606	-	467,120,606
Changes in equity for the year														
Foreign exchange difference from repayment of subordinated perpetual loan	31	-	-	-	-	(1,724,751)	-	-	-	-	-	(1,724,751)	-	(1,724,751)
Increase in share capital of subsidiaries		-	-	-	-	-	-	-	-	-	-	-	121,413	121,413
Dividends paid	32	-	-	-	-	(36,720,357)	-	-	-	-	-	(36,720,357)	-	(36,720,357)
Profit for the year		-	-	-	-	76,706,392	-	-	-	-	-	76,706,392	(1,873)	76,704,519
Other comprehensive income (expense) for the year		-	-	-	-	(338,035)	(4,834,964)	3,005	(918,078)	32,683	(5,717,354)	(6,055,389)	(3,231)	(6,058,620)
Balance as at 31 December 2023		3,969,985	105,417,620	396,999	16,900,000	349,691,132	21,986,967	(16,332)	1,016,656	(36,526)	22,950,765	499,326,501	116,309	499,442,810

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

PTT Exploration and Production Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2023

	Separate financial statements									
	Unit: Thousand US Dollar									
	Issued and paid-up share capital	Share premium	Subordinated capital debentures	Retained earnings			Other components of equity			Total equity
				Legal reserve	Reserve for expansion	Unappropriated	Remeasuring of financial assets	Cash flow hedge reserve	Total other components of equity	
Balance as at 1 January 2022	150,684	3,439,037	156,570	15,048	431,231	6,760,581	(5)	(39)	(44)	10,953,107
Changes in equity for the year										
Interest expenses for subordinated capital debentures	-	-	-	-	-	(4,256)	-	-	-	(4,256)
Redemption of subordinated capital debentures	-	-	(156,570)	-	-	13,980	-	-	-	(142,590)
Income tax for subordinated capital debentures	-	-	-	-	-	(399)	-	-	-	(399)
Dividends paid	-	-	-	-	-	(819,492)	-	-	-	(819,492)
Profit for the year	-	-	-	-	-	1,540,963	-	-	-	1,540,963
Other comprehensive income (expense) for the year	-	-	-	-	-	6,778	(2)	34,693	34,691	41,469
<b>Balance as at 31 December 2022</b>	<b>150,684</b>	<b>3,439,037</b>	<b>-</b>	<b>15,048</b>	<b>431,231</b>	<b>7,498,155</b>	<b>(7)</b>	<b>34,654</b>	<b>34,647</b>	<b>11,568,802</b>

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

PTT Exploration and Production Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2023

Separate financial statements										
Unit: Thousand US Dollar										
	Note	Retained earnings				Other components of equity			Total equity	
		Issued and paid-up share capital	Share premium	Legal reserve	Reserve for expansion	Unappropriated	Other comprehensive income (expense)			Total other components of equity
							Remeasuring of financial assets	Cash flow hedge reserve		
Balance as at 1 January 2023		150,684	3,439,037	15,048	431,231	7,498,155	(7)	34,654	34,647	11,568,802
<b>Changes in equity for the year</b>										
Dividends paid	32	-	-	-	-	(1,098,772)	-	-	-	(1,098,772)
Profit for the year		-	-	-	-	1,104,181	-	-	-	1,104,181
Other comprehensive income (expense) for the year		-	-	-	-	(2,574)	3	(15,359)	(15,356)	(17,930)
Balance as at 31 December 2023		150,684	3,439,037	15,048	431,231	7,500,990	(4)	19,295	19,291	11,556,281

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

PTT Exploration and Production Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2023

Separate financial statements											
										Unit: Thousand Baht	
	Issued and paid-up share capital	Share premium	Subordinated capital debentures	Retained earnings			Other components of equity			Total other components of equity	Total equity
				Legal reserve	Reserve for expansion	Unappropriated	Currency translation differences	Remeasuring of financial assets	Cash flow hedge reserve		
Balance as at 1 January 2022	3,969,985	105,417,620	4,981,992	396,999	16,900,000	225,003,218	9,357,417	(163)	24,564	9,381,818	366,051,632
<b>Changes in equity for the year</b>											
Interest expenses for subordinated capital debentures	-	-	-	-	-	(145,093)	-	-	-	-	(145,093)
Redemption of subordinated capital debentures	-	-	(4,981,992)	-	-	490,594	-	-	-	-	(4,491,398)
Income tax for subordinated capital debentures	-	-	-	-	-	(14,283)	-	-	-	-	(14,283)
Dividends paid	-	-	-	-	-	(28,779,571)	-	-	-	-	(28,779,571)
Profit for the year	-	-	-	-	-	53,943,880	-	-	-	-	53,943,880
Other comprehensive income (expense) for the year	-	-	-	-	-	235,843	11,798,378	(36)	1,245,877	13,044,219	13,280,062
<b>Balance as at 31 December 2022</b>	<b>3,969,985</b>	<b>105,417,620</b>	<b>-</b>	<b>396,999</b>	<b>16,900,000</b>	<b>250,734,588</b>	<b>21,155,795</b>	<b>(199)</b>	<b>1,270,441</b>	<b>22,426,037</b>	<b>399,845,229</b>

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

PTT Exploration and Production Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2023

Separate financial statements										
										Unit: Thousand Baht
Note	Issued and paid-up share capital	Share premium	Retained earnings			Other components of equity				Total equity
			Legal reserve	Reserve for expansion	Unappropriated	Other comprehensive income (expense)			Total other components of equity	
						Currency translation differences	Remeasuring of financial assets	Cash flow hedge reserve		
Balance as at 1 January 2023	3,969,985	105,417,620	396,999	16,900,000	250,734,588	21,155,795	(199)	1,270,441	22,426,037	399,845,229
<b>Changes in equity for the year</b>										
Dividends paid	32	-	-	-	(36,720,357)	-	-	-	-	(36,720,357)
Profit for the year	-	-	-	-	38,349,634	-	-	-	-	38,349,634
Other comprehensive income (expense) for the year	-	-	-	-	(91,266)	(5,356,587)	78	(533,203)	(5,889,712)	(5,980,978)
Balance as at 31 December 2023	<u>3,969,985</u>	<u>105,417,620</u>	<u>396,999</u>	<u>16,900,000</u>	<u>252,272,599</u>	<u>15,799,208</u>	<u>(121)</u>	<u>737,238</u>	<u>16,536,325</u>	<u>395,493,528</u>

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

PTT Exploration and Production Public Company Limited

Statement of Cash Flows

For the year ended 31 December 2023

	Consolidated financial statements			
	Unit: Thousand US Dollar		Unit: Thousand Baht	
	2023	2022	2023	2022
<b>Cash flows from operating activities</b>				
Profit before income taxes	4,039,155	4,060,081	140,408,185	143,196,086
Adjustments for:				
Share of profit of associates and joint ventures	(42,556)	(19,556)	(1,476,513)	(667,830)
Depreciation, depletion and amortisation	2,334,711	2,363,135	81,321,703	83,168,048
Impairment loss on assets and goodwill	120,000	300,080	4,255,168	10,652,638
Write-off of exploration expenses	66,233	32,634	2,341,859	1,178,276
Other amortised expenses	9,299	12,426	323,453	442,492
Write-off of assets	72,783	17,704	2,496,809	617,381
Income recognised from deferred income	(233)	(7,333)	(8,121)	(256,528)
(Gain) loss on remeasuring of financial instruments	(14,871)	95,993	(505,353)	2,941,428
(Gain) loss on foreign exchange rates	(2,932)	8,142	(101,968)	284,850
Interest income	(152,274)	(44,031)	(5,303,998)	(1,566,585)
Finance costs	287,957	223,287	10,027,416	7,849,907
Other Income	(80,901)	(73,041)	(2,828,561)	(2,555,307)
Other expenses	16,351	147,840	569,588	5,173,469
Cash flows before changes in working capital	6,652,722	7,117,361	231,519,667	250,458,325
Changes in working capital				
Trade and other receivables	(87,656)	(201,830)	(3,048,436)	(7,060,925)
Inventories	(51,576)	(135,478)	(1,793,675)	(4,739,633)
Other current financial assets	2,028	(2,544)	70,534	(89,017)
Other current assets	1,425	(170,716)	49,544	(5,972,416)
Rights to receive reimbursement from decommissioning funds	(31,431)	(26,630)	(1,093,072)	(931,647)
Other non-current financial assets	5,364	(5,364)	186,559	(187,670)
Other non-current assets	5,376	(2,663)	186,967	(93,140)
Trade and other payables	(125,498)	55,656	(4,364,505)	1,947,086
Other current liabilities	451	(63,186)	15,699	(2,210,518)
Provisions	(340,919)	(281,543)	(11,856,289)	(9,849,625)
Other non-current liabilities	(12,728)	(12,228)	(442,660)	(427,783)
Net cash provided by operating activities	6,017,558	6,270,835	209,430,333	220,843,037
Interest received from bank deposits	130,966	27,644	4,554,654	967,113
Cash paid for income taxes	(1,786,615)	(1,611,247)	(62,133,830)	(56,368,631)
<b>Net cash flows provided by operating activities</b>	<b>4,361,909</b>	<b>4,687,232</b>	<b>151,851,157</b>	<b>165,441,519</b>

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

PTT Exploration and Production Public Company Limited

Statement of Cash Flows

For the year ended 31 December 2023

	Consolidated financial statements			
	Unit: Thousand US Dollar		Unit: Thousand Baht	
	2023	2022	2023	2022
<b>Cash flows from investing activities</b>				
Cash paid for short-term investments	(400,389)	-	(13,924,486)	-
Cash received from short-term investments	200,390	-	6,969,047	-
Cash paid for other financial assets	(2,818)	-	(97,995)	-
Cash received from short-term loans to a related party	3,000	-	104,332	-
Cash paid for short-term loans to a related party	(9,093)	(1,250)	(316,230)	(43,730)
Cash received from long-term loans to a related party	-	41,500	-	1,451,851
Cash paid for lending long-term loans	(15,222)	(15,458)	(529,402)	(540,750)
Dividends received from related parties	52,820	60,979	1,836,947	2,133,330
Net cash received from disposal of participating interests	208,284	-	7,243,583	-
Cash paid for contingent considerations from business acquisition	(717)	(955)	(24,925)	(33,397)
Cash received from disposal of investment in an associate	-	128,841	-	4,507,420
Cash paid for investments in an associate and joint ventures	(16,323)	(17,642)	(567,682)	(617,193)
Cash received from lease receivables	50	234	1,739	8,181
Interest received from short-term investments	959	-	33,373	-
Interest received from loans to related parties	243	772	8,461	27,022
Increase in property, plant and equipment	(2,206,914)	(1,765,221)	(76,750,746)	(61,755,355)
Increase in intangible assets	(26,414)	(31,077)	(918,636)	(1,087,226)
Increase in exploration and evaluation assets	(158,560)	(95,357)	(5,514,324)	(3,336,028)
<b>Net cash flows used in investing activities</b>	<b>(2,370,704)</b>	<b>(1,694,634)</b>	<b>(82,446,944)</b>	<b>(59,285,875)</b>
<b>Cash flows from financing activities</b>				
Cash paid for repayment of debentures and long-term loans	(71,460)	(1,025,126)	(2,485,186)	(35,863,486)
Cash received from issuance of debentures	44,550	358,644	1,549,328	12,546,980
Cash paid for finance cost from issuance of debentures	(1,058)	(563)	(36,800)	(19,696)
Cash paid for lease liabilities	(261,489)	(177,008)	(9,093,897)	(6,192,521)
Interest paid	(136,604)	(144,365)	(4,750,748)	(5,050,512)
Cash paid for redemption of subordinated capital debentures	-	(142,590)	-	(4,988,476)
Interest paid for subordinated capital debentures	-	(4,256)	-	(148,892)
Net cash paid from financial derivative contracts	-	(44,924)	-	(1,571,643)
Cash received from issuance of subsidiaries' share capital	3,496	-	121,413	-
Dividends paid	(1,098,772)	(819,492)	(36,720,357)	(28,779,571)
<b>Net cash flows used in financing activities</b>	<b>(1,521,337)</b>	<b>(1,999,680)</b>	<b>(51,416,247)</b>	<b>(70,067,817)</b>

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

PTT Exploration and Production Public Company Limited  
Statement of Cash Flows  
For the year ended 31 December 2023

	Consolidated financial statements			
	Unit: Thousand US Dollar		Unit: Thousand Baht	
	2023	2022	2023	2022
<b>Net increase in cash and cash equivalents</b>	469,868	992,918	17,987,966	36,087,827
Cash and cash equivalents at the beginning of the year	3,539,220	2,559,189	122,323,890	85,527,810
Adjustment for the impact of exchange rate changes	9,871	(12,887)	(2,770,000)	708,253
<b>Cash and cash equivalents at the end of the year</b>	<b>4,018,959</b>	<b>3,539,220</b>	<b>137,541,856</b>	<b>122,323,890</b>
<b>Significant non-cash transactions</b>				
Outstanding payable from purchases of assets	629,260	595,710	21,884,031	20,840,593
Increase in right-of-use assets	170,686	645,890	5,936,021	22,596,116

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

PTT Exploration and Production Public Company Limited

Statement of Cash Flows

For the year ended 31 December 2023

	Separate financial statements			
	Unit: Thousand US Dollar		Unit: Thousand Baht	
	2023	2022	2023	2022
<b>Cash flows from operating activities</b>				
Profit before income taxes	1,685,245	2,340,415	58,514,502	81,989,923
Adjustments for:				
Depreciation, depletion and amortisation	465,929	853,336	16,082,260	30,019,247
Write-off of exploration expenses	993	995	35,595	34,286
Other amortised expenses	2,278	1,386	79,239	47,602
Write-off of assets	71,721	7,541	2,470,643	263,321
Income recognised from deferred income	(233)	(867)	(8,088)	(30,348)
(Gain) loss on remeasuring of financial instruments	(37,359)	49,104	(1,300,808)	1,826,168
Dividend income from related parties	(74,256)	(136,107)	(2,581,264)	(4,810,495)
(Gain) loss on foreign exchange rates	(1,823)	10,186	(63,418)	356,335
Interest income	(454,544)	(346,864)	(15,816,284)	(12,126,601)
Finance costs	88,848	56,238	3,096,820	1,977,700
Other expenses	10,673	8,384	372,067	293,513
Cash flows before changes in working capital	1,757,472	2,843,747	60,881,264	99,840,651
Changes in working capital				
Trade and other receivables	29,897	(120,038)	1,039,734	(4,199,470)
Inventories	7,736	9,244	269,047	323,384
Other current assets	(40,701)	(149,487)	(1,415,490)	(5,229,710)
Rights to receive reimbursement from decommissioning funds	(7,891)	-	(274,445)	-
Other non-current assets	(4,197)	(2,402)	(145,959)	(84,020)
Trade and other payables	(98,025)	10,297	(3,409,071)	360,230
Other current liabilities	(14,225)	(33,918)	(494,696)	(1,186,604)
Provisions	(105,907)	(258,967)	(3,683,156)	(9,059,820)
Other non-current liabilities	(8,828)	(16,946)	(307,000)	(592,854)
Net cash provided by operating activities	1,515,331	2,281,530	52,460,228	80,171,787
Interest received from bank deposits	55,076	9,406	1,915,401	329,064
Cash paid for income taxes	(587,477)	(640,615)	(20,430,943)	(22,411,579)
<b>Net cash flows provided by operating activities</b>	<b>982,930</b>	<b>1,650,321</b>	<b>33,944,686</b>	<b>58,089,272</b>

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

## Statement of Cash Flows

For the year ended 31 December 2023

	Separate financial statements			
	Unit: Thousand US Dollar		Unit: Thousand Baht	
	2023	2022	2023	2022
<b>Cash flows from investing activities</b>				
Cash paid for short-term investments	(324,837)	-	(11,296,981)	-
Cash received from short-term investments	124,837	-	4,341,500	-
Decrease in short-term loans to a related party	-	449,944	-	15,741,066
Cash paid for long-term loans to a related party	-	(542,000)	-	(18,961,590)
Dividends received from related parties	74,256	136,107	2,581,264	4,810,495
Cash paid for investment in subsidiaries	(12,314)	(713,463)	(428,261)	(24,960,145)
Cash received from lease receivables	50	234	1,739	8,181
Interest received from loans to related parties	334,845	272,538	11,645,048	9,534,610
Increase in property, plant and equipment	(231,107)	(375,047)	(8,037,293)	(13,120,807)
Increase in intangible assets	(16,324)	(12,604)	(567,684)	(440,957)
<b>Net cash flows used in investing activities</b>	<b>(50,594)</b>	<b>(784,291)</b>	<b>(1,760,668)</b>	<b>(27,389,147)</b>
<b>Cash flows from financing activities</b>				
(Decrease) increase in short-term loans from a related party	(10,956)	571,268	(381,015)	19,985,504
Cash paid for lease liabilities	(14,933)	(42,626)	(519,307)	(1,491,233)
Interest paid	(44,339)	(29,298)	(1,542,006)	(1,024,963)
Cash paid for redemption of subordinated capital debentures	-	(142,590)	-	(4,988,476)
Interest paid for subordinated capital debentures	-	(4,256)	-	(148,892)
Dividends paid	(1,098,772)	(819,492)	(36,720,357)	(28,779,571)
<b>Net cash flows used in financing activities</b>	<b>(1,169,000)</b>	<b>(466,994)</b>	<b>(39,162,685)</b>	<b>(16,447,631)</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(236,664)</b>	<b>399,036</b>	<b>(6,978,667)</b>	<b>14,252,494</b>
Cash and cash equivalents at the beginning of the year	1,189,891	788,461	41,125,443	26,350,301
Adjustment for the impact of exchange rate changes	882	2,394	(1,494,065)	522,648
<b>Cash and cash equivalents at the end of the year</b>	<b>954,109</b>	<b>1,189,891</b>	<b>32,652,711</b>	<b>41,125,443</b>
<b>Significant non-cash transactions</b>				
Outstanding payable from purchases of assets	95,483	69,758	3,320,641	2,440,437
Increase in right-of-use assets	45,341	33,068	1,576,858	1,156,883

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

## 1 General information

PTT Exploration and Production Public Company Limited (the Company) is registered as a company in Thailand and listed on the Stock Exchange of Thailand. On 1 April 2023, the Company notified of changing the address and the new registered office is 555/1 Energy Complex Building A, 19th - 36th Floor, Vibhavadi-Rangsit Road, Chatuchak, Bangkok 10900.

For reporting purposes, the Company and its subsidiaries are together referred to as the Group.

The principal business operations of the Group are exploration and production of petroleum in Thailand and overseas, and related business associated with the Group's strategy.

These consolidated and separate financial statements were authorised for issue by the Board of Directors on 12 February 2024.

## 2 Significant events during the current period

- From the 2009 Montara incident, the class action lawsuit was brought by a group of Indonesian seaweed farmers against PTTEP AAA in the Federal Court of Australia in 2016, claiming that damage to their seaweed crops was allegedly caused by the incident. The trial judge found that, on the balance of probabilities, oil from the Montara oil spill incident reached the seaweed farms and caused damage, and also identified the impacted areas. PTTEP AAA lodged an appeal against the court's first instance judgment in its entirety. However, in parallel in quarter 4 of 2022, PTTEP AAA participated in mediation, as ordered by the Court, and reached an in-principle agreement, whereby PTTEP AAA would pay Australian Dollar 192.5 million in full and final settlement of the class action (including PTTEP AAA's appeal) to the group of Indonesian seaweed farmers, on a no admission of liability basis.

In quarter 1 of 2023, the Federal Court of Australia approved this in-principle settlement agreement and the approach to the distribution of the settlement sum to the group members.

In May 2023, PTTEP AAA paid the approved settlement amount of Australian Dollar 192.5 million, equivalent to US Dollar 130.42 million (Baht 4,421.22 million). Nevertheless, the class action remains on foot until the claims administrator appointed by the court has completed the distribution process in accordance with the approved distribution scheme under the supervision of the court. PTTEP AAA will monitor such distribution process to ensure it is conducted in line with the settlement agreement approved by the court. The case will conclude when the distribution process has been completed.

- On 21 June 2023, FutureTech Energy Ventures Co., Ltd. (FTEV), a subsidiary of the Group, and consortium partners have been awarded the Green Hydrogen Concession Block in the Sultanate of Oman and entered into the Project Development Agreement and Sub-Usufruct Agreement for the exclusive business development and production rights of green hydrogen project in Block Z1-02 for 47 years. On 14 December 2023, FTEV and consortium partners established Hydrogen Duqm LLC (HDL), where FTEV holds 11% interest in HDL. The Group classifies the investment in HDL as an investment in an associate. This investment aligns with the Group's strategy to expand into the clean energy business.
- On 18 August 2023, PTTEP AAA entered into a Sale and Purchase Agreement to sell its total participating interest in petroleum retention lease AC/RL7 to INPEX Cash Maple Pty Ltd and TotalEnergies Exploration Australia Pty Ltd. The sale transaction was completed on 22 December 2023 and PTTEP AAA recognised the gain on disposal of participating interest amounting to US Dollar 72.87 million (Baht 2,548 million). The fair value of total considerations of US Dollar 260.99 million (Baht 9,127 million) consists of cash payment amounting to US Dollar 200.14 (Baht 6,999 million) and contingent consideration amounting to US Dollar 60.85 million (Baht 2,128 million) calculated by discounted cash flow.
- On 1 September 2023, PTTEP International Limited (PTTEPI), a subsidiary of the Group, which is the operator of the block G12/48, signed an agreement to acquire 33.3333% interest in block G12/48 from TotalEnergies EP Thailand. The completion of this acquisition is conditional to necessary government approvals. After completion, PTTEPI will hold 100% interest in the block.
- On 29 September 2023, PTTEP Sarawak Oil Limited (PTTEP SKO), a subsidiary of the Group, signed Farm-Out Agreement with Petronas Carigali Sdn. Bhd. (PCSB) to sell 10% of the investment in Production Sharing Contract (PSC) Block SK405B, located offshore Sarawak in Malaysia. The sale and purchase shall be completed when the conditions specified in the Farm-Out Agreement are met, and receiving the official approval from the Government.

- On 21 December 2023, FutureTech SG Pte. Ltd. (FSG), a subsidiary of the Group, has entered into a Share Purchase Agreement (SPA) to acquire 50% share capital in TotalEnergies Renewables Seagreen Holdco (TERSH) from TotalEnergies Renewables UK Ltd (TERUK), a subsidiary in TotalEnergies SE group company (TotalEnergies). The completion of transaction is subject to customary conditions precedent as prescribed in the SPA, including applicable government approval. This investment aligns with the Group's strategy to expand into the clean energy business.

### 3 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (TFRS) and the financial reporting requirements issued under the Securities and Exchange Act.

The Company's management has determined US Dollar as the functional currency of the Company and presents the consolidated and separate financial statements in US Dollar. However, the Stock Exchange of Thailand and the Department of Business Development require the Company to present its consolidated and separate financial statements in Thai Baht, so the Company also presents its financial statements in Thai Baht by translating from US Dollar.

Where the Group has entered into joint interest operations in the Concession or the Production Sharing Contract with other parties to participate in exploration and production of petroleum businesses, the Group records its share of expenses, assets and liabilities incurred in accordance with the Statements of Expenditures prepared by the operators of the Concession or the Production Sharing Contract. The Statements of Expenditures have been audited by other independent auditors and the joint venture committee on a regular basis.

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

The preparation of financial statements in conformity with TFRS requires the Group's management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 8.

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

## 4 Amended financial reporting standards

### 4.1 Amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2023 and related to the Group

- a) **Amendment to Thai Accounting Standard (TAS) 16 – Property, plant and equipment** clarified to prohibit entities from deducting any proceeds received from selling any items produced, while preparing that asset for its intended use, from the cost of property, plant and equipment. The proceeds received shall be recognised as income.
- b) **Amendment to TAS 37 – Provisions, contingent liabilities and contingent assets** clarified that, in considering whether a contract is onerous, the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling the contract. Before recognising a separate provision for an onerous contract, entities must recognise any impairment losses that have occurred on the assets used in fulfilling the contract.
- c) **Amendment to Thai Financial Reporting Standard (TFRS) 3 – Business combinations** clarified to update its references to the Conceptual Framework for Financial Reporting and added a consideration for the recognition of liabilities and contingent liabilities acquired from business combinations. The amendments also confirmed that contingent assets should not be recognised at the acquisition date.
- d) **Amendment to TFRS 9 – Financial instruments** clarified that only fees between the borrower and lender should be included in the 10% test for the derecognition of financial liabilities.

Commencing from 1 January 2023, the Group has adopted these amended financial reporting standards. The adoption of the amended financial reporting standards did not have significant impacts to the Group.

#### 4.2 Amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2024 and related to the Group

The Group did not early adopt the amended financial reporting standards before the effective date.

- a) **Amendment to TAS 1 – Presentation of financial statements** revised the disclosure from “significant accounting policies” to “material accounting policies”. The amendment also provides guidelines on identifying when the accounting policy information is material which is the information that impacts the economic decisions made by the users of financial statements.
- b) **Amendment to TAS 8 – Accounting policies, changes in accounting estimates and errors** revised the definition of accounting estimates to be more distinctive being monetary amounts in financial statements that are subject to measurement uncertainty as the entity shall apply prospectively to the transactions for the changes in accounting estimates.
- c) **Amendment to TAS 12 – Income taxes**
- c.1) The entity is required to recognise deferred tax related to assets and liabilities arising from a single transaction that, on initial recognition, gives rise to equal amounts of taxable and deductible temporary differences. Example transactions are leases and decommissioning obligations.
- c.2) The entity gets a temporary relief not required to recognise and disclose deferred taxes arising from the Pillar Two income taxes published by the Organisation for Economic Co-operation and Development (OECD). The entity must disclose the fact that it has applied those exceptions. In addition, the amendments require to disclose the information as follows:
- Disclose the current tax expense related to the Pillar Two separately.
  - During the period that the Pillar Two legislation being enacted or substantially enacted but has not becoming effective, the entities shall disclose:
    - Qualitative information such as an entity’s exposure to Pillar Two legislation, and
    - Quantitative information which can be reasonably estimated related to Pillar Two income taxes at the end of reporting period such as the profits of entities in scope of the Pillar Two legislation and average effective tax rate of those profits.

The Group's management has assessed and found that the amended financial reporting standards in a) - c.1) will not have significant impacts to the Group. However, the Group is in process of assessing the impacts in the period in which the amendment of TAS 12 - Income taxes relating to Pillar Two legislation as stated in c.2) is effective.

## 5 Accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below.

### 5.1 Principles of consolidation accounting

#### a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method less impairment (if any).

List of subsidiaries has been presented in Note 17.

#### b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting.

In the separate financial statements, investments in associates are accounted for using cost method less impairment (if any).

List of associates has been presented in Note 17.

c) *Joint arrangements*

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

*Joint operations*

A joint operation is a joint arrangement whereby the Group has rights to the assets, and obligations for the liabilities relating to the arrangement. The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the Group's financial statement line items.

*Joint ventures*

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method in the consolidated financial statements.

In the separate financial statements, investments in joint ventures are accounted for using cost less impairment (if any).

List of joint ventures and joint operations have been presented in Note 17.

d) *Equity method*

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently recognises shares of its associates and joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

e) **Changes in ownership interests**

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognise in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

f) **Intercompany transactions on consolidation**

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

## 5.2 Business combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises.

- Fair value of the assets transferred,
- Liabilities incurred to the former owners of the acquiree,
- Equity interests issued by the Group.

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related cost are recognised as expenses in consolidated financial statements.

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

### *Business combination under common control*

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree at their carrying values presented in the highest level of the consolidation. The Group retrospectively adjusted the business combination under common control transactions as if the combination had occurred on the later of the beginning of the preceding comparative period and the date the acquiree has become under common control.

Consideration of business combination under common control is the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "surplus arising from business combination under common control" in equity and is derecognised when the investment is disposed.

### 5.3 Foreign currency translation

#### a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in US Dollar, which is the Company's functional currency and the Company's and Group's presentation currency.

#### b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

c) **Group companies**

The operational results and financial position of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a different functional currency from the Group's presentation currency are translated into the presentation currency by applying the method below.

To comply with the financial reporting requirements of the Stock Exchange of Thailand and the Department of Business Development, the Group presents the financial statements by translating from US Dollar to Thai Baht as follows:

- Assets and liabilities are translated at the closing rate at the date of respective statement of financial position;
- Income and expenses for statement of income and statement of comprehensive income are translated at average exchange rates during the period; and
- All resulting exchange differences from such translations are recognised in other comprehensive income (expense).

**5.4 Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits at bank, short-term highly liquid investments with maturities of three months or less from acquisition date.

**5.5 Trade receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables is disclosed in Note 5.8 (f).

## 5.6 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of inventories is determined by the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business less the costs of completion and selling expenses.

## 5.7 Materials and supplies

Materials and supplies are stated at cost less allowance for obsolescence. The costs of materials and supplies are determined using the weighted average cost method.

## 5.8 Financial asset

### a) Classification

The Group classifies its debt instrument financial assets into the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

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

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at a) fair value through profit or loss or b) at fair value through other comprehensive income except those that are held for trading, they are measured at FVPL.

### b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on the trade date, which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) **Measurement**

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

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

d) **Debt instruments**

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

- Amortised cost - Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method. Any gain or loss arising on derecognition and foreign exchange gains and losses are recognised in profit or loss and presented in other gains (losses) and gain (loss) on foreign exchange rates, respectively. Impairment losses are presented as a separate line item in the statement of income.
- FVOCI - Financial assets that are held for i) collection of contractual cash flows and ii) for selling the financial assets are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in interest income. Impairment expenses are presented separately in the statement of income.

- FVPL - Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented in gains (loss) on remeasuring of financial instruments from in the period in which it arises.

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

e) **Equity instruments**

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in gain on remeasuring financial instruments in the incurring period.

Impairment losses and reversal of impairment losses on equity investments are reported together with changes in fair value.

f) **Impairment**

The Group applies the TFRS 9 simplified approach in recognising the impairment of trade and other receivables, which applies lifetime expected credit loss, from initial recognition, for trade and other receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

For long-term loans to related parties and other financial assets carried at amortised cost and FVOCI, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The credit risk assessment is performed at the end of each reporting period whether there is any significant increase in credit risk profile from the initial recognition by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- Probability-weighted estimated uncollectible amounts;
- Time value of money; and
- Supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment and reversal of impairment losses are recognised in profit or loss and included in administrative expenses.

#### 5.9 Group of non-current assets held-for-sale

Non-current assets (or disposal groups) are classified as assets held-for-sale when their carrying amount will be recovered principally through a sale transaction and a sale is considered highly probable. They are measured at the lower of the carrying amount and fair value less costs to sell.

An impairment loss is recognised for initial and subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised.

#### 5.10 Property, plant and equipment

Property, plant and equipment are presented at cost, after deducting accumulated depreciation and the provision for the impairment of assets.

Land is not depreciated. Depreciation on other assets is calculated as follows:

##### a) Exploration and production assets

The Group follows the Successful Efforts Method in accounting for its assets used for exploration and production activities as follows:

##### *Cost of exploration and production assets*

- Costs of exploration and production assets comprise total acquisition costs of petroleum rights or the acquisition costs of the portion of properties, decommissioning costs as well as support equipment and facilities.
- Exploratory drilling costs are capitalised as exploration and evaluation assets and will be classified as oil and gas properties of the projects if their exploratory wells have identified proved reserves that have been found to be commercially producible. However, if the exploratory wells have not identified proved reserves or have identified proved reserves but have not been found to be commercially producible, such drilling costs will be expensed in the statements of income.
- Exploration costs, comprising geological and geophysical costs as well as area reservation fees during the exploration stage, are charged to expenses in the statement of income when incurred.
- Development costs, whether relating to the successful or unsuccessful development of wells, are capitalised as oil and gas properties.

*Depreciation and depletion*

- The capitalised acquisition costs of petroleum rights are depreciated using the unit of production method based on proved reserves. Depreciation of exploratory wells, development costs as well as decommissioning costs, except unsuccessful projects, are calculated using the unit of production method based on proved reserves or proved developed reserves. The Group recognises changes in reserve estimates prospectively.
- Proved reserves and proved developed reserves are calculated by the engineers of the Company and are based on the information received from the joint operators.
- Depreciation for support equipment and facilities is calculated using the straight-line method with an estimated useful life of assets which is between 2 - 20 years.
- Depreciation for remuneration for production bonus and the renewal of petroleum production is calculated using the straight-line method with an estimated useful life which is between 10 - 26 years in accordance with the agreement.

b) *Pipelines and others*

Costs of properties comprises of other direct costs necessary to bring the asset to working condition suitable for its intended use.

Depreciation of pipelines and others is determined using the straight-line method with an estimated useful life of assets which is between 5 - 30 years.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised.

Repair and maintenance costs are recognised as expenses when incurred.

Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds from disposal with the carrying amount and are recognised in the statement of income when incurred.

#### 5.11 Rights to receive reimbursement from decommissioning funds

Rights to receive reimbursement from decommissioning funds is recognised at present value when the Group contribute cash into the fund in accordance to terms and it is certainly probable that it can reimburse the cost of decommissioning from the funds. When funds reimburse cash to the Group after the completion of the decommissioning activities, cash will be adjusted against the right to receive reimbursement from decommissioning funds. The differences between the amount received and the remaining carrying amount of the decommissioning fund is recognised profit or loss.

The Group will not offset the rights to receive reimbursement from decommissioning fund with provisions for decommissioning costs if the Group is still obligated to the decommissioning liabilities. The Group does not have control, joint control or significant influence over the funds.

#### 5.12 Goodwill

Goodwill arises from the business combination which represents the excess of the fair value of the consideration transferred over the fair value of the net identifiable assets, liabilities and contingent liabilities of the acquired subsidiaries, joint operations, associates or joint ventures undertaking at the date of the acquisition.

Goodwill on acquisitions of subsidiaries and joint operations is separately reported in the statements of financial position, while goodwill on acquisitions of associates and joint ventures is included in investment in associates and joint ventures.

Goodwill is not amortised but is annually tested for impairment. Goodwill is allocated to cash-generating unit of group of cash-generating units that are expected to gain benefit from the business combination that caused goodwill. Goodwill is presented at cost less accumulated impairment losses.

Impairment losses on goodwill are not reversed. The carrying amount of goodwill is included in the gains and losses on the disposal of business when it is divested.

#### 5.13 Intangible assets

Intangible assets are presented at cost, after deducting accumulated amortisation and the allowance for the impairment of assets.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down to its recoverable amount.

Intangible assets are amortised using the straight-line method according to asset's useful life, which is as follows;

Computer software	2 – 10 years
Other assets	3 – 10 years

#### *Research and development/ internally generated intangible assets*

Research expenditure is recognised as an expense as incurred.

Development expenditure is recognised as an asset when the Group can demonstrate all of the following:

- The expenditure attributable to its development can be measured reliably and feasibility in technical, financial, commercial, and resource and;
- The Group intends to and has the ability to complete the development for the purpose of using or selling.

Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

#### *Other intangible assets*

Other intangible assets comprise expenditures incurred to acquire computer software licenses and concession rights in midstream oil and gas business.

### **5.14 Exploration and evaluation assets**

Exploration and evaluation expenditures are capitalised at cost as exploration and evaluation assets. If the projects have identified the proved reserves that have been found to be commercially producible, the capitalised exploration and evaluation expenditures under these projects will be transferred to oil and gas properties of the projects with proved reserves. Subsequent accounting of such costs is described in the accounting policy for property, plant and equipment in Note 5.10 - Property, Plant and Equipment. The capitalised exploration and evaluation expenditure is written off as expenses in the statements of income in the period in which the projects have not identified proved reserves or have identified proved reserves, but have not been found to be commercially producible.

#### 5.15 Impairment of assets

The Group's assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may exceed the recoverable amount. Intangible assets that have an indefinite useful life or are not ready to be used are tested for impairment annually.

An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount which is the higher of an asset's fair value less costs to sell and its value in use, and is recorded in the statement of income. For the purposes of assessing impairment, assets are grouped at the lowest levels in which they are separately identifiable.

Estimates of future cash flows used in the evaluation for impairment of assets which relate to petroleum production are made with consideration of the risk assessment on field and reservoir performance which includes the estimate of proved and unproved reserves.

Allowance for impairment of assets, except when relating to goodwill, is reversed as applicable to the extent that the events or circumstances that triggered the original allowance for impairment change. For this circumstance, the increased carrying amount of the assets from the reversal could not exceed the carrying amount (net of amortisation or depreciation), if the Group did not recognise the impairment loss for assets in the prior period.

#### 5.16 Current and deferred income taxes

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

##### *Current tax*

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

#### *Deferred income tax*

Deferred income tax will be recognised when there are temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- Initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- Investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not be reversed in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax assets and liabilities balances relate to the same or different taxable entities which intend either to settle current tax liabilities and assets on a net basis.

#### **5.17 Deferred remuneration under agreement**

The Company has an obligation to make a payment to the buyer (PTT) under the conditions in the Gas Sales Agreement of Arthit project. The remuneration is classified as non-current asset, presented under the caption "Other non-current assets", and amortised over contract life using the straight-line method.

## 5.18 Leases

### *Leases – where the Group is lessee*

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. In the event that the Group cannot allocate the lease and non-lease components, the Group elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured at a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payment that are based on an index or a rate
- Amounts expected to be payable by the lessee under residual value guarantees
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments under the extension options period are also included in the measurement of the liability, if the Group is reasonably certain about exercising its extension options.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs; and
- Restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise computer and IT equipment.

#### *Leases - where the Group is the lessor*

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

## 5.19 Financial liabilities

### a) Classification

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

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.

- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

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

**b) Measurement**

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

**c) Derecognition and modification**

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains (losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

**5.20 Borrowing costs**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are added to the cost of those assets less investment income earned from these specific borrowings. The capitalisation of borrowing costs is ceased when substantially all of the activities necessary to prepare the qualifying assets for its intended use or sale are complete.

Other borrowing costs are recognised as expenses in the period in which they are incurred.

## 5.21 Employee benefits

The Group has recognised employee benefits based on the types of benefits which are post-employment benefits and other long-term benefits.

### a) Post-employment benefits

The Group has recognised both defined contribution and defined benefit plans as follows:

#### *Defined contribution plan*

The Group's employees have become members of the following provident funds: "Employee of PTTEP Registered Provident Fund", "Sinsataporn Registered Provident Fund" and "TISCO Master Pooled Fund Registered Provident Fund".

The provident funds are funded by payments from employees and from the Group which are held in a separate trustee-administered fund. The Group contributes to the funds at a rate of 3% - 15% of the employees' salaries which are charged to the statements of income in the period the contributions are made.

#### *Employee retirement benefits*

The Group's obligation in respect of the retirement benefit plans is calculated by estimating the amount of future benefits that employees will earn in return for their services to the Group in current and future periods. Such benefits are discounted to the present value. The employee benefits obligation is calculated by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income (loss) in the period in which they arise.

Past-service costs are recognised immediately in the statements of income.

b) **Other long-term benefits**

The Group's other long-term benefits are benefits based on employees' length of service. The Group calculates the amount of these benefits according to the employees' service period.

The expected obligation of these benefits is calculated by independent actuarial experts and accrued over the period of employment based on the same accounting practice used for the employee retirement benefits. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions will be recognised in the statements of income in the period in which they arise.

The Group recognises the obligation in respect of employee benefits in the statements of financial position under "Provision for Employee Benefits" as disclosed in Note 28.

**5.22 Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

**5.23 Capital management**

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

**5.24 Other reserve for expansion**

The Group considers to set aside a reserve for expanding its investments in new projects in the exploration phase, which is generally susceptible to high risk, and for exploration of additional petroleum reserves. The reserve for expansion is set aside at no more than 35% of the net taxable income from its exploration and production activities.

#### 5.25 Revenue recognition

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectability of the consideration is probable.

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

The Group has the revenue recognition in each category as follows:

##### *Revenue from contracts with customers*

Revenue from contracts with customers is recognised when the Group complete performance obligations at a point in time by transferring petroleum product to a customer and the control over the product is transferred to a customer whom the product is physically possessed. The revenue is measured at the fair value of the consideration which the Group expects to be entitled in exchange for petroleum product, provided that collectability of the consideration is probable. Inter-company sales revenue is excluded in the consolidated financial statements.

##### *Deferred income under agreements (Take-or-Pay)*

Under the Gas Sales Agreements, the Group has obligations to supply minimum quantities of gas to a customer in each contract year. If in any contract year, the customer has not taken the minimum quantities of gas according to the Gas Sales Agreements, the customer shall pay for quantities of gas not taken (Take-or-Pay). If the customer is unable to take the minimum contracted quantities in a given year, the volume of gas that the customer has paid for but has not taken in that year (Make-up) can be taken free of charge in subsequent years. Payments received in advance under these agreements are recognised as deferred income. This deferred income is recognised in the statements of income when the gas is subsequently taken.

##### *Interest income*

Interest income is recognised based on time proportion basis considering on an effective interest rate of one point of time until the end of term and considering on an outstanding balance of the principal recognised in deferred income account of the Group.

#### *Dividend income*

Dividend income is recognised when the right to receive payment is established.

#### *Other income*

Other income is recognised on an accrual basis.

### **5.26 Share capital**

Ordinary shares with discretionary dividends are classified as equity.

Incremental costs directly attributable to the issue of new shares or options (net of tax) are shown as a deduction in equity.

### **5.27 Dividend distribution**

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors' meeting, and when the annual dividends are approved by the shareholders' meeting.

### **5.28 Earnings per share**

Basic earnings per share are calculated by dividing the income for the year attributable to ordinary shareholders less interest expense for subordinated capital debentures by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share are calculated by dividing the income for the year attributable to shareholders less interest expense for subordinated capital debentures by the weighted average number of ordinary shares outstanding during the year, adjusted with dilutive potential ordinary shares. The Company assumes that all dilutive potential ordinary shares are converted into ordinary shares.

### 5.29 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is a person responsible for allocating resources and assessing performance of the operating segments that makes strategic decisions.

In considering the segment reporting, the chief operating decision-maker considers product types as well as geographical areas classified by business segments which are identified by different business activities that are subject to risks and returns that are different from those of other business segments.

### 5.30 Derivatives and hedging activities

#### a) Embedded derivative and derivatives that do not qualify for hedge accounting

Embedded derivative that is separately accounted for and derivatives that do not qualify for hedge accounting is initially recognised at fair value. Changes in the fair value are included in other income or other expenses.

Fair value of derivatives is classified as a current or non-current following its remaining maturity.

#### b) Hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The Group designates certain derivatives as either 1) hedges of the fair value of recognised assets or liabilities or 2) hedges of a particular risk associated with the cash flows of highly probable forecast transactions (cash flow hedges).

At inception of the hedge relationship, the Group documents i) the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items and ii) its risk management objective and strategy for undertaking its hedge transactions.

The full fair value of a hedging derivative is classified as a current or non-current asset or liability following the maturity of related hedged item.

The fair values of derivative financial instruments designated in cash flow hedge relationships and movements in the hedging reserve in shareholders' equity are disclosed in Note 7.

#### *Cash flow hedges*

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

The Group applies hedge accounting on cross currency and interest rate swap and forward foreign exchange contracts in hedge relationships that were being used to hedge the underlying assets or liabilities and highly probable forecast transactions. The Group only designates the spot component of cross currency and interest rate swap and forward foreign exchange contracts as hedging instrument. Gains or losses relating to the effective portion of the change in the spot component and intrinsic value are recognised in the cash flow hedge reserve within equity and recognised the changes in foreign currency basis spreads of cross currency and interest rate swap and forward foreign exchange contracts that relate to hedged items as the costs of hedging reserve within other comprehensive income of equity.

The full fair value of a hedging derivative is classified as a current or non-current asset or liability following the maturity of related hedged item.

The gain or loss relating to the effective portion of cross currency and interest rate swap and forward foreign exchange contracts is recognised in profit or loss within gain or loss on remeasuring of financial instruments at the same time as recognising gain or loss on foreign exchange rate of the hedged items.

The gain or loss relating to the effective portion of cross currency and interest rate swap hedging interest rate risk from debentures is recognised in profit or loss within finance costs at the same time as recognising interest expense on the hedged debentures.

### 5.31 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- The amount determined in accordance with the expected credit loss model under TFRS 9; and
- The amount initially recognised less the cumulative amount of income recognised in accordance with the principles of TFRS 15.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between a) the contractual payments required under the debt instrument; and b) the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

The Group recognised guarantees associated with loans or other payables without compensation as part of the cost of the investment.

## 6 Financial risk management

The Group exposes to various risks from its business operations as follows:

### 6.1 Financial risk

The Group exposes to a variety of financial risks which comprise market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential effects on the Group's financial performance to an acceptable level. The Group also uses derivative financial instruments to hedge certain exposures.

Financial risk management is centralised and carried out by the financial risk management function. The Group's financial risk management includes areas such as foreign exchange risk, interest rate risk, price risk, credit risk and liquidity risk. The framework parameters are approved by the Board of Directors and used as the key communication and control tools for financial risk management function of the Group's subsidiaries.

### 6.1.1 Market risk

#### a) Foreign exchange risk

The vast majority of the Group's domestic and overseas business (revenues and expenses) are in US Dollar and most companies in the Group have determined the US Dollar as the functional currency by considering from revenue and operating expenses used in the primary economic environment in which the entity operates. The Group's exposure to the foreign exchange risk arises from transactions which are denominated in currencies that are not the functional currency.

#### *Exposure*

The Group and the Company have significant exposure to financial statements from transactions denominated in Baht at the end of the reporting period as follows:

	Consolidated financial statements			
	31 December 2023		31 December 2022	
	Unit: Million US Dollar	Unit: Million Baht	Unit: Million US Dollar	Unit: Million Baht
Cash and cash equivalents	380	13,013	462	15,966
Trade and other receivables	762	26,085	561	19,396
Cross currency and interest rate swaps				
- cashflow hedge derivative *	851	29,120	843	29,120
Other current financial assets	-	-	1	23
Other non-current financial assets	-	8	-	8
Other non-current assets	4	149	4	148
Trade and other payables	(391)	(13,385)	(462)	(15,974)
Forward foreign exchange contracts				
- trading *	(1,549)	(53,024)	(1,197)	(41,368)
Other current liabilities	(53)	(1,812)	(50)	(1,731)
Lease liabilities	(37)	(1,270)	(55)	(1,891)
Debentures	(902)	(30,879)	(850)	(29,376)

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	Separate financial statements			
	31 December 2023		31 December 2022	
	Unit: Million US Dollar	Unit: Million Baht	Unit: Million US Dollar	Unit: Million Baht
Cash and cash equivalents	37	1,268	52	1,794
Trade and other receivables	337	11,538	383	13,227
Cross currency and interest rate swaps				
- cashflow hedge derivative *	508	17,400	503	17,400
Short-term loans to related parties	46	1,585	15	528
Other non-current financial assets	-	8	-	7
Other non-current assets	4	147	4	147
Trade and other payables	(190)	(6,516)	(291)	(10,050)
Forward foreign exchange contracts				
- trading *	(930)	(31,833)	(1,087)	(37,560)
Other current liabilities	(3)	(101)	(50)	(1,731)
Lease liabilities	(23)	(797)	(37)	(1,275)
Debentures	(508)	(17,390)	(503)	(17,387)

\* These are disclosed with notional amount.

*Financial instruments used by the Group for risk management*

The Group manages its foreign exchange risks on financial assets and financial liabilities those are not functional currency by balancing the structure and transactions, types of assets, liabilities and equity. In addition, the Group uses derivative instruments to manage and hedge the risks exposure of the foreign currency transaction while it also considers costs, effectiveness, and risks that may arise in each interval.

The Group uses cross currency and interest rate swaps, forward foreign exchange contracts and forward foreign exchange contracts with resettable options to hedge firm and anticipated foreign exchange commitments and to manage its foreign exchange risk arising from future commercial transactions. The Group does not usually hedge its net investments in foreign operations except in circumstances where there is a material exposure arising from a currency that is anticipated to be volatile and the hedging is cost effective. The Group manages its foreign exchange risks by swapping into the entity's functional currency.

Foreign currency borrowings are swapped into the entity's functional currency using cross currency and interest rate swaps, except where the foreign currency borrowings are repaid with cash flows generated in the same foreign currency. The purpose of these hedges is to mitigate the impact of movements in foreign exchange rates on assets and liabilities and the profit or loss of the Group.

The Group enters into cross currency and interest rate swaps, forward foreign exchange contracts and forward foreign exchange contract with resettable options to hedge its exposure to foreign exchange risk. Under the Group's policy, the critical terms of these contracts must align with the hedged items. The Group applies hedge accounting for cross currency and interest rate swaps and forward foreign exchange contracts with resettable options. As a result, gain or loss of non-hedge items are recognised in profit or loss.

The Group only designates the spot component of cross currency and interest rate swap and forward foreign exchange contracts with resettable options in hedge relationships. The spot component is determined with reference to relevant spot market exchange rates. The difference between the contracted forward rate and the spot market exchange rate is defined as the forward points. It is discounted, where material.

The changes in the forward element of the cross currency and interest rate swaps and forward foreign exchange contracts with resettable options that relate to hedged items are deferred in the costs of hedging reserve.

The Group and the Company entered into a cross currency and interest rate swaps with 99.05% of total Thai Baht borrowings which are not matched with the Company's and each subsidiary's functional currency.

Cross currency and interest rate swaps comprise of accrued interest income and expense which will be made twice a year. The due date of interest and principal of the cross currency and interest rate swaps are the same date as loan maturity date.

As at 31 December 2023, the Group and the Company entered into forward foreign exchange contracts and forward foreign exchange contracts with resettable options at 82.01% and 81.36%, respectively, of forecasted Thai Baht trade receivables which are not matched with the Company's and each subsidiary's functional currency.

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The Group's exposure of hedging instrument to financial position and performance are as follows:

Consolidated financial statements									
31 December 2023									
Type of hedge	Hedging instrument		Carrying amount of hedging instrument		Hedge ratio	Maturity date	Contractual exchange rate	Swap rate received	Swap rate paid
	Derivative	Total contractual amount (Million US Dollar)	Unit: Million US Dollar	Unit: Million Baht					
Cash flow hedge	Cross currency and interest rate swap	349	6	215	1:1	6 June 2029	32.66	4.82%	4.99%
		182	2	76	1:1	5 November 2026	33.00	2.00% - 2.75%	2.46% - 2.60%
		148	1	50	1:1	5 April 2027	33.75	2.09%	2.88% - 3.26%
		30	-	2	1:1	5 April 2029	33.60	2.69%	3.68%
		171	-	1	1:1	5 April 2032	33.50	3.05%	4.05% - 4.16%
	Forward foreign exchange contracts with resettable options	600	(14)	(478)	1:1	January - October 2024	35.87	-	-
		234	(9)	(296)	1:1	January - April 2024	35.70	-	-

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Type of hedge	Hedging instrument		Carrying amount of hedging instrument		Hedge ratio	Maturity date	Contractual exchange rate	Swap rate received	Swap rate paid
	Derivative	Total contractual amount (Million US Dollar)	Unit: Million US Dollar	Unit: Million Baht					
Cash flow hedge	Cross currency and interest rate swap	349	15	497	1:1	6 June 2029	32.66	4.82%	4.99%
		182	3	116	1:1	5 November 2026	33.00	2.00% - 2.75%	2.46% - 2.55%
		148	2	77	1:1	5 April 2027	33.75	2.09%	2.88% - 3.26%
		30	1	20	1:1	5 April 2029	33.60	2.69%	3.68%
		171	6	206	1:1	5 April 2032	33.50	3.05%	4.05% - 4.16%

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31 December 2023

Type of hedge	Hedging instrument		Carrying amount of hedging instrument		Hedge ratio	Maturity date	Contractual exchange rate	Swap rate received	Swap rate paid
	Derivative	Total contractual amount (Million US Dollar)	Unit: Million US Dollar	Unit: Million Baht					
Cash flow hedge	Cross currency and interest rate swap	349	6	215	1:1	6 June 2029	32.66	4.82%	4.99%
		182	2	76	1:1	5 November 2026	33.00	2.00% - 2.75%	2.46% - 2.60%
	Forward foreign exchange contracts with resettable options	600	(14)	(478)	1:1	January - October 2024	35.87	-	-

Separate financial statements

31 December 2022

Type of hedge	Hedging instrument		Carrying amount of hedging instrument		Hedge ratio	Maturity date	Contractual exchange rate	Swap rate received	Swap rate paid
	Derivative	Total contractual amount (Million US Dollar)	Unit: Million US Dollar	Unit: Million Baht					
Cash flow hedge	Cross currency and interest rate swap	349	15	497	1:1	6 June 2029	32.66	4.82%	4.99%
		182	3	116	1:1	5 November 2026	33.00	2.00% - 2.75%	2.46% - 2.55%

*Sensitivity analysis*

As shown in the table above, the Group is primarily exposed to changes in US Dollar and Baht exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial assets and financial liabilities denominated in foreign currency other than the entity's functional currency and the impact on profit before income tax. If the Group determines the exchange rate as at 31 December 2023 and 2022 to be changed by 10% and holding all other variables constant, the impact on profit before income tax of the Group will be as follows:

	Consolidated financial statements	
	Unit:	Unit:
	Million US Dollar	Million Baht
<b>2023</b>		
Baht to US Dollar exchange rate		
- Increase 10%	(12)	(410)
- Decrease 10%	12	410
	Consolidated financial statements	
	Unit:	Unit:
	Million US Dollar	Million Baht
<b>2022</b>		
Baht to US Dollar exchange rate		
- Increase 10%	36	1,258
- Decrease 10%	(36)	(1,258)

	Separate financial statements	
	Unit:	Unit:
	Million US Dollar	Million Baht
2023		
Baht to US Dollar exchange rate	(1)	(23)
- Increase 10%	1	23
- Decrease 10%		

	Separate financial statements	
	Unit:	Unit:
	Million US Dollar	Million Baht
2022		
Baht to US Dollar exchange rate		
- Increase 10%	57	1,973
- Decrease 10%	(57)	(1,973)

**b) Interest rate risk**

Interest rate risk is the risk of changes in market value of interest rate which affect to the cash flow from assets and liabilities at variable rates. Therefore, the borrowing at variable rates is the cause of the Group's interest rate risk. The Group's policy is to maintain an appropriate proportion of its borrowings at fixed rates and variable rates considering the Group's business operation. In doing so, the Group maintains its fixed interest rate borrowings not less than 80%. The Group also considers costs, market conditions, and acceptable risk before entering into the financial instrument to manage interest rate risk.

Following interest rate benchmark reform, there are cessations in several benchmark interest rates including LIBOR, which is applied by the Group as part of the variable rate calculation. The Group had monitored and managed the transition to alternative benchmark rates for loan agreements and financial instruments. As a result, the uncertainty does not significantly impact the Group.

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The exposure of the Group's borrowings to changes in interest rate of the borrowings at the end of the reporting period are as follows:

	Consolidated financial statements					
	31 December 2023			31 December 2022		
	Unit: Million US Dollar	Unit: Million Baht	% of total borrowings	Unit: Million US Dollar	Unit: Million Baht	% of total borrowings
Fixed rate borrowings	2,610	89,325	94	2,636	91,102	94
Fixed rate borrowings - repricing 1 - 5 years	175	5,995	6	173	5,993	6
	2,785	95,320	100	2,809	97,095	100
	Separate financial statements					
	31 December 2023			31 December 2022		
	Unit: Million US Dollar	Unit: Million Baht	% of total borrowings	Unit: Million US Dollar	Unit: Million Baht	% of total borrowings
Fixed rate borrowings	333	11,395	66	330	11,394	66
Fixed rate borrowings - repricing 1 - 5 years	175	5,995	34	173	5,993	34
	508	17,390	100	503	17,387	100

The percentage of total borrowings represented the proportion of borrowings that are currently at variable rates and fixed rates in relation to the total amount of borrowings. An analysis by maturities is provided in Note 25.

c) **Price risk**

*Exposure*

The Group's exposure to price risk arises from petroleum product prices because the Group's selling price of petroleum products is reference to the world's crude oil prices, which are fluctuated subject to various factors beyond its control.

Fluctuations in the world's crude oil prices directly affect the prices of the Group's crude oil and condensate, while the prices of natural gas, which is the main product of the Group, change in the same direction with the reference oil prices and other factors in the gas price formula. Natural gas prices have adjusted periods that reflect actual price delayed by every 3 to 21 months (lag time) depending on each contract. The natural gas price will move corresponding to lower volatility compared to the prices of crude oil and condensate.

The Group has managed the price risk by analysing the impact of the level of oil price changes to revenue, cash flow and net profit of the Group annually. The risk mitigation plan is reviewed by the Risk Management Committee and the Board of Directors in order to be used as the Group's operation framework.

As at 31 December 2023, the Group entered into oil price hedging derivatives for the year 2024 totalling 3.62 million barrel (2022: the Group entered into oil price hedging derivatives for the year 2023 totalling 3.3 million barrel which is the part of total oil price hedging derivatives for the year 2024).

*Sensitivity analysis*

The changes in oil price, holding all other variables constant, will impact fair value of oil price hedging derivative as at 31 December 2023 and 2022 as follows:

	Consolidated financial statements	
	Unit: Million US Dollar	Unit: Million Baht
<b>2023</b>		
Price per barrel		
- Increase 1 US Dollar	(1)	(40)
- Decrease 1 US Dollar	1	40
	Consolidated financial statements	
	Unit: Million US Dollar	Unit: Million Baht
<b>2022</b>		
Price per barrel		
- Increase 1 US Dollar	(1)	(40)
- Decrease 1 US Dollar	1	37

**6.1.2 Credit risk**

**a) Risk management**

The Group's policy to manage its credit risk is to enter into transactions with the customers who have good credit profiles. The majority of sales is made with PTT Public Company Limited, the parent company. In addition, the Group carefully assesses and regularly reviews the credit profiles of its customers.

The Group places deposits with the banks which are rated at investment grade level. The Group regularly assesses credit quality and stability of these banks by taking into account of their credit rating, investment portfolio and other financial ratios which demonstrate their performance and the ability to control their business risks, such as non-performing loan to total loan ratio. These factors are used to manage risks and to consider the amount of bank deposit limit in order to ensure that deposits are well-diversified and to avoid concentration risks with individual bank together with the consideration yields and acceptable risk in each time interval.

Before entering into financial derivative contracts, the Group has assessed the financial position and credit worthiness, including setting up credit exposure limit, of counterparty bank in the same way as when the Group assesses banks before placing deposit as described above. Currently all banks in which the Group has entered into financial derivative contracts are rated at investment grade level. In addition, the Group has adjusted, based on the timing and type of transactions, the outstanding balance of each financial derivative contract made with banks to reflect the risk-adjusted exposure and has diversified transactions to avoid concentration risks with individual bank together with the costs, consideration yields and risks arising in each interval.

**b) Impairment of financial assets**

The Group has following financial assets that are subject to the expected credit loss model as follows:

- Cash and cash equivalents
- Short-term investments
- Trade and other receivables
- Other current assets
- Short-term loans to a related party
- Long-term loans to a related party
- Other non-current financial assets
- Other non-current assets

Management consider that impairment loss of financial assets mentioned above are immaterial.

**6.1.3 Liquidity risk**

Liquidity risk is the risk that suitable sources of funding for the Group's business activities may not be available.

The Group's contractual maturity of liabilities and interest, including the derivative contracts are as follows:

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a) **Maturity of financial liabilities**

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows as at 31 December 2023 and 2022.

	Consolidated financial statements				
	Unit: Million US Dollar				
	Within 1 year	1 - 5 years	Over 5 years	Total	Total carrying amount
<b>2023</b>					
Trade and other payables	1,425	-	-	1,425	1,425
Other current liabilities	166	-	-	166	166
Lease liabilities	300	477	141	918	868
Contingent considerations from business acquisition	1	-	-	1	1
Debentures - fixed interest rate					
Principal	-	865	1,946	2,811	2,785
Interest expense *	106	391	1,162	1,659	14
Cross currency and interest rate swap - net **	1	4	6	11	1
Forward foreign exchange contracts - net **	64	-	-	64	42

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	Consolidated financial statements				
	Unit: Million US Dollar				
	Within 1 year	1 - 5 years	Over 5 years	Total	Total carrying amount
2022					
Trade and other payables	1,514	-	-	1,514	1,514
Other current liabilities	74	-	-	74	74
Lease liabilities	322	578	197	1,097	1,024
Contingent considerations from business acquisition	-	1	-	1	1
Debentures - fixed interest rate					
Principal	-	818	2,022	2,840	2,809
Interest expense *	108	424	1,338	1,870	13
Forward foreign exchange contracts - net **	71	-	-	71	53

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	Consolidated financial statements				
	Unit: Million Baht				
	Within 1 year	1 - 5 years	Over 5 years	Total	Total carrying amount
2023					
Trade and other payables	48,767	-	-	48,767	48,767
Other current liabilities	5,693	-	-	5,693	5,693
Lease liabilities	10,283	16,308	4,826	31,417	29,719
Contingent considerations from business acquisition	26	-	-	26	26
Debentures - fixed interest rate					
Principal	-	29,612	66,590	96,202	95,320
Interest expense *	3,635	13,384	39,751	56,770	471
Cross currency and interest rate swap - net **	36	145	188	369	27
Forward foreign exchange contracts - net **	2,207	-	-	2,207	1,448

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	Consolidated financial statements				Total carrying amount
	Unit: Million Baht				
	Within 1 year	1 - 5 years	Over 5 years	Total	
<b>2022</b>					
Trade and other payables	52,303	-	-	52,303	52,303
Other current liabilities	2,570	-	-	2,570	2,570
Lease liabilities	11,143	19,983	6,797	37,923	35,384
Contingent considerations from business acquisition	25	25	-	50	50
Debentures - fixed interest rate					
Principal	-	28,281	69,898	98,179	97,095
Interest expense *	3,745	14,660	46,245	64,650	462
Forward foreign exchange contracts - net **	2,445	-	-	2,445	1,833

	Separate financial statements				
	Unit: Million US Dollar				
	Within 1 year	1 - 5 years	Over 5 years	Total	Total carrying amount
<b>2023</b>					
Trade and other payables	303	-	-	303	303
Other current liabilities	13	-	-	13	13
Lease liabilities	36	33	1	70	66
Debentures - fixed interest rate					
Principal	-	175	333	508	508
Interest expense *	20	73	8	101	3
Forward foreign exchange contracts - net **	42	-	-	42	21

	Separate financial statements				
	Unit: Million US Dollar				
	Within 1 year	1 - 5 years	Over 5 years	Total	Total carrying amount
<b>2022</b>					
Trade and other payables	380	-	-	380	380
Other current liabilities	57	-	-	57	57
Lease liabilities	32	19	1	52	50
Debentures - fixed interest rate					
Principal	-	173	330	503	503
Interest expense *	19	76	24	119	2
Forward foreign exchange contracts - net **	64	-	-	64	44

	Separate financial statements				
	Unit: Million Baht				
	Within 1 year	1 - 5 years	Over 5 years	Total	Total carrying amount
<b>2023</b>					
Trade and other payables	10,369	-	-	10,369	10,369
Other current liabilities	442	-	-	442	442
Lease liabilities	1,226	1,115	38	2,379	2,274
Debentures - fixed interest rate					
Principal	-	6,000	11,400	17,400	17,390
Interest expense *	684	2,498	275	3,457	90
Forward foreign exchange contracts - net **	1,437	-	-	1,437	708

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	Separate financial statements				
	Unit: Million Baht				
	Within 1 year	1 - 5 years	Over 5 years	Total	Total carrying amount
<b>2022</b>					
Trade and other payables	13,138	-	-	13,138	13,138
Other current liabilities	1,986	-	-	1,986	1,986
Lease liabilities	1,102	648	44	1,794	1,748
Debentures - fixed interest rate					
Principal	-	6,000	11,400	17,400	17,387
Interest expense *	669	2,633	824	4,126	75
Forward foreign exchange contracts - net **	2,203	-	-	2,203	1,523

The major assumptions for the data presented in the table above are that all the interest expenses are calculated based on the nominal interest rate and there is no change in aggregate principal amounts of loans other than repayment at scheduled maturity.

- Thai Baht liabilities were equivalent to US Dollar at the closing rate at the date respective statement of financial position.

\* Interest paid represents the interest payment due within year.

\*\* Derivatives were presented at the net amount between cash inflow and cash outflow.

As at 31 December, the Company has commitments from the guarantees of debentures and loans of its subsidiaries as disclosed in Note 36.3. The maturity date of obligations follows the maturity of loan agreements, debentures and loans of subsidiaries.

b) **Financing arrangements**

The Group manages its liquidity risks by preparing cash flow forecasts and adjusting financial forecasts on a regular basis, entering into financing program, issuing short-term debt securities in order to access Thailand's capital market, as well as entering into credit facilities with financial institutions with the interest rate agreed in advance.

As at 31 December 2023 and 2022, the outstanding principal amount and undrawn facilities are summarised below.

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	Credit limit	Undrawn amount	Credit limit	Undrawn amount
<b>2023</b>				
Committed credit facility	575	575	19,689	19,689
Uncommitted credit facility	279	279	9,544	9,544
	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	Credit limit	Undrawn amount	Credit limit	Undrawn amount
<b>2022</b>				
Committed credit facility	574	574	19,825	19,825
Uncommitted credit facility	281	281	9,708	9,708

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	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	Credit limit	Undrawn	Credit limit	Undrawn
		amount		amount
<b>2023</b>				
Committed credit facility	175	175	6,000	6,000
Uncommitted credit facility	269	269	9,190	9,190

	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	Credit limit	Undrawn	Credit limit	Undrawn
		amount		amount
<b>2022</b>				
Committed credit facility	174	174	6,000	6,000
Uncommitted credit facility	266	266	9,190	9,190

Thai Baht credit facility is translated to US Dollar using the closing rate at the date respective statement of financial position.

The Company's International Credit Rating is comparable with the Sovereign Rating of Thailand and the National Credit Rating is at the AAA. As a result, the Company can access to sources of funds for long-term loans at the interest rate approximate the market interest rate. For the years 2023 and 2022, the Company's credit ratings as assigned by prominent credit rating agencies are as follows:

Rating Agency	2023		2022	
	Foreign Currency	Domestic Currency	Foreign Currency	Domestic Currency
Moody's	Baa1	Baa1	Baa1	Baa1
Standard and Poor's	BBB+	BBB+	BBB+	BBB+
Fitch Ratings	BBB+	-	BBB+	-
TRIS Rating (National Rating)	-	AAA	-	AAA

## 6.2 Capital management

### 6.2.1 Risk management

#### Capital Risk Management

The Group manages capital to keep financial strength comparable with the leading companies in the same industry, alignment with the business strategy, economy, market positioning and finance cost as well as impact to the financial ratio and credit rating of the Company and providing the ultimate returns to shareholders and benefits to other stakeholders.

## 7 Derivatives and hedge accounting

Book value of derivatives as at 31 December 2023 and 2022 are disclosed in Note 10.

### 7.1 Classification of derivative financial instruments

Derivatives are only used for economic hedging purposes, not for speculative investments. The Group adopts hedge accounting for some derivatives which meet the condition of cash flow hedge instruments and determines the hedge ratio at 1:1 considering the relationship of the relevant transactions and risk factors between hedged items and hedging instruments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at fair value through profit or loss.

The fair value of a hedging derivative is presented as current or non-current following the maturity of related hedged items.

### 7.2 Hedge effectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic effectiveness assessments, to ensure that an economic relationship exists between the hedged items and hedging instruments.

Foreign exchange risk

For cross currency and interest rate swap, the Group enters into hedging transaction where the critical terms of the hedging instrument match exactly with the terms of the hedged item. The Group therefore performs a qualitative assessment of effectiveness. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

In hedging of foreign currency on cross currency and interest rate swap, ineffectiveness may arise if there are changes in the credit risk of the derivative counterparty, a reduction in value of the hedged items, or a significant change in components of cross currency and interest rate swap.

### 7.3 Cash flow hedge reserve

Hedging reserve includes costs of hedging and cash flow hedge reserve. The cash flow hedge reserve is used to recognise the effective portion of gains or losses on changes in fair value of derivatives that are qualified for hedge accounting.

The Group has hedging reserve presented in other comprehensive income comprising financial instruments as follows:

	Consolidated financial statements							
	Unit: Million US Dollar				Unit: Million Baht			
	Cost of hedging reserve	Spot component of currency forwards	Intrinsic value of option	Total	Cost of hedging reserve	Spot component of currency forwards	Intrinsic value of option	Total
As at 1 January 2023	25	24	-	49	941	994	-	1,935
Changes in fair value of hedging instruments recognised in OCI	-	(22)	-	(22)	-	(810)	-	(810)
Costs of hedging deferred and recognised in OCI	(16)	-	-	(16)	(545)	-	-	(545)
Reclassified from OCI to profit or loss								
- Gain on foreign exchange rate	-	1	-	1	-	46	-	46
Deferred tax	2	9	-	11	64	327	-	391
As at 31 December 2023	11	12	-	23	460	557	-	1,017

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	Consolidated financial statements							
	Unit: Million US Dollar				Unit: Million Baht			
	Cost of hedging reserve	Spot component of currency forwards	Intrinsic value of option	Total	Cost of hedging reserve	Spot component of currency forwards	Intrinsic value of option	Total
As at 1 January 2022	10	(13)	2	(1)	425	(354)	38	109
Changes in fair value of hedging instruments recognised in OCI	-	51	(2)	49	-	1,846	(49)	1,797
Costs of hedging deferred and recognised in OCI	18	-	-	18	645	-	-	645
Reclassified from OCI to profit or loss								
- Loss on foreign exchange rate	-	(4)	-	(4)	-	(160)	-	(160)
Deferred tax	(3)	(10)	-	(13)	(129)	(338)	11	(456)
As at 31 December 2022	25	24	-	49	941	994	-	1,935

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	Separate financial statements					
	Unit: Million US Dollar			Unit: Million Baht		
	Cost of hedging reserve	Spot component of currency forwards	Total	Cost of hedging reserve	Spot component of currency forwards	Total
As at 1 January 2023	13	22	35	459	811	1,270
Changes in fair value of hedging instruments recognised in OCI	-	(16)	(16)	-	(518)	(518)
Costs of hedging deferred and recognised in OCI	(8)	-	(8)	(289)	-	(289)
Reclassified from OCI to profit or loss						
- Gain on foreign exchange rate	-	1	1	-	37	37
Deferred tax	-	7	7	(17)	254	237
As at 31 December 2023	5	14	19	153	584	737

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	Separate financial statements					
	Unit: Million US Dollar			Unit: Million Baht		
	Cost of hedging reserve	Spot component of currency forwards	Total	Cost of hedging reserve	Spot component of currency forwards	Total
As at 1 January 2022	11	(11)	-	378	(353)	25
Changes in fair value of hedging instruments recognised in OCI	-	24	24	-	838	838
Costs of hedging deferred and recognised in OCI	3	-	3	101	-	101
Reclassified from OCI to profit or loss						
- Gain on foreign exchange rate	-	17	17	-	618	618
Deferred tax	(1)	(8)	(9)	(20)	(292)	(312)
As at 31 December 2022	13	22	35	459	811	1,270

7.4 Amounts recognised in profit or loss

In addition to the amounts reclassified from hedge reserve as disclosed in Note 7.3, the following amounts relating to derivatives were recognised in profit or loss:

	Consolidated financial statements	
	Unit: Million US Dollar	
	2023	2022
For the years ended 31 December		

Net gain (loss) on derivatives that do not qualify for hedge accounting, presented in loss on remeasuring of financial instruments	34	(125)
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	Consolidated financial statements	
	Unit: Million Baht	
	2023	2022
For the years ended 31 December		

Net gain (loss) on derivatives that do not qualify for hedge accounting, presented in loss on remeasuring of financial instruments	1,133	(3,817)
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	Separate financial statements	
	Unit: Million US Dollar	
	2023	2022
For the years ended 31 December		

Net gain on derivatives that do not qualify for hedge accounting, presented in gain (loss) on remeasuring of financial instruments	43	1
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	Separate financial statements	
	Unit: Million Baht	
	2023	2022
For the years ended 31 December		

Net gain on derivatives that do not qualify for hedge accounting, presented in gain (loss) on remeasuring of financial instruments	1,446	26
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## 8 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### 8.1 Impairment of goodwill

In assessing the impairment of goodwill, the Group estimates using the discounted future cash flows which are based on management's key assumptions in relation to selling price using the future oil price, estimated future production volume based on a proved and probable reserves and gross margin rate. These assumptions are based on management's judgment and past experience as well as the future prediction that is believed to be reasonable in the present situation. Changes in the information or new noticeable information may lead to the change in the assumptions and the discount rate for the estimation of the discounted future cash flows. The assumption of selling price is determined from the short-term oil price based on forward oil price curve and long-term oil price based on demand and supply of oil in the world market.

### 8.2 Estimation of petroleum reserves

Petroleum reserves are key elements in the Group's investment decision-making process. They are also important elements in testing for impairment. Changes in proved reserves will also affect the present value of the net cash flows and depreciation calculated using the unit-of-production method.

Proved reserves are the quantities of petroleum that are demonstrated with reasonable certainty to be commercially producible in future years from known reservoirs under existing economic and operating conditions including government rules and regulations. The proved reserves have to be examined and assessed annually by the Group's geologists and reservoir engineers.

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9 Segment and revenue information

	Consolidated financial statements									
	Unit: Million US Dollar									
	Exploration and production							Others	Intercompany elimination	Total
	Southeast Asia		Other							
For the year ended 31 December 2023	Thailand	Southeast Asia	Middle East	Australia	America	Africa	Others			
Revenues - Third parties	302	1,221	607	-	-	-	38	19	-	2,187
- Related parties	4,890	1,033	557	-	-	279	-	37	(344)	6,452
Other income	83	3	1	-	-	24	-	144	(167)	88
Gain on disposal of participating interests	-	-	-	73	-	-	-	-	-	73
Interest income	2	11	4	-	-	11	-	1	-	29
<b>Total revenues</b>	<b>5,277</b>	<b>2,268</b>	<b>1,169</b>	<b>73</b>	<b>-</b>	<b>314</b>	<b>38</b>	<b>201</b>	<b>(511)</b>	<b>8,829</b>
Operating expenses	802	625	85	-	-	34	13	67	(401)	1,225
Exploration expenses	5	22	9	51	6	1	-	-	-	94
Administrative expenses	71	64	11	1	2	15	1	108	(113)	160
Petroleum royalties	397	29	-	-	-	24	-	-	-	450
Depreciation, depletion and amortisation	1,412	546	256	-	-	58	13	10	(2)	2,293
Gain (loss) on foreign exchange rates	(14)	(1)	-	(1)	-	1	1	-	-	(14)
Finance costs	130	34	6	-	-	2	-	1	-	173
Share of profit of associates and joint ventures	-	-	(16)	-	-	-	-	(27)	-	(43)
Impairment loss on assets and goodwill	-	-	-	-	-	120	-	-	-	120
<b>Total expenses</b>	<b>2,803</b>	<b>1,319</b>	<b>351</b>	<b>51</b>	<b>8</b>	<b>255</b>	<b>28</b>	<b>159</b>	<b>(516)</b>	<b>4,458</b>
<b>Segment profit (loss)</b>	<b>2,474</b>	<b>949</b>	<b>818</b>	<b>22</b>	<b>(8)</b>	<b>59</b>	<b>10</b>	<b>42</b>	<b>5</b>	<b>4,371</b>
Depreciation - general										(42)
Administrative expenses										(327)
Operating profit										4,002
Other income, net										57
Interest income										123
Finance costs										(121)
Gain on foreign exchange rates										34
Loss on remeasuring financial instruments										(56)
<b>Profit before income taxes</b>										<b>4,039</b>
Income tax - Project	(866)	(280)	(595)	-	-	(65)	(5)	(2)		(1,813)
- Group										(18)
<b>Profit (loss) for the year</b>	<b>1,608</b>	<b>669</b>	<b>223</b>	<b>22</b>	<b>(8)</b>	<b>(6)</b>	<b>5</b>	<b>40</b>		<b>2,208</b>

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	Consolidated financial statements									
	Unit: Million Baht									
	Exploration and production							Others	Intercompany elimination	Total
	Southeast Asia									
For the year ended 31 December 2023	Thailand	Other Southeast Asia	Middle East	Australia	America	Africa	Others			
Revenues - Third parties	10,542	42,632	21,082	-	-	-	1,331	654	-	76,241
- Related parties	170,115	35,945	19,373	-	-	9,717	-	1,273	(11,970)	224,453
Other income	2,862	113	23	1	-	852	-	5,032	(5,832)	3,051
Gain on disposal of participating interests	-	-	-	2,548	-	13	-	-	-	2,561
Interest income	55	377	155	4	1	384	10	44	(2)	1,028
<b>Total revenues</b>	<b>183,574</b>	<b>79,067</b>	<b>40,633</b>	<b>2,553</b>	<b>1</b>	<b>10,966</b>	<b>1,341</b>	<b>7,003</b>	<b>(17,804)</b>	<b>307,334</b>
Operating expenses	27,873	21,771	2,961	-	-	1,203	468	2,333	(13,945)	42,664
Exploration expenses	184	774	327	1,798	210	16	-	-	-	3,309
Administrative expenses	2,474	2,231	387	43	69	512	52	3,742	(3,950)	5,560
Petroleum royalties	13,777	1,003	-	-	-	852	-	-	-	15,632
Depreciation, depletion and amortisation	49,182	19,049	8,895	3	-	2,022	447	353	(73)	79,878
Gain (loss) on foreign exchange rates	(456)	(23)	1	(31)	-	25	10	(1)	-	(475)
Finance costs	4,528	1,206	206	-	-	94	7	15	(18)	6,038
Share of profit of associates and joint ventures	-	-	(554)	-	-	-	-	(923)	-	(1,477)
Impairment loss on assets and goodwill	-	-	-	-	-	4,255	-	-	-	4,255
<b>Total expenses</b>	<b>97,562</b>	<b>46,011</b>	<b>12,223</b>	<b>1,813</b>	<b>279</b>	<b>8,979</b>	<b>984</b>	<b>5,519</b>	<b>(17,986)</b>	<b>155,384</b>
Segment profit (loss)	86,012	33,056	28,410	740	(278)	1,987	357	1,484	182	151,950
Depreciation - general										(1,444)
Administrative expenses										(11,419)
Operating profit										139,087
Other income, net										1,981
Interest income										4,276
Finance costs										(4,205)
Gain on foreign exchange rates										1,151
Loss on remeasuring financial instruments										(1,881)
Profit before income taxes										140,409
Income tax - Project	(30,074)	(9,766)	(20,687)	-	-	(2,284)	(170)	(77)		(63,058)
- Group										(646)
<b>Profit (loss) for the year</b>	<b>55,938</b>	<b>23,290</b>	<b>7,723</b>	<b>740</b>	<b>(278)</b>	<b>(297)</b>	<b>187</b>	<b>1,407</b>		<b>76,705</b>

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	Consolidated financial statements								
	Unit: Million US Dollar								
	Exploration and production							Others	Total
	Southeast Asia								
	Thailand	Other Southeast Asia	Middle East	Australia	America	Africa	Others		
As at 31 December 2023									
Segment assets	7,743	6,252	3,057	35	74	4,011	215	140	21,527
Investments under equity method	-	-	16	-	-	-	-	269	285
Unallocated assets									4,568
<b>Total assets</b>									<b>26,380</b>
Segment liabilities	5,159	1,820	562	-	1	711	53	55	8,361
Unallocated liabilities									3,426
<b>Total liabilities</b>									<b>11,787</b>
Capital expenditures	2,440	588	143	-	1	139	19	60	3,390

	Consolidated financial statements								
	Unit: Million Baht								
	Exploration and production							Others	Total
	Southeast Asia								
	Thailand	Other Southeast Asia	Middle East	Australia	America	Africa	Others		
As at 31 December 2023									
Segment assets	264,982	213,987	104,618	1,202	2,519	137,270	7,376	4,776	736,730
Investments under equity method	-	-	560	-	-	-	-	9,208	9,768
Unallocated assets									156,323
<b>Total assets</b>									<b>902,821</b>
Segment liabilities	176,560	62,268	19,214	13	49	24,327	1,828	1,889	286,148
Unallocated liabilities									117,230
<b>Total liabilities</b>									<b>403,378</b>
Capital expenditures	84,859	20,456	4,985	-	33	4,840	652	2,082	117,907

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	Consolidated financial statements									
	Unit: Million US Dollar									
	Exploration and production							Others	Intercompany elimination	Total
	Southeast Asia		Other							
For the year ended 31 December 2022	Thailand	Southeast Asia	Middle East	Australia	America	Africa	Others			
Revenues - Third parties	283	1,542	429	-	-	-	50	70	-	2,374
- Related parties	5,369	1,060	811	-	-	160	-	-	(353)	7,047
Other income	110	2	72	-	-	14	-	134	(180)	152
Interest income	-	3	1	-	-	10	-	-	-	14
Total revenues	5,762	2,607	1,313	-	-	184	50	204	(533)	9,587
Operating expenses	674	672	86	-	-	17	13	67	(419)	1,110
Exploration expenses	4	4	28	31	5	-	-	-	-	72
Administrative expenses	63	96	12	132	5	10	2	104	(114)	310
Petroleum royalties	596	78	-	-	-	14	-	-	-	688
Depreciation, depletion and amortisation	1,399	608	261	-	-	36	15	9	(4)	2,324
Loss on foreign exchange rates	54	10	-	2	5	-	-	-	-	71
Finance costs	65	23	5	-	-	2	-	-	-	95
Share of profit of associates and joint ventures	-	-	(19)	(1)	-	-	-	-	-	(20)
Impairment loss on assets and goodwill	-	-	-	-	95	205	-	-	-	300
Total expenses	2,855	1,491	373	164	110	284	30	180	(537)	4,950
Segment profit (loss)	2,907	1,116	940	(164)	(110)	(100)	20	24	4	4,637
Depreciation - general										(39)
Administrative expenses										(268)
Operating profit										4,330
Other income, net										43
Interest income										30
Finance costs										(139)
Loss on foreign exchange rates										(20)
Loss on remeasuring financial instruments										(184)
Profit before income taxes										4,060
Income tax - Project	(1,064)	(333)	(648)	-	-	(67)	(8)	(13)		(2,133)
- Group										72
Profit (loss) for the year	1,843	783	292	(164)	(110)	(167)	12	11		1,999

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	Consolidated financial statements									
	Unit: Million Baht									
	Exploration and production							Others	Intercompany elimination	Total
	Southeast Asia									
	Thailand	Other Southeast Asia	Middle East	Australia	America	Africa	Others			
For the year ended 31 December 2022										
Revenues - Third parties	9,964	54,187	15,108	-	-	-	1,745	2,465	-	83,469
- Related parties	188,739	37,368	28,470	-	-	5,742	-	-	(12,438)	247,881
Other income	3,918	85	2,639	4	-	509	-	4,693	(6,363)	5,485
Interest income	11	125	21	-	-	327	4	9	-	497
Total revenues	202,632	91,765	46,238	4	-	6,578	1,749	7,167	(18,801)	337,332
Operating expenses	23,787	23,630	3,035	-	-	609	449	2,367	(14,785)	39,092
Exploration expenses	152	130	976	1,105	181	7	-	-	-	2,551
Administrative expenses	2,203	3,345	433	4,817	172	366	73	3,647	(4,015)	11,041
Petroleum royalties	20,891	2,750	-	-	-	497	-	-	-	24,138
Depreciation, depletion and amortisation	49,332	21,353	9,138	6	-	1,271	521	302	(130)	81,793
Loss (gain) on foreign exchange rates	1,933	380	-	54	161	(12)	5	9	-	2,530
Finance costs	2,291	820	170	-	-	55	4	7	(4)	3,343
Share of (profit) loss of associates and joint ventures	-	-	(657)	(23)	-	-	-	12	-	(668)
Impairment loss on assets and goodwill	-	-	-	-	3,517	7,136	-	-	-	10,653
Total expenses	100,589	52,408	13,095	5,959	4,031	9,929	1,052	6,344	(18,934)	174,473
Segment profit (loss)	102,043	39,357	33,143	(5,955)	(4,031)	(3,351)	697	823	133	162,859
Depreciation - general										(1,375)
Administrative expenses										(9,345)
Operating profit										152,139
Other income, net										1,500
Interest income										1,069
Finance costs										(4,875)
Loss on foreign exchange rates										(748)
Loss on remeasuring financial instruments										(5,889)
Profit before income taxes										143,196
Income tax - Project	(37,320)	(11,654)	(22,793)	-	-	(2,346)	(295)	(464)		(74,872)
- Group										2,577
Profit (loss) for the year	64,723	27,703	10,350	(5,955)	(4,031)	(5,697)	402	359		70,901

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	Exploration and production							Others	Total
	Southeast Asia		Other						
As at 31 December 2022	Thailand	Southeast Asia	Middle East	Australia	America	Africa	Others		
Segment assets	7,294	6,127	3,229	272	72	4,001	222	144	21,361
Investments under equity method	-	-	33	-	-	-	-	245	278
Unallocated assets									3,529
<b>Total assets</b>									<b>25,168</b>
Segment liabilities	5,250	1,875	589	132	2	643	64	54	8,609
Unallocated liabilities									3,044
<b>Total liabilities</b>									<b>11,653</b>
Capital expenditures	2,814	543	182	-	1	156	11	88	3,795

	Exploration and production							Others	Total
	Southeast Asia		Other						
As at 31 December 2022	Thailand	Southeast Asia	Middle East	Australia	America	Africa	Others		
Segment assets	252,107	211,768	111,587	9,393	2,498	138,300	7,660	4,968	738,281
Investments under equity method	-	-	1,149	-	-	-	-	8,445	9,594
Unallocated assets									121,989
<b>Total assets</b>									<b>869,864</b>
Segment liabilities	181,473	64,796	20,350	4,551	66	22,211	2,234	1,863	297,544
Unallocated liabilities									105,200
<b>Total liabilities</b>									<b>402,744</b>
Capital expenditures	98,453	18,984	6,347	-	51	5,452	372	3,092	132,751

The Group is organised into the following business segments:

- Exploration and production: The Group operates in oil and gas exploration and production both domestically and overseas including gas transportation pipeline in overseas, either as an operator or as a joint venture partner with international oil and gas companies. Most domestic projects are located in the Gulf of Thailand. Overseas projects are located in Southeast Asia, Middle East, Australia, America, Africa and others.
- The Group's other operations consist mainly of investments in related business associated with the Group's strategy, and other operations. These do not constitute a separately reportable segment.

For the year ended 31 December 2023, the Group has one major customer from revenues under the exploration and production segment, representing 66% of total revenues from sales. (For the year ended 31 December 2022, the Group has one major customer from revenues under the exploration and production segment, representing 70% of total revenues from sales.) The mentioned revenue is presented in Note 16 (a) under the topic transactions with parent company.

## 10 Fair value

### 10.1 Fair value estimation

The following tables present financial assets and liabilities recognised by their fair value hierarchy.

		Consolidated financial statements							
		Unit: Million US Dollar							
		Level 1		Level 2		Level 3		Total	
		31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December
		2023	2022	2023	2022	2023	2022	2023	2022
<b>Assets</b>									
Financial derivative assets									
Derivatives assets used for hedging									
-	Cross currency and interest rate swap	-	-	11	27	-	-	11	27
Derivatives assets measured at fair value through profit or loss									
-	Oil price hedge	-	-	19	14	-	-	19	14
-	Forward foreign exchange contracts	-	-	-	2	-	-	-	2
Other financial assets									
Financial assets measured at fair value through profit or loss									
-	Investment in debt instruments	-	1	-	-	2	-	2	1
Financial assets measured at fair value through other comprehensive									
-	Investment in equity instruments	1	1	-	-	-	-	1	1
Other non-current assets									
Assets measured at fair value through profit or loss									
-	Contingent consideration from disposal of participating interest	-	-	-	-	61	-	61	-
-	Pension scheme investments from joint operation	69	76	-	-	-	-	69	76
<b>Total assets</b>		<b>70</b>	<b>78</b>	<b>30</b>	<b>43</b>	<b>63</b>	<b>-</b>	<b>163</b>	<b>121</b>

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	Consolidated financial statements							
	Unit: Million US Dollar							
	Level 1		Level 2		Level 3		Total	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022
<b>Liabilities</b>								
Financial derivative liabilities								
Derivatives liabilities used for hedging								
- Forward foreign exchange contracts	-	-	23	-	-	-	23	-
- Cross currency and interest rate swap	-	-	1	-	-	-	1	-
Derivatives liabilities measured at fair value through profit or loss								
- Forward foreign exchange contracts	-	-	19	53	-	-	19	53
Other current liabilities								
Financial liabilities measured at fair value through profit or loss								
- Contingent considerations from business acquisition	-	-	-	-	-	-	-	-
Other non-current liabilities								
Financial liabilities measured at fair value through profit or loss								
- Contingent considerations from business acquisition	-	-	-	-	1	1	1	1
<b>Total liabilities</b>	-	-	43	53	1	1	44	54

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	Consolidated financial statements							
	Unit: Million Baht							
	Level 1		Level 2		Level 3		Total	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022
<b>Assets</b>								
Financial derivative assets								
Derivatives assets used for hedging								
- Cross currency and interest rate swap	-	-	371	917	-	-	371	917
Derivatives assets measured at fair value through profit or loss								
- Oil price hedge	-	-	659	508	-	-	659	508
- Forward foreign exchange contracts	-	-	-	53	-	-	-	53
Other financial assets								
Financial assets measured at fair value through profit or loss								
- Investment in debt instruments	6	29	-	-	77	-	83	29
Financial assets measured at fair value through other comprehensive income								
- Investment in equity instruments	29	26	-	-	1	1	30	27
Other non-current assets								
Assets measured at fair value through profit or loss								
- Contingent consideration from disposal of participating interest	-	-	-	-	2,083	-	2,083	-
- Pension scheme investments from joint operation	2,372	2,626	-	-	-	-	2,372	2,626
<b>Total assets</b>	<b>2,407</b>	<b>2,681</b>	<b>1,030</b>	<b>1,478</b>	<b>2,161</b>	<b>1</b>	<b>5,598</b>	<b>4,160</b>

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								Consolidated financial statements	
								Unit: Million Baht	
		Level 1		Level 2		Level 3		Total	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022
<b>Liabilities</b>									
Financial derivative liabilities									
Derivatives liabilities used for hedging									
- Forward foreign exchange contracts		-	-	774	-	-	-	774	-
- Cross currency and interest rate swap		-	-	27	-	-	-	27	-
Derivatives liabilities measured at fair value through profit or loss									
- Forward foreign exchange contracts		-	-	674	1,833	-	-	674	1,833
Other current liabilities									
Financial liabilities measured at fair value through profit or loss									
- Contingent considerations from business acquisition		-	-	-	-	-	25	-	25
Other non-current liabilities									
Financial liabilities measured at fair value through profit or loss									
- Contingent considerations from business acquisition		-	-	-	-	26	25	26	25
<b>Total liabilities</b>									
		-	-	1,475	1,833	26	50	1,501	1,883



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	Separate financial statements							
	Unit: Million Baht							
	Level 1		Level 2		Level 3		Total	
31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022	
<b>Assets</b>								
Financial derivative assets								
Derivatives assets used for hedging								
- Cross currency and interest rate swap	-	-	291	613	-	-	291	613
Other financial assets								
Financial assets measured at fair value through profit or loss								
- Investment in debt instruments	6	6	-	-	-	-	6	6
Financial assets measured at fair value through other comprehensive income								
- Investment in equity instruments	-	-	-	-	1	1	1	1
Total assets	6	6	291	613	1	1	298	620
<b>Liabilities</b>								
Financial derivative liabilities								
Derivatives liabilities used for hedging								
- Forward foreign exchange contracts	-	-	478	-	-	-	478	-
Derivatives liabilities measured at fair value through profit or loss								
- Forward foreign exchange contracts	-	-	230	1,523	-	-	230	1,523
Total liabilities	-	-	708	1,523	-	-	708	1,523

The valuation of financial assets and financial liabilities fair value is based on accounting policy disclosed in Note 5.8 Financial assets and Note 5.19 Financial liabilities.

#### *Transfer between fair value hierarchy*

The Group has no transaction transfer between Level 1, Level 2, and Level 3 of the fair value hierarchy during the year.

## 10.2 Fair value valuation techniques

Fair values are categorised into hierarchy based on inputs used as follows:

### 10.2.1 Valuation techniques used to derive level 1 fair values

The fair value of financial instruments is based on quoted prices of each asset or liability by reference of active markets.

### 10.2.2 Valuation techniques used to derive level 2 fair values

The fair value of financial instruments is determined using valuation techniques which significantly use observable data and, as little as possible, the Group specific estimates.

Valuation techniques used to derive level 2 fair values of financial derivatives are as follows:

- Oil price hedge comprises oil price swaps and options. The fair value of oil price swaps is assessed based on the price level calculated using the market price of future contracts. The fair value of oil price options is calculated using premium which requires various variable factors, such as the price level of swap, timing of exercise, and price volatility etc.
- The fair value of forward contracts, including forward foreign exchange contracts with resettable option, are calculated using forward foreign exchange rates that are quoted in an active market for the forward contract portion. The fair value of resettable option is assessed based on various variable factors, such as future forward foreign exchange rate, the market value of swap price, timing of exercise, and foreign exchange rate volatility etc.

- The fair value of cross currency and interest rate swaps including Memorandum of Understanding on Cross Currency Swap (MOU) in relation to interest rate adjustment with financial institutions, is calculated using forward interest rates derived from the yield curves in an observable interest market and forward foreign exchange rates that are quoted in an active market including assessing the possibilities of interest rate adjustment according to MOU.

### 10.2.3 Valuation techniques used to derive level 3 fair values

The fair value of financial instruments is measured using unobservable inputs in which the Group uses discounted cash flows method to derive level 3 fair value.

Changes in level 3 fair value of financial instruments for the years ended as at 31 December 2023 and 2022 are as follows:

Consolidated financial statements				
Unit: Million US Dollar				
	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through comprehensive income	Contingent consideration from disposal of participating interest	Contingent considerations from business acquisition
Opening balance as at 1				
January 2022	-	-	-	72
Increase	-	-	-	-
Changes recognised in profit or loss	-	-	-	(71)
Closing balance as at 31				
December 2022	-	-	-	(1)
Increase	3	-	61	-
Changes recognised in profit or loss	(1)	-	-	-
Closing balance as at 31				
December 2023	2	-	61	(1)

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	Consolidated financial statements			
	Unit: Million Baht			
	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through comprehensive income	Contingent consideration from disposal of participating interest	Contingent considerations from business acquisition
Opening balance as at 1				
January 2022	-	1	-	(2,412)
Increase	-	-	-	(3)
Changes recognised in profit or loss	-	-	-	2,478
Currency translation differences	-	-	-	(113)
Closing balance as at 31				
December 2022	-	1	-	(50)
Increase	97	-	2,083	25
Changes recognised in profit or loss	(20)	-	-	1
Closing balance as at 31				
December 2023	77	1	2,083	(26)

During 2022, the contingent consideration in a business acquisition of Block 61 Sultanate of Oman (Oman Block 61) was changed due to possibilities in relation to conditions as specified in sale and purchase agreement (SPA). The Group recognised such changes in contingent consideration in the consolidated statement of income.

During 2023, the contingent consideration from disposal of participating interest in petroleum retention lease AC/RL7 as disclosed in Note 2.

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	Separate financial statements
	Unit: Million US Dollar
	Financial assets measured at fair value through other comprehensive income
Opening balance as at 1 January 2022	-
Changes recognised in other comprehensive income	-
Closing balance as at 31 December 2022	-
Changes recognised in other comprehensive income	-
Closing balance as at 31 December 2023	-
	Separate financial statements
	Unit: Million Baht
	Financial assets measured at fair value through other comprehensive income
Opening balance as at 1 January 2022	1
Changes recognised in other comprehensive income	-
Closing balance as at 31 December 2022	1
Changes recognised in other comprehensive income	-
Closing balance as at 31 December 2023	1

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The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

	Fair value				Unobservable inputs	Inputs	
	Unit: Million US Dollar		Unit: Million Baht			2023	2022
	2023	2022	2023	2022			
Financial assets measured at							
fair value through profit or loss	2	-	77	-	Risk-adjusted discount rate	20.00%	-
Contingent consideration from							
disposal of participating interest	61	-	2,083	-	Risk-adjusted discount rate	6.00%	-
Contingent consideration							
in a business combination	1	1	26	50	Risk-adjusted discount rate	2.80%	2.75% - 2.80%

The following table presents the relationship of unobservable inputs to fair value:

	Unobservable input	Movement	Change in fair value	
			Increase in assumption	Decrease in assumption
			2023	2023
Financial assets measured at fair value through profit or loss	Risk-adjusted discount rate	1.00%	Decrease by 0.05%	Increase by 0.05%
Contingent consideration from disposal of participating interest	Risk-adjusted discount rate	1.00%	Decrease by 3.41%	Increase by 3.53%
Contingent consideration in a business combination	Risk-adjusted discount rate	1.00%	Decrease by 0.16%	Increase by 0.16%

*The Group's valuation processes*

Significant unobservable input of fair value hierarchy level 3 is risk adjusted discount rate. It is estimated based on the Group's cost of debt and assumptions relating to possibilities in accordance to conditions as specified in sale and purchase agreement (SPA).

The fair values of investments in unquoted equity, classified as financial assets and measured at fair value through comprehensive income, were assessed based on business plan and market conditions. Management considers that the book value of the financial assets approximates their fair value.

The following figures presented fair value and book value of financial assets and financial liabilities for each category, but not include transaction which has a book value similar to fair value.

The details of fair values of long-term loans receivables and long-term liabilities as at 31 December 2023 and 2022 calculated by using the discounted cash flow based on a discount rate of borrowing with similar terms are as follows:

Consolidated financial statements				
Unit: Million US Dollar				
	Book value		Fair value	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Unsecured and unsubordinated debentures	2,785	2,809	2,683	2,567

  

Consolidated financial statements				
Unit: Million Baht				
	Book value		Fair value	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Unsecured and unsubordinated debentures	95,320	97,095	91,822	88,723

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	Separate financial statements			
	Unit: Million US Dollar			
	Book value		Fair value	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Long-term loans to related parties	6,983	6,983	6,973	7,479
Unsecured and unsubordinated debentures	508	503	532	537

	Separate financial statements			
	Unit: Million Baht			
	Book value		Fair value	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Long-term loans to related parties	238,975	241,343	238,639	258,501
Unsecured and unsubordinated debentures	17,390	17,387	18,208	18,570

Book value of long-term loans to related parties and unsecured and unsubordinated debentures is measured at amortised cost.

The fair value of debentures in Thai Baht is calculated using the reference price in the secondary market of Thai Bond Market Association that are quoted in an active market and classified as level 2 fair value.

The fair value of debentures in US Dollar is calculated using the reference observable price in the secondary market of foreign bond that is quoted in an active market and classified as level 2 fair value.

The fair value of long-term loans to related parties is calculated by the discounted cash flow method using the reference discount rate in the market and classified as level 3 fair value.

The fair values of the following financial assets and liabilities approximate their book values.

The book value of long-term loans approximates their fair value, since their interest rates are close to market rate.

Consolidated financial statements	Separate financial statements
<b>Financial assets</b>	<b>Financial assets</b>
<ul style="list-style-type: none"><li>● Cash and cash equivalents</li><li>● Short-term investments</li><li>● Trade and other receivables</li><li>● Other current assets</li><li>● Loans to related parties</li><li>● Other non-current financial assets</li><li>● Other non-current assets</li></ul>	<ul style="list-style-type: none"><li>● Cash and cash equivalents</li><li>● Short-term investments</li><li>● Trade and other receivables</li><li>● Other current assets</li><li>● Other non-current assets</li></ul>
<b>Financial liabilities</b>	<b>Financial liabilities</b>
<ul style="list-style-type: none"><li>● Trade and other payables</li><li>● Lease liabilities</li><li>● Other current liabilities</li></ul>	<ul style="list-style-type: none"><li>● Trade and other payables</li><li>● Short-term loans from related parties</li><li>● Lease liabilities</li><li>● Other current liabilities</li></ul>

Book value of the above financial assets and liabilities is measured at amortised cost.

## 11 Cash and cash equivalents

Cash and cash equivalents are comprised:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Cash and bank deposits	2,021	2,069	69,143	71,503
Cash equivalents				
Fixed deposits with banks	1,762	1,114	60,310	38,501
Treasury bills due not over than 3 months	35	-	1,199	-
Money market funds	201	356	6,890	12,320
Total cash and cash equivalents	4,019	3,539	137,542	122,324

  

	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Cash and bank deposits	258	253	8,844	8,749
Cash equivalents				
Fixed deposits with banks	545	581	18,659	20,056
Money market funds	151	356	5,150	12,320
Total cash and cash equivalents	954	1,190	32,653	41,125

## 12 Short-term investments

Short-term investments are comprised:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
Fixed deposits	200	-	6,845	-
Total short-term investments	200	-	6,845	-

  

	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
Fixed deposits	200	-	6,845	-
Total short-term investments	200	-	6,845	-

## 13 Trade and other receivables

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
Trade receivables (Note 16)	1,124	996	38,462	34,439
Other receivables, net	695	224	23,779	7,727
Total trade and other receivables, net	1,819	1,220	62,241	42,166

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	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Trade receivables (Note 16)	370	409	12,659	14,141
Other receivables, net	480	402	16,432	13,889
Total trade and other receivables, net	850	811	29,091	28,030

Aging of trade receivables can be analysed as follows:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Not yet due	1,078	964	36,898	33,325
Over due				
- Up to 3 months	21	6	710	221
- Over 3 months but not over 6 months	-	-	5	-
- Over 6 months but not over 12 months	-	1	3	26
- Over 12 months	25	25	846	867
Total	1,124	996	38,462	34,439

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	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Not yet due	346	384	11,831	13,275
Over due				
- Up to 3 months	-	-	-	-
- Over 3 months but not over 6 months	-	-	-	-
- Over 6 months but not over 12 months	-	-	-	-
- Over 12 months	24	25	828	866
Total	370	409	12,659	14,141

Due to the short-term nature of the current receivables, their carrying amounts are considered to be the same as their fair values.

#### 14 Other current financial assets

Other current financial assets are comprised investments in fixed income fund. The movements of other current financial assets for the years ended 31 December are as follows:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Opening book value	1	-	23	-
Increase	57	226	1,984	7,915
Decrease	(59)	(223)	(2,051)	(7,826)
Foreign exchange differences	1	(2)	44	(66)
Closing book value	-	1	-	23

Other current financial assets above are financial assets at fair value through profit or loss (FVPL). The Group's exposure on credit risk is related to investment in debt measured at FVPL. The ultimate risk at the end of reporting period is equivalent to the book value of the investments.

15 Inventories

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
Inventory	58	40	1,986	1,368
Materials and supplies	564	537	19,317	18,569
	622	577	21,303	19,937
<u>Less</u> Allowance for slow moving and obsolete	(11)	(24)	(389)	(822)
Total	611	553	20,914	19,115

  

	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
Inventory	13	11	422	391
Materials and supplies	85	108	2,917	3,745
	98	119	3,339	4,136
<u>Less</u> Allowance for slow moving and obsolete	(2)	(11)	(69)	(414)
Total	96	108	3,270	3,722

## 16 Significant transactions with related parties

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

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

PTT Public Company Limited, a company registered in Thailand, is the major shareholder of the Company and holds in proportion of 63.79% of the shareholding interest. The general public hold the remaining shares.

Other related parties are entities that are contractual by the Company's major shareholder.

The pricing policies for transactions between parent company, subsidiaries, associates, joint ventures, joint operations and related parties are as follows:

- Sales are set based on the sale agreements.
- Interest income is calculated using weighted average cost of debt plus profit markup.
- Other income is calculated based on rate in the agreement.
- Dividend income is approved by shareholders of subsidiaries, associates and joint ventures.
- The prices of purchases and services charged are in accordance with the conditions in the agreement.
- Rental expenses are set based on price in the agreement.
- Other expenses comprise management and service fees charged to the parent company, subsidiaries and related parties for rendering the management services in the normal course of business. The fees are based on the service costs plus profit markup, and gain and loss on oil price hedge is calculated based on rate in the agreement.

Significant transactions with related parties are summarised as follows:

a) **Transactions with related parties**

Transactions with related parties for the years ended 31 December are as follows:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Parent company				
Revenue from sales	5,580	6,498	194,090	227,961
Other income	12	7	406	231
Purchase and other expenses	4	5	148	179
Associates				
Interest income	-	-	13	1
Other income	1	1	22	38
Dividend income	3	4	103	119
Rental and service expenses	74	59	2,578	2,058
Purchase and other expenses	-	-	1	2
Joint ventures				
Dividend income	50	58	1,734	2,014
Other related parties				
Revenue from sales	873	549	30,363	19,920
Interest income	-	-	-	13
Other income	7	2	253	72
Purchase and other expenses	124	100	4,324	3,513

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	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Parent company				
Revenue from sales	2,264	3,621	78,432	126,935
Other income	2	2	52	64
Purchase and other expenses	4	5	134	163
Subsidiaries				
Other income	158	141	5,508	4,949
Interest income	394	334	13,702	11,667
Dividend income	71	133	2,479	4,713
Associates				
Other income	1	1	33	48
Dividend income	3	3	103	97
Rental and service expenses	67	38	2,339	1,317
Other related parties				
Revenue from sales	212	74	7,392	2,697
Other income	-	-	14	12
Purchase and other expenses	4	10	128	351

b) **Account receivable - related party**

Account receivable - related party is comprised:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Parent company	768	676	26,269	23,360

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	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Parent company	329	377	11,275	13,033

c) **Short-term loans to a related party**

Short-term loans to a related party are comprised:

	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Joint venture	8	1	258	46

The Group has provided the unsecured loan in US Dollar to the joint venture and the interest rates for the year ended 31 December 2023 were 1.20% - 7.25% per annum (2022: interest rate was 7% per annum).

d) **Long-term loans to related parties**

Long-term loans to related parties are comprised:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Joint venture	-	-	15	15

The Group has provided the unsecured loan in Thai Baht to the joint venture and the interest rates for the year ended 31 December 2023 were 6.85% - 8.10% per annum (2022: interest rates were 6.25% - 6.85% per annum).

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	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Subsidiary	6,983	6,983	238,975	241,343

The Company has provided the unsecured loan in US Dollar to the subsidiary and the interest rate for the year ended 31 December 2023 was 5.56% per annum (2022: interest rate was 4.74% per annum). The borrower shall make the repayment notice within this loan term which is over than 1 year.

The movements of the long-term loans to related parties for the years are as follows:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Balance as at 1 January	-	42	15	1,387
Increase	-	-	-	15
Decrease	-	(42)	-	(1,452)
Currency translation differences	-	-	-	65
Balance as at 31 December	-	-	15	15

	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Balance as at 1 January	6,983	6,441	241,343	215,252
Increase	-	542	-	18,961
Currency translation differences	-	-	(2,368)	7,130
Balance as at 31 December	6,983	6,983	238,975	241,343

*Loans to related parties*

Loans to related parties measured at amortised cost are considered to have low credit risk. The expected credit loss in the following 12 months and lifetime expected credit losses of the loans from increasing in credit risk is insignificant.

**e) Short-term loans from a related party**

Short-term loans from a related party are comprised:

	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Subsidiary	494	512	16,901	17,682

The Group has a unsecured loan from a subsidiary in Thai Baht and the interest rates for the year ended 31 December 2023 were 2.00% - 5.32% per annum (2022: interest rate were 2.00% - 3.80% per annum).

**f) Director and executive management fees of the Group**

Director and executive management fees of the Group for the years ended 31 December are as follows:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Short-term benefits	8	7	267	244
Post-employment and other long-term benefits	-	-	13	8
	8	7	280	252

	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Short-term benefits	8	7	266	244
Post-employment and other long-term benefits	-	-	13	8
	8	7	279	252

### 17 Investments in subsidiaries, associates, joint ventures and joint operations

The amounts of investments recognised in the statement of financial position are as follows:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Investments in associates	134	116	4,591	3,987
Investments in joint ventures	151	162	5,177	5,607
Total	285	278	9,768	9,594

	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Investments in associates	3,210	3,198	109,876	110,539
Investments in joint ventures	26	26	875	884
Total	3,236	3,224	110,751	111,423

### 17.1 Investments in subsidiaries

Changes of investments in subsidiaries during the years are as follows:

For the years ended 31 December	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Opening book value	3,198	2,485	110,539	83,041
Increase in investments	12	713	428	24,960
Currency translation differences	-	-	(1,091)	2,538
Closing book value	3,210	3,198	109,876	110,539

#### *Direct investments*

On 15 May 2023, PTTEP Energy Holding (Thailand) Company Limited (PTTEP EH), a subsidiary of the Company, increased its authorised share capital amounting to Baht 13.74 million by issuing of 0.14 million new ordinary shares at a par value of Baht 100 each. The Company paid the share subscription according to the Company's shareholding portion with an amount equivalent to US Dollar 0.4 million.

On 19 December 2023, PTTEP EH increased its authorised share capital amounting to Baht 428.39 million by issuing of 4.28 million new ordinary shares at a par value of Baht 100 each. The Company paid the share subscription according to the Company's shareholding portion with an amount equivalent to US Dollar 11.91 million.

#### *Indirect investments*

On 10 January 2023, AI and Robotics Ventures Company Limited (ARV), a subsidiary of the Group, established Bind Systems Company Limited (BIND) with a registered capital of Baht 5 million. The registered capital comprises 0.5 million ordinary shares at a par value of Baht 10 each. ARV holds 100% interest in BIND. Its registered shares were fully paid with an amount equivalent to US Dollar 0.14 million. The Group classifies the investment in BIND as an investment in a subsidiary.

On 10 January 2023, ARV established Bedrock Analytics Company Limited (Bedrock) with a registered capital of Baht 5 million. The registered capital comprises 0.5 million ordinary shares at a par value of Baht 10 each. ARV holds 100% interest in Bedrock. Its registered shares were fully paid with an amount equivalent to US Dollar 0.14 million. The Group classifies the investment in Bedrock as an investment in a subsidiary.

On 10 January 2023, Rovula (Thailand) Co., Ltd. (Rovula), a subsidiary of the Group, established S2 Robotics Company Limited (S2) with a registered capital of Baht 1 million. The registered capital comprises 0.01 million ordinary shares at a par value of Baht 100 each. Rovula holds 100% interest in S2. Its registered shares were fully paid with an amount equivalent to US Dollar 0.03 million. The Group classifies the investment in S2 as an investment in a subsidiary.

On 25 May 2023, S2 increased its authorised share capital and additional investor participated in. As a result, the Group's shareholding interest in S2 decreased from 100% to 85.13%. S2 is still a subsidiary of the Group.

On 6 June 2023, Varuna (Thailand) Company Limited (Varuna), a subsidiary of the Group, increased its authorised share capital and additional investors participated in. As a result, the Group's shareholding interest in Varuna decreased from 100% to 92.75%. Later on 15 August 2023, Varuna decreased its authorised share capital amounting to Baht 134.57 million by reducing of 13.46 million ordinary shares. As a result, the Group's shareholding interest in Varuna decreased to 90%. Varuna is still a subsidiary of the Group.

On 11 December 2023, FutureTech Energy Ventures Co., Ltd. (FTEV), a subsidiary of the Group, established FutureTech SG Pte. Ltd. (FSG) with a registered capital of US Dollar 0.05 million. The registered capital comprises 0.05 million ordinary shares at a par value of US Dollar 1 each. FTEV holds 100% interest in FSG. Its registered shares were unpaid. The Group classifies the investment in FSG as an investment in a subsidiary.

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Details of investments in subsidiaries of the Company are as follows:

List of subsidiaries	Country of incorporation	Type of business	Participating interest (%)		Separate financial statements (Cost method)					
			(including direct holding)		(including indirect holding)		Unit: Million US Dollar		Unit: Million Baht	
			31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December
			2023	2022	2023	2022	2023	2022	2023	2022
PTTEP International Limited (PTTEPI)	Thailand	Petroleum	100	100	-	-	516	516	17,672	17,847
PTTEP Services Limited (PTTEP Services)	Thailand	Human resource support	25	25	75	75	-	-	3	3
PTTEP Siam Limited (PTTEP Siam)	Thailand	Petroleum	51	51	49	49	100	100	3,415	3,449
PTTEP Offshore Investment Company Limited (PTTEPO)	Cayman Islands	Petroleum	75	75	25	25	-	-	-	-
PTTEP HK Holding Limited (PTTEP HK)	Hong Kong	Petroleum	25	25	75	75	484	484	16,564	16,728
PTTEP Treasury Center Company Limited (PTTEP TC)	Thailand	Treasury center for the Group's business	25	25	75	75	-	-	3	3
PTTEP Energy Holding (Thailand) Company Limited (PTTEP EH)	Thailand	Petroleum	100	100	-	-	2,110	2,098	72,219	72,509

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Indirect subsidiaries of the Company for the consolidated financial statements are as follows:

List of subsidiaries	Country of incorporation	Type of business	Participating interest (%) (including indirect holding)	
			31 December 2023	31 December 2022
PTTEP Business Center Company Limited (PTTEP BC)	Thailand	Petroleum	100	100
PTTEP Energy Development Company Limited (PTTEP ED)	Thailand	Petroleum	100	100
EP-Tech Ventures Holding Company Limited (EP-Tech)	Thailand	Petroleum related technology	100	100
AI and Robotics Ventures Company Limited (ARV)	Thailand	Technology	100	100
PTTEP Southwest Vietnam Company Limited (PTTEP SV)	Cayman Islands	Petroleum	100	100
PTTEP Kim Long Vietnam Company Limited (PTTEP KV)	Cayman Islands	Petroleum	100	100
PTTEP Hoang-Long Company Limited (PTTEP HL)	Cayman Islands	Petroleum	100	100
PTTEP Hoan-Vu Company Limited (PTTEP HV)	Cayman Islands	Petroleum	100	100
PTTEP Algeria Company Limited (PTTEP AG)	Cayman Islands	Petroleum	100	100
PTTEP Holding Company Limited (PTTEPH)	Cayman Islands	Petroleum	100	100
PTTEP Indonesia Company Limited (PTTEP ID)	Cayman Islands	Petroleum	100	100
PTTEP Africa Investment Limited (PTTEP AI)	Cayman Islands	Petroleum	100	100
PTTEP Australia Pty Ltd (PTTEP AU) <sup>1</sup>	Commonwealth of Australia	Petroleum	-	100
PTTEP Australia Offshore Pty Ltd (PTTEP AO) <sup>1</sup>	Commonwealth of Australia	Petroleum	-	100
PTTEP South Asia Limited (PTTEP SA)	Cayman Islands	Petroleum	100	100
PTTEP Australia Perth Pty Ltd (PTTEP AP)	Commonwealth of Australia	Petroleum	100	100
PTTEP Australia Browse Basin Pty Ltd (PTTEP AB)	Commonwealth of Australia	Petroleum	100	100
PTTEP Australia Timor Sea Pty Ltd (PTTEP AT)	Commonwealth of Australia	Petroleum	100	100
PTTEP Australasia (Operations) Pty Ltd (PTTEP AAO)	Commonwealth of Australia	Petroleum	100	100
PTTEP Australasia (Ashmore Cartier) Pty Ltd (PTTEP AAA)	Commonwealth of Australia	Petroleum	100	100
PTTEP Australasia (Staff) Pty Ltd (PTTEP AAS)	Commonwealth of Australia	Petroleum	100	100

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List of subsidiaries	Country of incorporation	Type of business	Participating interest (%) (including indirect holding)	
			31 December 2023	31 December 2022
PTTEP International Holding Company Limited (PTTEP IH)	Cayman Islands	Petroleum	100	100
PTTEP Southwest Vietnam Pipeline Company Limited (PTTEP SVPC)	Cayman Islands	Gas pipeline transportation	100	100
PTTEP Netherland Holding Limited (PTTEP NL)	Cayman Islands	Petroleum	100	100
JV Marine Limited (JV Marine)	Cayman Islands	Petroleum	100	100
PTTEP South Mandar Limited (PTTEP SMD) <sup>2</sup>	Cayman Islands	Petroleum	-	100
PTTEP Malunda Limited (PTTEP ML)	Cayman Islands	Petroleum	100	100
PTTEP Netherlands Coöperatie U.A. (PTTEP NC)	Netherlands	Petroleum	100	100
PTTEP Canada Limited (PTTEP CA)	Canada	Petroleum	100	100
PTTEP Canada International Finance Limited (PTTEP CIF) <sup>3</sup>	Canada	Investment funding for the Group's business	-	100
Cove Energy Limited (Cove)	United Kingdom of Great Britain and Northern Ireland	Petroleum	100	100
Cove Energy East Africa Limited (CEEAL)	Republic of Cyprus	Petroleum	100	100
PTTEP Mozambique Area 1 Limited (PTTEP MZA1)	Republic of Cyprus	Petroleum	100	100
PTTEP Netherlands Holding Coöperatie U.A. (PTTEP NH)	Netherlands	Petroleum	100	100
PTTEP Brazil Investment B.V. (PTTEP BI)	Netherlands	Petroleum	100	100
PTTEP Brazil Investments in Oil and Gas Exploration and Production Limitada (PTTEP BL) <sup>4</sup>	Federative Republic of Brazil	Petroleum	-	100
Sinphuhorm Holdings Limited (SHL)	Cayman Islands	Petroleum	100	100
PTTEP SP Limited (PTTEP SP)	United Kingdom of Great Britain and Northern Ireland	Petroleum	100	100
PTTEP G7 Limited (PTTEP G7) <sup>5</sup>	Thailand	Petroleum	-	100
PTTEP HK Offshore Limited (PTTEP HKO)	Hong Kong	Petroleum	100	100
PTTEP MENA Limited (PTTEP MENA)	Hong Kong	Petroleum	100	100
PTTEP Mexico E&P Limited, S. de R.L. de C.V. (PTTEP MEP)	Mexico	Petroleum	100	100
PTTEP Sabah Oil Limited (PTTEP SBO)	Bahamas	Petroleum	100	100
PTTEP Sarawak Oil Limited (PTTEP SKO)	Bahamas	Petroleum	100	100

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List of subsidiaries	Country of incorporation	Type of business	Participating interest (%) (including indirect holding)	
			31 December	31 December
			2023	2022
PTTEP Group Holding B.V. (PGH)	Netherlands	Petroleum	100	100
PTTEP (Kazakhstan) Corporation (PKC)	Cayman Islands	Petroleum	100	100
PTTEP (Angola) Corporation (PANG)	Cayman Islands	Petroleum	100	100
Partex (Brazil) Corporation (PBC) <sup>6</sup>	Cayman Islands	Petroleum	-	100
PTTEP Gas Corporation (PGC)	Republic of Panama	Petroleum	100	100
Partex Services Corporation (PSC)	Republic of Panama	Human resource support	100	100
PTTEP Oman E&P Corporation (POC)	Republic of Panama	Petroleum	100	100
Asia Power and Transportation SG Holding PTE. LTD. (APT)	Singapore	Petroleum related business	100	100
Delta Gas Transportation SG Holding PTE. LTD. (DGH)	Singapore	Gas pipeline transportation	100	100
Delta Gas Transportation Limited (DGT)	Republic of the Union of Myanmar	Gas pipeline transportation	100	100
Rovula (Thailand) Company Limited (Rovula)	Thailand	Technology	100	100
Skyller Solutions Company Limited (Skyller)	Thailand	Technology	100	100
Varuna (Thailand) Company Limited (Varuna)	Thailand	Technology	90	100
Cariva (Thailand) Company Limited (Cariva)	Thailand	Technology	100	100
FutureTech Energy Ventures Company Limited (FTEV)	Thailand	Renewable energy and related new business	100	100
FutureTech Solar (Thailand) Company Limited (FST)	Thailand	Solar power	100	100
Xplor Ventures Company Limited. (XPV)	Thailand	Technology and innovation	100	100
Bind Systems Company Limited (BIND)	Thailand	Technology	100	-
Bedrock Analytics Company Limited (Bedrock)	Thailand	Technology	100	-
S2 Robotics Company Limited (S2)	Thailand	Technology	85.13	-
FutureTech SG Pte. Ltd. (FSG)	Singapore	Renewable energy and related new business	100	-

<sup>1</sup> On 3 March 2023, PTTEP Australia Pty Ltd (PTTEP AU) and PTTEP Australia Offshore Pty Ltd (PTTEP AO), subsidiaries of the Group, completed the dissolution and liquidation.

<sup>2</sup> On 29 December 2023, PTTEP South Mandar Limited (PTTEP SMD), a subsidiary of the Group, received the approval for dissolution from the registrar.

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- <sup>3</sup> On 31 December 2023, PTTEP Canada International Finance Limited (PTTEP CIF), a subsidiary of the Group, received the approval for dissolution from the registrar.
- <sup>4</sup> On 31 August 2022, PTTEP Netherlands Holding Coöperatie U.A. (PTTEP NH) and PTTEP Brazil Investment B.V. (PTTEP BI), subsidiaries of the Group, entered into a Sale and Purchase Agreement (SPA) to sell their investments in PTTEP Brazil Investments in Oil and Gas Exploration and Production Limitada (PTTEP BL), which is a subsidiary of the Group registered in Federative Republic of Brazil, to Ubuntu Engenharia e Serviços Ltda. The sale was completed on 23 February 2023.
- <sup>5</sup> On 4 November 2022, PTTEP G7 Limited (PTTEP G7), a subsidiary of the Group, has registered for the dissolution with the Ministry of Commerce and the liquidation was completed on 31 August 2023.
- <sup>6</sup> On 29 March 2023, Partex (Brazil) Corporation (PBC), a subsidiary of the Group, received the approval for dissolution from the registrar.

## 17.2 Investments in associates

Changes of investments in associates during the years are as follows:

For the years ended 31 December	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Opening book value	116	221	3,987	7,382
Share of net profit after income taxes	10	11	350	377
Dividends received	(3)	(4)	(103)	(119)
Share of other comprehensive income (expenses)				
- Remeasurement of employee benefits	-	-	-	7
- Measurement of financial assets	-	-	-	9
- Currency difference arising from translation of financial statements of associates	1	(2)	31	(92)
Increase in investments	10	17	372	577
Disposal of investment	-	(127)	-	(4,451)
Currency translation differences	-	-	(46)	297
Closing book value	134	116	4,591	3,987

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For the years ended 31 December	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Opening book value	26	26	884	855
Currency translation differences	-	-	(9)	29
Closing book value	26	26	875	884

On 15 May 2023, MoZ LNG1 Holding Company Ltd (HoldCo), an associate of the Group, increased its authorised share capital amounting to US Dollar 60.31 million by issuing of 60.31 million new ordinary shares at a par value of US Dollar 1 each. The Group paid the share subscription according to the Group's shareholding portion amounting to US Dollar 5.13 million.

On 30 November 2023, HoldCo increased its authorised share capital amounting to US Dollar 60.44 million by issuing of 60.44 million new ordinary shares at a par value of US Dollar 1 each. The Group paid the share subscription according to the Group's shareholding portion with an amount equivalent to US Dollar 5.14 million.

On 14 December 2023, FutureTech Energy Ventures Co., Ltd. (FTEV), a subsidiary of the Group, and its joint partners, established Hydrogen Duqm LLC (HDL) with a registered capital of Omani Rial 1.5 million. The registered capital comprises 1.5 million ordinary shares at a par value of Omani Rial 1 each. FTEV holds 11% interest in HDL. Its registered shares were unpaid. The Group classifies the investment in HDL as an investment in an associate. This investment aligns with the Group's strategy to expand into the clean energy business.

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Details of investments in associates of the Group and the Company are as follows:

List of associates <sup>1,2</sup>	Country of incorporation	Type of business	Consolidated financial statements (Equity method)					
			Participating interest (%) (including indirect holding)		Unit: Million US Dollar		Unit: Million Baht	
			31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Energy Complex Company Limited (Energy Complex)	Thailand	Property rental services	50	50	75	69	2,579	2,367
PTT Digital Solutions Company Limited (PTT Digital)	Thailand	Information technology and communication services	20	20	22	19	751	658
PTTEP AP Group's Associates <sup>3</sup>	Commonwealth of Australia	Air base services	50	50	-	-	-	-
Leismer Aerodrome Limited (LAL)	Canada	Air transportation	32	32	-	-	-	-
MoZ LNG1 Holding Company Ltd (HoldCo) <sup>4</sup>	United Arab Emirates	Petroleum	8.5	8.5	36	28	1,246	962
Gas Investments and Services Company Limited (GISCO) <sup>4</sup>	Bermuda	Investment funding, technology, and human resource support	5	5	-	-	-	-
Hydrogen Duqm LLC (HDL) <sup>4</sup>	Sultanate of Oman	Renewable energy and related new business	11	-	-	-	15	-

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List of associates <sup>1,2</sup>	Country of incorporation	Type of business	Consolidated financial statements (Cost method)					
			Participating interest (%) (including indirect holding)		Unit: Million US Dollar		Unit: Million Baht	
			31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Energy Complex Company Limited (Energy Complex)	Thailand	Property rental services	50	50	25	25	848	857
PTT Digital Solutions Company Limited (PTT Digital)	Thailand	Information technology and communication services	20	20	1	1	27	27

<sup>1</sup> All investments in associates have been assessed as immaterial to the Group.

<sup>2</sup> The Group has no contingent liabilities with participating interest in associates.

<sup>3</sup> PTTEP AP's Group Associates are North Kimberley Airport Pty Ltd and Troughton Island Pty Ltd.

<sup>4</sup> The Group has significant influence over these companies due to its contractual rights to appoint directors, but not to the point of having joint control.

### Individually immaterial associates

The Group has interests in a number of individually immaterial associates that are accounted for using equity method as follows:

	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Aggregate carrying amount of share of individually immaterial associates	134	116	4,591	3,987
	Unit: Million US Dollar		Unit: Million Baht	
For the years ended 31 December	2023	2022	2023	2022
Aggregate amounts of the Group's share of associates:				
Profit from continuing operations	10	11	350	377
Other comprehensive income	1	(2)	31	(76)
Total comprehensive income for the year	11	9	381	301

### 17.3 Investments in Joint Ventures

Changes of investments in Joint Ventures during the years are as follows:

For the years ended 31 December	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Opening book value	162	210	5,607	7,026
Share of net profit after income taxes	33	9	1,127	290
Dividends received	(50)	(58)	(1,734)	(2,014)
Share of other comprehensive income				
- Currency differences arising from translation of financial statements of joint ventures	-	-	1	-
Increase in investments	6	1	211	40
Currency translation differences	-	-	(35)	265
Closing book value	151	162	5,177	5,607

On 24 August 2023, Skyller Solutions Company Limited (Skyller), a subsidiary of the Group, co-established NILA Solutions Company Limited (NILA) with a registered capital of Baht 20 million. The registered capital comprises 0.20 million ordinary shares at a par value of Baht 100 each. Skyller holds 50% interest in NILA. The Group paid the share subscription according to the Group's shareholding portion with an amount equivalent to US Dollar 0.29 million. The Group classifies the investment in NILA as an investment in a joint venture.

On 14 December 2023, Varuna (Thailand) Company Limited (Varuna), a subsidiary of the Group, co-invested in Green Aranya Co., Ltd. (GARY) with a registered capital of Baht 33.33 million. Varuna holds 10% interest in Gary. Its registered shares were fully paid with an amount equivalent to US Dollar 5.62 million. The Group classifies the investment in Gary as an investment in a joint venture. This investment aligns with the Group's strategy to expand into the clean energy business.

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Details of investments in joint ventures of the Group are as follows;

List of joint ventures <sup>1, 2, 3</sup>	Country of incorporation	Type of business	Participating interest (%)		Consolidated financial statements (Equity method)			
			(including indirect holding)		Unit: Million US Dollar		Unit: Million Baht	
			31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Erawan 2 FSO PTE. Ltd. (Erawan 2 FSO PTE.)	Singapore	FSO rental services	13.11	13.11	29	32	997	1,117
APICO LLC (APICO)	United States of America	Petroleum	72.8215	72.8215	97	95	3,326	3,285
Oman LNG LLC (OLNG)	Sultanate of Oman	Petroleum	2	2	16	33	560	1,149
ATI Technologies Company Limited (ATI) <sup>4</sup>	Thailand	Technology	45	50	-	-	-	-
ZeaQuest Company Limited (ZeaQuest)	Thailand	Technology	50	50	2	1	61	23
AeroSky Solutions Co., Ltd. (AeroSky)	Thailand	Technology	33	33	-	-	1	4
B-MED X Company Limited (B-MED X)	Thailand	Technology	50	50	-	-	5	10
SkyVIV Company Limited (SKYVIV)	Thailand	Technology	23.2	23.2	1	1	17	19
NILA Solutions Company Limited (NILA)	Thailand	Technology	50	-	-	-	10	-
Green Aranya Company Limited (GARY)	Thailand	Technology	9	-	6	-	200	-



#### 17.4 Investments in Joint Operations

Details of investments in joint operations of the Group are as follows;

List of joint operations <sup>1</sup>	Country of incorporation	Type of business	Participating interest (%) (including indirect holding)	
			31 December 2023	31 December 2022
Carigali - PTTEPI Operating Company Sdn Bhd. (CPOC)	Malaysia	Petroleum	50	50
Moattama Gas Transportation Company Limited (MGTC)	Bermuda	Gas pipeline transportation	37.0842	37.0842
Yadana Suboo Company Limited (YS) <sup>2</sup>	Republic of the Union of Myanmar	Community enterprise	-	37.0842
Taninthayi Pipeline Company LLC (TPC) <sup>3</sup>	Cayman Islands	Gas pipeline transportation	-	19.3178
Orange Energy Limited (Orange)	Thailand	Petroleum	53.9496	53.9496
B8/32 Partners Limited (B8/32 Partners)	Thailand	Petroleum	25.0009	25.0009
Hoang Long Joint Operating Company (HL JOC)	Socialist Republic of Vietnam	Petroleum	28.5	28.5
Hoan-Vu Joint Operating Company (HV JOC)	Socialist Republic of Vietnam	Petroleum	25	25
Groupement Bir Seba (GBRS)	People's Democratic Republic of Algeria	Petroleum	35	35
Andaman Transportation Limited (ATL)	Cayman Islands	Gas pipeline transportation	80	80
Natuna 2 B.V. (Natuna)	Netherlands	Petroleum	50	50
Petroleum Development Oman LLC (PDO)	Sultanate of Oman	Petroleum	2	2
Abu Dhabi Gas Industries Limited (AGP)	United Arab Emirates	Petroleum	2	2
Private Oil Holdings Oman Limited (POHOL)	United Kingdom of Great Britain and Northern Ireland	Petroleum	5	5
Petroleum Development Oman Services LLC (PDO-S)	Sultanate of Oman	Petroleum	1.9998	1.9998
Groupement Hassi Bir Rekaiz (GHBR)	People's Democratic Republic of Algeria	Petroleum	49	49

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<sup>1</sup> The Group has joint control over these companies because shareholder agreements assigned the structure of the business operation and strategic, operating and financing decisions which required unanimous consent from all parties.

<sup>2</sup> On 22 December 2023, Yadana Suboo Company Limited (YS), a joint operation of the Group, completed the dissolution and liquidation.

<sup>3</sup> On 29 April 2022, PTTEP Offshore Investment Company Limited (PTTEPO), subsidiary of the Company, notified its intention to withdraw from Taninthayi Pipeline Company LLC (TPC), with participating interest 19.32%. The withdrawal was effective on 31 May 2023.

### 17.5 Exploration and Production Projects

Details of exploration and production projects operated by the Group comprise of the projects which the Group had joint control and control. The projects with control are the projects that the Group has 100% participating interest.

Project	Country	Operator	Participating interest (%)	
			31 December 2023	31 December 2022
<b>PTT Exploration and Production Public Company Limited</b>				
Bongkot <sup>1</sup>	Thailand	PTT Exploration and Production Public Company Limited	66.6667	66.6667
Arthit	Thailand	PTT Exploration and Production Public Company Limited	80	80
Contract 4 (B12/27)	Thailand	Chevron Thailand Exploration and Production, Ltd.	45	45
Sinphuhorm (E5 North)	Thailand	PTTEP SP Limited	20	20
S1	Thailand	PTTEP Siam Limited	25	25
Contract 3 (B10, B11, B12 and B13) <sup>2</sup>	Thailand	Chevron Thailand Exploration and Production, Ltd.	5	5
E5	Thailand	ExxonMobil Exploration and Production Khorat Inc.	20	20
Algeria Hassi Bir Rekaiz	People's Democratic Republic of Algeria	Groupement Hassi Bir Rekaiz	49	49

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Project	Country	Operator	Participating interest (%)	
			31 December 2023	31 December 2022
<b>PTTEP International Limited (PTTEPI)</b>				
Yadana	Republic of the Union of Myanmar	PTTEP International Limited	37.0842	37.0842
Yetagun <sup>3</sup>	Republic of the Union of Myanmar	Gulf Petroleum Myanmar Company Limited	-	19.31784
PTTEP 1	Thailand	PTTEP International Limited	100	100
G4/43	Thailand	Chevron Offshore (Thailand) Ltd	21.375	21.375
G9/43	Thailand - Kingdom of Cambodia	PTTEP International Limited	100	100
L22/43	Thailand	PTTEP International Limited	100	100
L53/43 and L54/43	Thailand	PTTEP International Limited	100	100
G4/48	Thailand	Chevron Pattani, Ltd.	5	5
Bongkot (G12/48)	Thailand	PTTEP International Limited	66.6667	66.6667
Contract 4 (G7/50)	Thailand	Chevron Pattani, Ltd.	60	60
Arthit (G8/50)	Thailand	PTTEP International Limited	80	80
Zawtika	Republic of the Union of Myanmar	PTTEP International Limited	80	80
Myanmar M3	Republic of the Union of Myanmar	PTTEP International Limited	100	100
MTJDA	Thailand - Malaysia	Carigali-PTTEPI Operating Company Sdn Bhd.	50	50
<b>PTTEP Offshore Investment Company Limited (PTTEPO)</b>				
B8/32 and 9A <sup>4</sup>	Thailand	Chevron Offshore (Thailand) Ltd.	25.001	25.001
<b>PTTEP Southwest Vietnam Company Limited (PTTEP SV)</b>				
Vietnam 52/97	Socialist Republic of Vietnam	Vietnam Oil and Gas Group	7	7

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Project	Country	Operator	Participating interest (%)	
			31 December 2023	31 December 2022
<b>PTTEP Kim Long Vietnam Company Limited (PTTEP KV)</b>				
Vietnam B and 48/95	Socialist Republic of Vietnam	Vietnam Oil and Gas Group	8.5	8.5
<b>PTTEP Hoang-Long Company Limited (PTTEP HL)</b>				
Vietnam 16-1	Socialist Republic of Vietnam	Hoang Long Joint Operating Company	28.5	28.5
<b>PTTEP Hoan-Vu Company Limited (PTTEP HV)</b>				
Vietnam 9-2	Socialist Republic of Vietnam	Hoan-Vu Joint Operating Company	25	25
<b>PTTEP Algeria Company Limited (PTTEP AG)</b>				
Algeria 433a and 416b	People's Democratic Republic of Algeria	Groupement Bir Seba	35	35
<b>PTTEP Siam Limited (PTTEP Siam)</b>				
Sinphuhorm (EU-1)	Thailand	PTTEP SP Limited	20	20
B6/27 <sup>5</sup>	Thailand	PTTEP Siam Limited	100	100
S1	Thailand	PTTEP Siam Limited	75	75
<b>PTTEP Canada Limited (PTTEP CA)</b>				
Mariana Oil Sands <sup>6</sup>	Canada	PTTEP Canada Limited	-	100
<b>PTTEP Australia Perth Pty Ltd (PTTEP AP)</b>				
PTTEP Australasia *	Commonwealth of Australia			

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Block	Operator	Participating interest (%)	
		31 December 2023	31 December 2022

\* Details of operators and participating interests in PTTEP Australasia Project are as follows:

AC/RL7 <sup>7</sup>	PTTEP Australasia (Ashmore Cartier) Pty Ltd	-	100
AC/RL12	PTTEP Australasia (Ashmore Cartier) Pty Ltd	100	100
AC/P54 <sup>8</sup>	PTTEP Australasia (Ashmore Cartier) Pty Ltd	-	100
AC/RL10 <sup>9</sup>	PTTEP Australia Timor Sea Pty Ltd	-	90
AC/RL4 <sup>10</sup>	PTTEP Australia Timor Sea Pty Ltd	-	100
AC/RL6 <sup>11</sup>	PTTEP Australia Timor Sea Pty Ltd	-	100

Project	Country	Operator	Participating interest (%)	
			31 December 2023	31 December 2022

**PTTEP Mozambique Area 1 Limited (PTTEP MZA1)**

Mozambique Area 1	Republic of Mozambique	TotalEnergies EP Mozambique Area 1 Limitada	8.5	8.5
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**Natuna 2 B.V. (Natuna)**

Natuna Sea A	Republic of Indonesia	Premier Oil Natuna Sea BV	11.5	11.5
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**PTTEP Brazil Investments in Oil and Gas Exploration and Production Limitada (PTTEP BL)**

Barreirinhas AP1 <sup>12</sup>	Federative Republic of Brazil	Shell Brasil Petroleo Ltda.	-	25
Brazil BM-ES-23 <sup>12</sup>	Federative Republic of Brazil	Petróleo Brasileiro S.A. (Petrobas)	-	20

**PTTEP SP Limited (PTTEP SP)**

Contract 4 (B12/27)	Thailand	Chevron Thailand Exploration and Production Ltd.	15	15
Sinphuhorm (E5 North and EU-1)	Thailand	PTTEP SP Limited	35	35

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Project	Country	Operator	Participating interest (%)	
			31 December 2023	31 December 2022
<b>PTTEP HK Offshore Limited (PTTEP HKO)</b>				
Malaysia SK410B	Malaysia	PTTEP HK Offshore Limited	42.5	42.5
Malaysia SK417	Malaysia	PTTEP HK Offshore Limited	80	80
Malaysia SK438	Malaysia	PTTEP HK Offshore Limited	80	80
Malaysia PM407	Malaysia	PTTEP HK Offshore Limited	55	55
Malaysia PM415 <sup>13</sup>	Malaysia	PTTEP HK Offshore Limited	-	70
Malaysia SB412	Malaysia	PTTEP HK Offshore Limited	60	60
<b>PTTEP Mexico E&amp;P Limited, S. de R.L. de C.V. (PTTEP MEP)</b>				
Mexico block 12 (2.4) <sup>14</sup>	Mexico	PC Carigali Mexico Operations, S.A. de C.V.	20	20
Mexico block 29 (2.4)	Mexico	Repsol Exploración México, S.A. de C.V.	16.67	16.67
<b>PTTEP Energy Development Company Limited (PTTEP ED)</b>				
G1/61	Thailand	PTTEP Energy Development Company Limited	60	60
G2/61	Thailand	PTTEP Energy Development Company Limited	100	100
G1/65 <sup>15</sup>	Thailand	PTTEP Energy Development Company Limited	100	-
G3/65 <sup>15</sup>	Thailand	PTTEP Energy Development Company Limited	100	-
<b>PTTEP MENA Limited (PTTEP MENA)</b>				
Abu Dhabi Offshore 1	United Arab Emirates	Eni Abu Dhabi B.V.	30	30
Abu Dhabi Offshore 2	United Arab Emirates	Eni Abu Dhabi B.V.	30	30
Oman Onshore Block 12	Sultanate of Oman	TotalEnergies EP Oman Block 12 B.V.	20	20
Abu Dhabi Offshore 3	United Arab Emirates	Eni Abu Dhabi B.V.	30	30
Oman Block 61	Sultanate of Oman	BP Exploration (Epsilon) Limited (BP)	20	20
Sharjah Onshore Area A	United Arab Emirates	Eni Sharjah B.V.	25	25
Sharjah Onshore Area C	United Arab Emirates	Eni Sharjah B.V.	25	25

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Project	Country	Operator	Participating interest (%)	
			31 December 2023	31 December 2022

PTTEP Sabah Oil Limited (PTTEP SBO)

Malaysia Block K **	Malaysia
Malaysia Block H ***	Malaysia

\*\* Details of operators and participating interests in Malaysia Block K project are as follows:

Block	Operator	Participating interest (%)	
		31 December 2023	31 December 2022
Kikeh	PTTEP Sabah Oil Limited	56	56
SNP	PTTEP Sabah Oil Limited	22.4	22.4
GK	Sabah Shell Petroleum Co., Ltd.	7.1657292	7.1657292

\*\*\* Details of operators and participating interests in Malaysia Block H project are as follows:

Block	Operator	Participating interest (%)	
		31 December 2023	31 December 2022
Rotan	PTTEP Sabah Oil Limited	56	56
Others	PTTEP Sabah Oil Limited	42	42

Project	Country	Operator	Participating interest (%)	
			31 December 2023	31 December 2022

PTTEP Sarawak Oil Limited (PTTEP SKO)

Malaysia SK314A	Malaysia	PTTEP Sarawak Oil Limited	59.5	59.5
Malaysia SK405B	Malaysia	PTTEP Sarawak Oil Limited	59.5	59.5
Malaysia SK325 <sup>16</sup>	Malaysia	Petronas Carigali Sdn. Bhd.	32.5	-
Malaysia SK309 and SK311 ****	Malaysia			

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\*\*\*\* Details of operators and participating interests in Sarawak SK 309 and Sarawak SK 311 projects are as follows:

Block	Operator	Participating interest (%)	
		31 December 2023	31 December 2022
East Patricia	PTTEP Sarawak Oil Limited	42	42
Others	PTTEP Sarawak Oil Limited	59.5	59.5

Project	Country	Operator	Participating interest (%)	
			31 December 2023	31 December 2022

PTTEP Holding Group B.V. (PGH)

Block 17/06 <sup>17</sup>	Angola	TotalEnergies E&P Angola Block 17.06 (TEPA)	-	2.5
Dunga	Kazakhstan	Dunga Operating GmbH	20	20
Oman Block 6	Sultanate of Oman	Petroleum Development Oman LLC	2	2
Oman Block 53	Sultanate of Oman	Occidental Mukhaizna, LLC	1	1

<sup>1</sup> On 7 March 2023, the concession of Bongkot Project, which the Company holds 66.6667% participating interests, has ended. The Company returned those blocks. However, the concessionaire still has joint obligations for decommissioning until it has been finished as required by the specific laws.

<sup>2</sup> On 23 April 2023, the concession of Contract 3 Project, which the Company holds 5% participating interests, has ended. The Company returned those blocks. However, the concessionaire still has joint obligations for decommissioning until it has been finished as required by the specific laws.

<sup>3</sup> On 29 April 2022, PTTEP International Limited (PTTEPI) notified its intentions to withdraw from Yetagun project, which the Group had the participating interest at 19.32%. This withdrawal was effective on 31 May 2023.

<sup>4</sup> PTTEP Offshore Investment Company Limited (PTTEPO) has shareholding interest in Orange Energy Limited and B8/32 Partners Limited, which hold the project's concession.

<sup>5</sup> On 5 February 2023, the concession of B6/27 Project, which PTTEP Siam Limited (PTTEP Siam), a subsidiary of the Company, holds 100% participating interests, has ended. PTTEP Siam returned those blocks. However, the concessionaire still has joint obligations for decommissioning until it has been finished as required by the specific laws.

<sup>6</sup> On 1 August 2023, PTTEP Canada Limited (PTTEP CA), a subsidiary of the Group, submitted a request to terminate and return the exploration block of Mariana Oil Sands Project in accordance with Canada Government.

<sup>7</sup> On 18 August 2023, PTTEP Australasia (Ashmore Cartier) Pty Ltd (PTTEP AAA), a subsidiary of the Group, entered into a Sale and Purchase Agreement (SPA) to sell its total interest in petroleum retention lease AC/RL7 to INPEX Cash Maple Pty Ltd and TotalEnergies Exploration Australia Pty Ltd. The transaction was completed on 22 December 2023 as disclosed in Note 2.

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- <sup>8</sup> PTTEP AAA submitted a request to terminate and return the concession block of AC/P54 Project on 22 December 2022, and received the official approval from the Government of the Commonwealth of Australia on 16 March 2023.
- <sup>9</sup> On 27 February 2023, PTTEP Australia Timor Sea Pty Ltd (PTTEP AT), a subsidiary of the Group, received the approval from the Government of the Commonwealth of Australia to transfer the 90% participating interest in AC/RL 10 Project to Bengal Energy Ltd.
- <sup>10</sup> On 27 July 2023, PTTEP AT received the approval from the Government of the Commonwealth of Australia to return the concession block of AC/RL 4 which expired on 15 June 2023.
- <sup>11</sup> PTTEP AT submitted a request not to extend the concession block of AC/RL 6 Project on 20 December 2022, and received the official approval from the Government of the Commonwealth of Australia on 14 February 2023.
- <sup>12</sup> On 31 August 2022, PTTEP Netherlands Holding Holding Coöperatie U.A. (PTTEP NH) and PTTEP Brazil Investment B.V. (PTTEP BI), subsidiaries of the Group, signed a sale and purchase agreement to sell all of the investment in PTTEP Brazil Investments in Oil and Gas Exploration and Production Limitada (PTTEP BL), a subsidiary of the Group, which registered in Federative Republic of Brazil, to Ubuntu Engenharia e Serviços Ltda. The transaction was completed on 23 February 2023.
- <sup>13</sup> On 8 November 2023, PTTEP HK Offshore Limited (PTTEP HKO), a subsidiary of the Group, submitted a request to terminate and return 70% of the exploration block of PM415 to Petroliam Nasional Berhad (PETRONAS) after completing the obligations in accordance with the production sharing contract. The termination agreement is effective on 20 March 2023.
- <sup>14</sup> On 12 June 2023, Mexico block 12 (2.4) Project has ended the first exploration phase. PTTEP Mexico E&P Limited, S. de R.L. de C.V. (PTTEP MEP), a subsidiary of the Group, holds 20% participation interests in this block. The operator submitted a request to terminate and return the block. The termination will be effective after receiving the official approval from the Government of Mexico.
- <sup>15</sup> On 7 March 2023, PTTEP Energy Development Limited (PTTEP ED), a subsidiary of the Group, won the bidding and got the rights for petroleum exploration and production of Exploration Blocks No. G1/65 and G3/65, located in the Gulf of Thailand. PTTEP ED is the operator with a 100% participating interest in both projects. PTTEP ED signed the Production Sharing Contract (PSC) of those two projects on 30 May 2023 with the effective date on 1 June 2023.
- <sup>16</sup> On 15 February 2023, PTTEP Sarawak Oil Limited (PTTEP SKO), a subsidiary of the Group, signed a Production Sharing Contract (PSC) with Petroliam Nasional Berhad (PETRONAS), for exploration and production rights of Block SK 325, located in the offshore Sarawak, Malaysia. PTTEP SKO holds a 32.5% participating interest in this Block. The Group classified this investment as an investment in a joint operation.
- <sup>17</sup> On 16 December 2022, PTTEP (Angola) Corporation (PANG), a subsidiary of the Group, signed a sale and purchase agreement to sell all of the investment in Block 17/06 in Angola (2.5%) to SOMOIL BLOCO 17/06 (SU), S.A. The sale was completed on 22 December 2023.

For the projects that the Group had joint control, the joint operating agreements assigned the structure of the business operation and strategic, operating and financing decisions which required unanimous consent from all parties.

18 Property, plant and equipment

	Consolidated financial statements				
	Unit: Million US Dollar				
	Exploration and production assets	Pipeline	Others	Assets under construction	Total
<b>As at 1 January 2022</b>					
Cost	31,583	894	153	2,932	35,562
<u>Less</u> Accumulated depreciation	(23,367)	(338)	(105)	-	(23,810)
<u>Less</u> Accumulated impairment	(361)	(11)	-	-	(372)
Net book value	7,855	545	48	2,932	11,380
<b>For the year ended 31 December 2022</b>					
Opening net book value	7,855	545	48	2,932	11,380
Additions	1,751	-	22	1,253	3,026
Disposals and write-off, net	(274)	(12)	(1)	(4)	(291)
Reclassification	579	-	18	(601)	(4)
Reclassification to assets held-for-sale	(10)	-	-	-	(10)
Depreciation charged	(2,184)	(28)	(9)	-	(2,221)
Closing net book value	7,717	505	78	3,580	11,880
<b>As at 31 December 2022</b>					
Cost	31,644	819	188	3,580	36,231
<u>Less</u> Accumulated depreciation	(23,648)	(314)	(110)	-	(24,072)
<u>Less</u> Accumulated impairment *	(279)	-	-	-	(279)
Net book value	7,717	505	78	3,580	11,880

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	Consolidated financial statements				
	Unit: Million US Dollar				
	Exploration and production assets	Pipeline	Others	Assets under construction	Total
<b>For the year ended 31 December 2023</b>					
Opening net book value	7,717	505	78	3,580	11,880
Additions	2,291	3	27	738	3,059
Disposals and write-off, net	(5)	-	(1)	(8)	(14)
Reclassification	1,343	-	-	(1,120)	223
Depreciation charged	(2,241)	(29)	(13)	-	(2,283)
Closing net book value	9,105	479	91	3,190	12,865
<b>As at 31 December 2023</b>					
Cost	30,966	822	211	3,190	35,189
<u>Less</u> Accumulated depreciation	(21,582)	(343)	(120)	-	(22,045)
<u>Less</u> Accumulated impairment	(279)	-	-	-	(279)
Net book value	9,105	479	91	3,190	12,865

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	Consolidated financial statements				
	Unit: Million Baht				
	Exploration and production assets	Pipeline	Others	Assets under construction	Total
<b>As at 1 January 2022</b>					
Cost	1,055,511	29,878	5,106	97,991	1,188,486
<u>Less</u> Accumulated depreciation	(780,932)	(11,293)	(3,502)	-	(795,727)
<u>Less</u> Accumulated impairment	(12,062)	(390)	-	-	(12,452)
Net book value	262,517	18,195	1,604	97,991	380,307
<b>For the year ended 31 December 2022</b>					
Opening net book value	262,517	18,195	1,604	97,991	380,307
Additions	61,265	12	775	43,830	105,882
Disposals and write-off, net	(9,591)	(426)	(28)	(138)	(10,183)
Reclassification	20,252	-	641	(21,014)	(121)
Reclassification to assets held-for-sale	(345)	-	-	-	(345)
Depreciation charged	(76,876)	(954)	(342)	-	(78,172)
Currency translation differences	9,480	641	39	3,086	13,246
Closing net book value	266,702	17,468	2,689	123,755	410,614
<b>As at 31 December 2022</b>					
Cost	1,093,703	28,314	6,478	123,755	1,252,250
<u>Less</u> Accumulated depreciation	(817,353)	(10,846)	(3,789)	-	(831,988)
<u>Less</u> Accumulated impairment <sup>*</sup>	(9,648)	-	-	-	(9,648)
Net book value	266,702	17,468	2,689	123,755	410,614

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	Consolidated financial statements				
	Unit: Million Baht				
	Exploration and production assets	Pipeline	Others	Assets under construction	Total
<b>For the year ended 31 December 2023</b>					
Opening net book value	266,702	17,468	2,689	123,755	410,614
Additions	79,678	119	928	25,643	106,368
Disposals and write-off, net	(201)	-	(33)	(281)	(515)
Reclassification	46,728	-	7	(38,965)	7,770
Depreciation charged	(77,985)	(1,033)	(447)	-	(79,465)
Currency translation differences	(3,324)	(157)	(25)	(995)	(4,501)
Closing net book value	311,598	16,397	3,119	109,157	440,271
<b>As at 31 December 2023</b>					
Cost	1,059,763	28,153	7,214	109,157	1,204,287
<u>Less</u> Accumulated depreciation	(738,612)	(11,756)	(4,095)	-	(754,463)
<u>Less</u> Accumulated impairment	(9,553)	-	-	-	(9,553)
Net book value	311,598	16,397	3,119	109,157	440,271

\* Decrease in accumulated impairment in 2022 was due to withdrawal from Yetagun project and Taninthayi Pipeline Company LLC (TPC).

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	Separate financial statements			
	Unit: Million US Dollar			
	Exploration and production assets	Others	Assets under construction	Total
<b>As at 1 January 2022</b>				
Cost	13,628	87	648	14,363
<u>Less</u> Accumulated depreciation	(12,153)	(64)	-	(12,217)
Net book value	1,475	23	648	2,146
<b>For the year ended 31 December 2022</b>				
Opening net book value	1,475	23	648	2,146
Additions	331	9	135	475
Disposals and write-off, net	(168)	-	(1)	(169)
Reclassification	295	17	(312)	-
Depreciation charged	(816)	(5)	-	(821)
Closing net book value	1,117	44	470	1,631
<b>As at 31 December 2022</b>				
Cost	12,573	111	470	13,154
<u>Less</u> Accumulated depreciation	(11,456)	(67)	-	(11,523)
Net book value	1,117	44	470	1,631

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	Separate financial statements			
	Unit: Million US Dollar			
	Exploration and production assets	Others	Assets under construction	Total
<b>For the year ended 31 December 2023</b>				
Opening net book value	1,117	44	470	1,631
Additions	257	8	112	377
Disposals and write-off, net	(3)	-	(5)	(8)
Reclassification	218	4	(222)	-
Depreciation charged	(523)	(6)	-	(529)
Closing net book value	1,066	50	355	1,471
<b>As at 31 December 2023</b>				
Cost	8,828	122	355	9,305
<u>Less</u> Accumulated depreciation	(7,762)	(72)	-	(7,834)
Net book value	1,066	50	355	1,471

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	Separate financial statements			
	Unit: Million Baht			
	Exploration and production assets	Others	Assets under construction	Total
<b>As at 1 January 2022</b>				
Cost	455,445	2,895	21,667	480,007
<u>Less</u> Accumulated depreciation	(406,156)	(2,117)	-	(408,273)
Net book value	49,289	778	21,667	71,734
<b>For the year ended 31 December 2022</b>				
Opening net book value	49,289	778	21,667	71,734
Additions	11,572	319	4,706	16,597
Disposals and write-off, net	(5,861)	(7)	(35)	(5,903)
Reclassification	10,316	604	(10,920)	-
Depreciation charged	(28,737)	(155)	-	(28,892)
Currency translation differences	2,025	(4)	816	2,837
Closing net book value	38,604	1,535	16,234	56,373
<b>As at 31 December 2022</b>				
Cost	434,566	3,843	16,234	454,643
<u>Less</u> Accumulated depreciation	(395,962)	(2,308)	-	(398,270)
Net book value	38,604	1,535	16,234	56,373

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	Separate financial statements			
	Unit: Million Baht			
	Exploration and production assets	Others	Assets under construction	Total
<b>For the year ended 31 December 2023</b>				
Opening net book value	38,604	1,535	16,234	56,373
Additions	8,949	290	3,889	13,128
Disposals and write-off, net	(99)	(6)	(176)	(281)
Reclassification	7,568	145	(7,713)	-
Depreciation charged	(18,051)	(225)	-	(18,276)
Currency translation differences	(494)	(18)	(96)	(608)
Closing net book value	36,477	1,721	12,138	50,336
<b>As at 31 December 2023</b>				
Cost	302,134	4,198	12,138	318,470
<u>Less</u> Accumulated depreciation	(265,657)	(2,477)	-	(268,134)
Net book value	36,477	1,721	12,138	50,336

During the year ended 31 December 2023, the Group reclassified the petroleum reserves that have been found to be technically and commercially producible from exploration and evaluation assets (Note 21) to property, plant and equipment.

As at 31 December 2023 and 2022, the Group has capital expenditure commitments as disclosed in Note 36.1.

19 Right-of-use assets

	Consolidated financial statements		
	Unit: Million US Dollar		
	Exploration and production assets	Others	Total
<b>As at 1 January 2022</b>			
Cost	672	44	716
<u>Less</u> Accumulated amortisation	(186)	(10)	(196)
Net book value	486	34	520
<b>For the year ended 31 December 2022</b>			
Opening net book value	486	34	520
Additions	619	20	639
Decreases	(7)	-	(7)
Reclassification	21	-	21
Agreement modification	7	-	7
Amortisation charged	(190)	(15)	(205)
Closing net book value	936	39	975
<b>As at 31 December 2022</b>			
Cost	1,234	61	1,295
<u>Less</u> Accumulated amortisation	(298)	(22)	(320)
Net book value	936	39	975

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	Consolidated financial statements		
	Unit: Million US Dollar		
	Exploration and production assets	Others	Total
<b>For the year ended 31 December 2023</b>			
Opening net book value	936	39	975
Additions	144	3	147
Decreases	(25)	(5)	(30)
Agreement modification	24	-	24
Amortisation charged	(259)	(18)	(277)
Closing net book value	820	19	839
<b>As at 31 December 2023</b>			
Cost	1,292	46	1,338
<u>Less</u> Accumulated amortisation	(472)	(27)	(499)
Net book value	820	19	839

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	Consolidated financial statements		
	Unit: Million Baht		
	Exploration and production assets	Others	Total
<b>As at 1 January 2022</b>			
Cost	22,459	1,463	23,922
<u>Less</u> Accumulated amortisation	(6,233)	(320)	(6,553)
Net book value	16,226	1,143	17,369
<b>For the year ended 31 December 2022</b>			
Opening net book value	16,226	1,143	17,369
Additions	21,658	697	22,355
Decreases	(254)	(6)	(260)
Reclassification	724	-	724
Agreement modification	240	1	241
Amortisation charged	(6,705)	(514)	(7,219)
Currency translation differences	439	39	478
Closing net book value	32,328	1,360	33,688
<b>As at 31 December 2022</b>			
Cost	42,644	2,113	44,757
<u>Less</u> Accumulated amortisation	(10,316)	(753)	(11,069)
Net book value	32,328	1,360	33,688

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	Consolidated financial statements		
	Unit: Million Baht		
	Exploration and production assets	Others	Total
<b>For the year ended 31 December 2023</b>			
Opening net book value	32,328	1,360	33,688
Additions	4,996	91	5,087
Decreases	(867)	(159)	(1,026)
Agreement modification	850	(2)	848
Amortisation charged	(9,015)	(623)	(9,638)
Currency translation differences	(247)	(1)	(248)
Closing net book value	28,045	666	28,711
<b>As at 31 December 2023</b>			
Cost	44,200	1,593	45,793
<u>Less</u> Accumulated amortisation	(16,155)	(927)	(17,082)
Net book value	28,045	666	28,711

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	Separate financial statements		
	Unit: Million US Dollar		
	Exploration and production assets	Others	Total
<b>As at 1 January 2022</b>			
Cost	55	33	88
<u>Less</u> Accumulated amortisation	(25)	(7)	(32)
Net book value	30	26	56
<b>For the year ended 31 December 2022</b>			
Opening net book value	30	26	56
Additions	11	18	29
Decreases	(2)	-	(2)
Agreement modification	4	-	4
Amortisation charged	(30)	(13)	(43)
Closing net book value	13	31	44
<b>As at 31 December 2022</b>			
Cost	41	50	91
<u>Less</u> Accumulated amortisation	(28)	(19)	(47)
Net book value	13	31	44

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	Separate financial statements		
	Unit: Million US Dollar		
	Exploration and production assets	Others	Total
<b>For the year ended 31 December 2023</b>			
Opening net book value	13	31	44
Additions	42	-	42
Decreases	(3)	(4)	(7)
Agreement modification	4	-	4
Amortisation charged	(13)	(16)	(29)
Closing net book value	43	11	54
<b>As at 31 December 2023</b>			
Cost	61	33	94
<u>Less</u> Accumulated amortisation	(18)	(22)	(40)
Net book value	43	11	54

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	Separate financial statements		
	Unit: Million Baht		
	Exploration and production assets	Others	Total
<b>As at 1 January 2022</b>			
Cost	1,862	1,099	2,961
<u>Less</u> Accumulated amortisation	(844)	(238)	(1,082)
Net book value	1,018	861	1,879
<b>For the year ended 31 December 2022</b>			
Opening net book value	1,018	861	1,879
Additions	381	622	1,003
Decreases	(57)	6	(51)
Agreement modification	153	1	154
Amortisation charged	(1,085)	(448)	(1,533)
Currency translation differences	55	30	85
Closing net book value	465	1,072	1,537
<b>As at 31 December 2022</b>			
Cost	1,445	1,717	3,162
<u>Less</u> Accumulated amortisation	(980)	(645)	(1,625)
Net book value	465	1,072	1,537

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	Separate financial statements		
	Unit: Million Baht		
	Exploration and production assets	Others	Total
<b>For the year ended 31 December 2023</b>			
Opening net book value	465	1,072	1,537
Additions	1,452	9	1,461
Decreases	(97)	(159)	(256)
Agreement modification	120	(4)	116
Amortisation charged	(468)	(540)	(1,008)
Currency translation differences	(20)	1	(19)
Closing net book value	1,452	379	1,831
<b>As at 31 December 2023</b>			
Cost	2,096	1,132	3,228
<u>Less</u> Accumulated amortisation	(644)	(753)	(1,397)
Net book value	1,452	379	1,831

20 Goodwill

	Consolidated		Separate	
	financial statements		financial statements	
	Unit: Million US Dollar	Unit: Million Baht	Unit: Million US Dollar	Unit: Million Baht
<b>As at 1 January 2022</b>				
Cost	2,016	67,381	75	2,512
<u>Less</u> Provision for impairment	(275)	(9,204)	-	-
Net book value	1,741	58,177	75	2,512
<b>For the year ended 31 December 2022</b>				
Opening net book value	1,741	58,177	75	2,512
Reclassification to assets held-for-sale	(2)	(76)	-	-
Allowance for impairment of assets	(190)	(6,611)	-	-
Currency translation differences	-	2,034	-	86
Closing net book value	1,549	53,524	75	2,598
<b>As at 31 December 2022</b>				
Cost	2,014	69,609	75	2,598
<u>Less</u> Provision for impairment	(465)	(16,085)	-	-
Net book value	1,549	53,524	75	2,598
<b>For the year ended 31 December 2023</b>				
Opening net book value	1,549	53,524	75	2,598
Decrease *	(76)	(2,623)	(75)	(2,614)
Allowance for impairment of assets	(120)	(4,255)	-	-
Currency translation differences	-	(335)	-	16
Closing net book value	1,353	46,311	-	-
<b>As at 31 December 2023</b>				
Cost	1,938	66,345	-	-
<u>Less</u> Provision for impairment	(585)	(20,034)	-	-
Net book value	1,353	46,311	-	-

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\* The decrease of goodwill was due to the project, which has ended during the year.

Goodwill is allocated to the Group's cash-generating units (CGUs).

Goodwill allocation net from impairment presented by the CGUs as follows:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
<b>As at 31 December</b>				
Exploration and production				
Thailand	445	521	15,230	17,988
Other Southeast Asia	454	454	15,541	15,695
Middle East	142	142	4,861	4,909
Africa	251	371	8,583	12,815
Others	44	44	1,500	1,515
Others	17	17	596	602
<b>Total</b>	<b>1,353</b>	<b>1,549</b>	<b>46,311</b>	<b>53,524</b>
	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
<b>As at 31 December</b>				
Exploration and production				
Thailand	-	75	-	2,598
<b>Total</b>	<b>-</b>	<b>75</b>	<b>-</b>	<b>2,598</b>

### Goodwill impairment testing

The Group tested impairment of goodwill from business acquisition annually, or more frequently if events or changes in circumstances indicate that it might be impaired. The Group compares the carrying amount of the goodwill with the recoverable amount of each cash-generating units which is the higher of the fair value less cost to sell or value-in-use.

An asset or group of assets described as cash-generating unit (CGU) is the smallest identifiable group of assets that generates inflows that are largely independent from the cash flows from other CGUs. The Group considers the CGU at the individual project level assessing the expected future cash flows over the average life of the project with a growth rate along with the industry's information.

The measurements of fair value less cost to sell and value-in-use are based on a proved and probable reserve production profile including other key estimates and assumptions. These include the short-term forward oil price curve, e.g. Brent and Dubai, and the long-term oil price based on global supply and demand. They also include the project management teams estimate of the capital expenditure and operating expenditure approved by management using a constant inflation rate at rate of 2% for periods beyond five years, exchange rates, discount rates, and past industry performance. These estimates and assumptions were consistent with external information sources. The weighted average cost of capital of each project in each region is used as the discount rate for financial estimates.

For the consolidated financial statements, the discount rates for the exploration and production segment are:

- Southeast Asia: 8% - 10% per annum (2022: 7% - 9% per annum)
- Africa: 10% - 11% per annum (2022: 10% - 11% per annum)
- Middle East: 7% - 12% per annum (2022: 8% - 11% per annum)
- others: 11% - 12% per annum (2022: 8% - 9% per annum)

For separate financial statements, the discount rate for the exploration and production segment is:

- Southeast Asia: 9% - 10% per annum (2022: 7% - 9% per annum)

If the discount rate used for goodwill impairment testing of CGUs, which did not recognise any impairment loss in the current year, increases by approximately 0.01% - 6% per annum, there would still be no allowance for goodwill impairment recognised in the consolidated financial statements for the year ended 31 December 2023.

**Impairment loss on goodwill**

During the year 2023, the Group considered and found that a project in the development phase changed its development plan based on current situation, resulting in a significant delay in its operation. This event was the key indicator that required the Group to do an impairment assessment for this project. The Group found that there was an impairment loss on goodwill.

The Group measured the recoverable amount of assets using fair value less cost to sell, based on a proved and probable reserve production profile including other key estimates and assumptions. These included the short-term forward oil price curve and the long-term oil price based on global supply and demand, the project management team estimate of the capital expenditure and operating expenditure approved by management using the constant inflation rate for periods beyond five years, exchange rates, discount rates, and past industry performance. These estimates and assumptions were consistent with external information sources. The Group used discounted cash flows based on the average life of the project, which are greater than five years, with discount rates ranging from 10% - 11%.

During the year ended 31 December 2023, the Group recognised impairment loss on goodwill in the consolidated statement of income as follows:

	Consolidated financial statements	
	Unit: Million US Dollar	Unit: Million Baht
	Impairment loss on goodwill	120
Total	120	4,255

Group of assets	Basis using to identify the recoverable amount	Consolidated financial statements		
		Unit: Million US Dollar		
		The carrying amount of group of assets before impairment	The carrying amount of group of assets after impairment	Impairment loss
Overseas	Fair value less cost to sell	2,681	2,561	120
			Total	120

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		Consolidated financial statements		
		Unit: Million Baht		
Group of assets	Basis using to identify the recoverable amount	The carrying amount of group of assets before impairment	The carrying amount of group of assets after impairment	Impairment loss
Overseas	Fair value less cost to sell	91,900	87,645	4,255
			Total	4,255

The amount of impairment loss on goodwill is disclosed in Note 9 Segment and revenue information.

## 21 Exploration and evaluation assets

	Consolidated financial statements	
	Unit: Million US Dollar	Unit: Million Baht
<b>As at 1 January 2022</b>		
Cost	4,446	148,599
<u>Less</u> Accumulated impairment	(1,325)	(44,286)
Net book value	3,121	104,313
<b>For the year ended 31 December 2022</b>		
Opening net book value	3,121	104,313
Additions	95	3,329
Decreases	(28)	(995)
Reclassification	(17)	(603)
Reclassification to assets held-for-sale <sup>1</sup>	(99)	(3,470)
Currency translation differences	-	3,587
Closing net book value	3,072	106,161

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	Consolidated financial statements	
	Unit: Million US Dollar	Unit: Million Baht
<b>As at 31 December 2022</b>		
Cost	4,312	149,032
<u>Less</u> Accumulated impairment	(1,240)	(42,871)
Net book value	3,072	106,161
<b>For the year ended 31 December 2023</b>		
Opening net book value	3,072	106,161
Additions	159	5,531
Decreases	(63)	(2,182)
Decrease from disposal of participating interest (Note 2)	(189)	(6,542)
Reclassification	(223)	(7,770)
Currency translation differences	-	(867)
Closing net book value	2,756	94,331
<b>As at 31 December 2023</b>		
Cost	2,756	94,331
<u>Less</u> Accumulated impairment <sup>2</sup>	-	-
Net book value	2,756	94,331

<sup>1</sup> Sell all of the investment in PTTEP Brazil Investments in Oil and Gas Exploration and Production Limitada (PTTEP BL), completed on 23 February 2023, and from sell all of the investment in Block 17/6 in Angola at 2.5%, completed on 22 December 2023.

<sup>2</sup> Terminate and return all of the exploration block of Mariana Oil Sands Project of PTTEP Canada Limited (PTTEP CA), completed on 1 August 2023.

## 22 Deferred income taxes

Deferred tax assets and liabilities are comprised:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Deferred tax assets	534	929	18,274	32,125
Deferred tax liabilities	(1,526)	(1,575)	(52,238)	(54,449)
Deferred taxes, net	(992)	(646)	(33,964)	(22,324)
	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Deferred tax assets	270	549	9,245	18,958
Deferred tax liabilities	(1)	-	(18)	-
Deferred taxes, net	269	549	9,227	18,958

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The movements in deferred tax assets and liabilities during the year are as follows:

	Consolidated financial statements			
	Unit: Million US Dollar			
	As at 1 January 2023	Statement of income	Statement of comprehensive income	As at 31 December 2023
<b>Deferred tax assets</b>				
Decommissioning costs	994	(79)	-	915
Provision for employee benefits	63	1	3	67
Property, plant and equipment and intangible assets	6	(3)	-	3
Loss carried forward	116	(81)	-	35
Financial derivatives	9	2	5	16
Allowance for impairment loss on assets	134	(4)	-	130
Lease liabilities	16	42	-	58
Cost recovery	26	(2)	-	24
Others	116	(40)	-	76
	1,480	(164)	8	1,324
Tax effect of currency translation on tax base	-	-	-	-
	1,480	(164)	8	1,324
<b>Deferred tax liabilities</b>				
Property, plant and equipment and intangible assets	2,031	240	-	2,271
Financial derivatives	2	6	(6)	2
Others	76	(58)	-	18
	2,109	188	(6)	2,291
Tax effect of currency translation on tax base	17	8	-	25
	2,126	196	(6)	2,316
<b>Deferred taxes, net</b>	(646)	(360)	14	(992)

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	Consolidated financial statements			
	Unit: Million US Dollar			
	As at 1 January 2022	Statement of income	Statement of comprehensive income	As at 31 December 2022
<b>Deferred tax assets</b>				
Decommissioning costs	1,100	(106)	-	994
Provision for employee benefits	79	(9)	(7)	63
Property, plant and equipment and intangible assets	5	1	-	6
Loss carried forward	235	(119)	-	116
Financial derivatives	7	11	(9)	9
Allowance for impairment loss on assets	128	6	-	134
Lease liabilities	8	8	-	16
Cost recovery	252	(226)	-	26
Others	131	(15)	-	116
	1,945	(449)	(16)	1,480
Tax effect of currency translation on tax base	-	-	-	-
	1,945	(449)	(16)	1,480
<b>Deferred tax liabilities</b>				
Property, plant and equipment and intangible assets	2,113	(82)	-	2,031
Financial derivatives	1	(3)	4	2
Others	15	61	-	76
	2,129	(24)	4	2,109
Tax effect of currency translation on tax base	2	15	-	17
	2,131	(9)	4	2,126
<b>Deferred taxes, net</b>	(186)	(440)	(20)	(646)

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	Consolidated financial statements				
	Unit: Million Baht				
	As at 1 January 2023	Statement of income of income	Statement of comprehensive income	Currency translation differences	As at 31 December 2023
<b>Deferred tax assets</b>					
Decommissioning costs	34,386	(3,058)	-	2	31,330
Provision for employee benefits	2,134	32	96	(26)	2,236
Property, plant and equipment and intangible assets	202	(89)	-	(1)	112
Loss carried forward	4,014	(2,797)	-	(11)	1,206
Financial derivatives	335	49	173	6	563
Allowance for impairment loss on assets	4,649	(279)	-	103	4,473
Lease liabilities	545	1,483	-	(37)	1,991
Cost recovery	904	(71)	-	(9)	824
Others	3,968	(1,411)	-	18	2,575
	51,137	(6,141)	269	45	45,310
Tax effect of currency translation on tax base	-	-	-	-	-
	51,137	(6,141)	269	45	45,310
<b>Deferred tax liabilities</b>					
Property, plant and equipment and intangible assets	70,218	7,767	-	(269)	77,716
Financial derivatives	54	228	(219)	1	64
Others	2,626	(1,969)	-	(14)	643
	72,898	6,026	(219)	(282)	78,423
Tax effect of currency translation on tax base	563	304	-	(16)	851
	73,461	6,330	(219)	(298)	79,274
<b>Deferred taxes, net</b>	(22,324)	(12,471)	488	343	(33,964)

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	Consolidated financial statements				
	Unit: Million Baht				
	As at 1 January 2022	Statement of Statement of income	Statement of comprehensive income	Currency translation differences	As at 31 December 2022
<b>Deferred tax assets</b>					
Decommissioning costs	36,776	(3,649)	-	1,259	34,386
Provision for employee benefits	2,602	(326)	(235)	93	2,134
Property, plant and equipment and intangible assets	167	30	-	5	202
Loss carried forward	7,854	(4,105)	(14)	279	4,014
Financial derivatives	238	393	(316)	20	335
Allowance for impairment loss on assets	4,286	211	-	152	4,649
Lease liabilities	268	298	-	(21)	545
Cost recovery	8,427	(7,976)	-	453	904
Others	4,352	(484)	-	100	3,968
	64,970	(15,608)	(565)	2,340	51,137
Tax effect of currency translation on tax base	-	-	-	-	-
	64,970	(15,608)	(565)	2,340	51,137
<b>Deferred tax liabilities</b>					
Property, plant and equipment and intangible assets	70,634	(2,726)	-	2,310	70,218
Financial derivatives	12	(93)	140	(5)	54
Others	503	2,144	-	(21)	2,626
	71,149	(675)	140	2,284	72,898
Tax effect of currency translation on tax base	51	526	-	(14)	563
	71,200	(149)	140	2,270	73,461
<b>Deferred taxes, net</b>	(6,230)	(15,459)	(705)	70	(22,324)

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	Separate financial statements			
	Unit: Million US Dollar			
	As at 1 January 2023	Statement of income	Statement of comprehensive income	As at 31 December 2023
<b>Deferred tax assets</b>				
Decommissioning costs	531	(112)	-	419
Provision for employee benefits	58	1	2	61
Loss carried forward	52	(52)	-	-
Others	12	(5)	4	11
	<u>653</u>	<u>(168)</u>	<u>6</u>	<u>491</u>
<b>Deferred tax liabilities</b>				
Property, plant and equipment and intangible assets	57	162	-	219
Others	47	(41)	(3)	3
	<u>104</u>	<u>121</u>	<u>(3)</u>	<u>222</u>
<b>Deferred taxes, net</b>	<u>549</u>	<u>(289)</u>	<u>9</u>	<u>269</u>
	Separate financial statements			
	Unit: Million US Dollar			
	As at 1 January 2022	Statement of income	Statement of comprehensive income	As at 31 December 2022
<b>Deferred tax assets</b>				
Decommissioning costs	680	(149)	-	531
Provision for employee benefits	71	(6)	(7)	58
Loss carried forward	131	(79)	-	52
Others	40	(19)	(9)	12
	<u>922</u>	<u>(253)</u>	<u>(16)</u>	<u>653</u>
<b>Deferred tax liabilities</b>				
Property, plant and equipment and intangible assets	132	(75)	-	57
Others	-	47	-	47
	<u>132</u>	<u>(28)</u>	<u>-</u>	<u>104</u>
<b>Deferred taxes, net</b>	<u>790</u>	<u>(225)</u>	<u>(16)</u>	<u>549</u>

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	Separate financial statements				
	Unit: Million Baht				
	As at 1 January 2023	Statement of income	Statement of comprehensive income	Currency translation differences	As at 31 December 2023
<b>Deferred tax assets</b>					
Decommissioning costs	18,347	(3,893)	-	(142)	14,312
Provision for employee benefits	1,999	53	91	(23)	2,120
Loss carried forward	1,798	(1,798)	-	-	-
Others	419	(151)	138	(4)	402
	22,563	(5,789)	229	(169)	16,834
<b>Deferred tax liabilities</b>					
Property, plant and equipment and intangible assets	1,958	5,609	-	(74)	7,493
Others	1,647	(1,434)	(99)	-	114
	3,605	4,175	(99)	(74)	7,607
<b>Deferred taxes, net</b>	18,958	(9,964)	328	(95)	9,227

	Separate financial statements				
	Unit: Million Baht				
	As at 1 January 2022	Statement of income	Statement of comprehensive income	Currency translation differences	As at 31 December 2022
<b>Deferred tax assets</b>					
Decommissioning costs	22,721	(5,235)	-	861	18,347
Provision for employee benefits	2,375	(226)	(236)	86	1,999
Loss carried forward	4,387	(2,769)	(14)	194	1,798
Others	1,339	(676)	(311)	67	419
	30,822	(8,906)	(561)	1,208	22,563
<b>Deferred tax liabilities</b>					
Property, plant and equipment and intangible assets	4,398	(2,632)	-	192	1,958
Lease liabilities	20	(20)	-	-	-
Others	3	1,669	-	(25)	1,647
	4,421	(983)	-	167	3,605
<b>Deferred taxes, net</b>	26,401	(7,923)	(561)	1,041	18,958

Deferred income tax assets are recognised for tax loss and carried forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group does not recognise deferred tax asset from tax losses of US Dollar 919 million (2022: US Dollar 1,159 million) to carry forward against future taxable income. Some portions of tax losses could be carried forward against future taxable income without expiration invalid and some portions will be expired during 2024 to 2043.

### 23 Other non-current assets

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Pension scheme investments from joint operation	69	76	2,372	2,626
Contingent consideration from disposal of participating interests	61	-	2,083	-
Advance payment *	36	36	1,227	1,239
Prepaid expenses	13	12	437	397
Others	51	50	1,748	1,747
	230	174	7,867	6,009

\* This represents tax prepayment assessed by the Republic of the Union of Myanmar Revenue Department from the privilege of tax exemptions in case of the reinvestment and the transfer of participating interest to the investors for the projects in Republic of the Union of Myanmar. The Group is in process of preparing to appeal the tax assessment case to the Supreme Court's consideration.

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	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Prepaid expenses	5	2	159	69
Deferred remuneration under agreement	4	6	146	208
Others	17	16	600	568
	26	24	905	845

#### 24 Trade and other payable

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Trade payable	185	158	6,329	5,446
Working capital to co-ventures	12	19	414	640
Account payable - related parties	28	25	976	872
Accrued expenses	1,200	1,312	41,048	45,345
Accrued interest expense	19	18	645	637
	1,444	1,532	49,412	52,940

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	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Trade payable	18	24	628	810
Account payable - related parties	9	7	307	253
Accrued expenses	276	349	9,434	12,075
Accrued interest expense	7	6	227	198
	310	386	10,596	13,336

## 25 Debentures and lease liabilities

Debentures and lease liabilities comprised:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
<b>Current portion</b>				
Current portion of lease liabilities	281	303	9,612	10,479
	281	303	9,612	10,479
<b>Non-current portion</b>				
Debentures	2,785	2,809	95,320	97,095
Lease liabilities	588	721	20,107	24,905
	3,373	3,530	115,427	122,000
Total debentures and lease liabilities	3,654	3,833	125,039	132,479

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	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
<b>Current portion</b>				
Current portion of lease liabilities	34	31	1,169	1,081
	34	31	1,169	1,081
<b>Non-current portion</b>				
Debentures	508	503	17,390	17,387
Lease liabilities	32	19	1,105	667
	540	522	18,495	18,054
Total debentures and lease liabilities	574	553	19,664	19,135

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a) **Debentures**

The carrying value of unsecured and unsubordinated debentures is comprised:

	Interest rates (% per annum)	Effective interest rates (% per annum)	Maturity date	Consolidated financial statements			
				Unit: Million US Dollar		Unit: Million Baht	
				31 December 2023	31 December 2022	31 December 2023	31 December 2022
Maturity date over 1 years but not exceeding 3 years							
- Debentures of Baht 6,000 million	2.00 - 2.75	2.284	5 November 2026	175	173	5,995	5,993
Maturity date over 3 years but not exceeding 5 years							
- Debentures of US Dollar 500 million	2.587	2.637	10 June 2027	499	499	17,081	17,241
- Debentures of Baht 5,000 million	2.09	2.121	5 April 2027	146	144	4,997	4,996
- Debentures of Baht 1,500 million	2.51	2.576	10 May 2026	44	-	1,498	-
Maturity date over 5 years							
- Debentures of Baht 11,400 million	4.82	4.89	6 June 2029	333	330	11,395	11,394
- Debentures of US Dollar 350 million	2.993	3.064	15 January 2030	328	325	11,242	11,239
- Debentures of US Dollar 490 million	6.35	6.546	12 June 2042	-	488	-	16,856
- Debentures of US Dollar 600 million	3.903	3.959	6 December 2059	598	648	20,460	22,382

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				Consolidated financial statements			
				Unit: Million US Dollar		Unit: Million Baht	
	Interest rates (% per annum)	Effective interest rates (% per annum)	Maturity date	31 December 2023	31 December 2022	31 December 2023	31 December 2022
- Debentures of Baht 1,000 million	2.69	2.725	5 April 2029	29	29	999	999
- Debentures of Baht 6,000 million	3.05	3.084	5 April 2032	175	173	5,995	5,995
- Debentures of US Dollar 458.11 million	6.35	6.467	12 June 2042	458	-	15,658	-
Total carrying value				2,785	2,809	95,320	97,095

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	Interest rates (% per annum)	Effective interest rates (% per annum)	Maturity date	Separate financial statements			
				Unit: Million US Dollar		Unit: Million Baht	
				31 December 2023	31 December 2022	31 December 2023	31 December 2022
Maturity date over 1 years but not exceeding 3 years							
- Debentures of Baht 6,000 million	2.00 - 2.75	2.284	5 November 2026	175	173	5,995	5,993
Maturity date over 5 years							
- Debentures of Baht 11,400 million	4.82	4.89	6 June 2029	333	330	11,395	11,394
Total carrying value				508	503	17,390	17,387

The fair values of debentures as at 31 December 2023 and 2022 are disclosed in Note 10.2.3.

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The movements of debentures for the years ended 31 December are as follows:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Opening net book value	2,809	2,925	97,095	97,738
Cash flows:				
Increase	45	359	1,549	12,547
Repayment of debentures	(82)	(425)	(2,848)	(14,873)
Deferred finance cost	(1)	(1)	(22)	(24)
Non-cash movement:				
Amortisation of deferred finance cost	6	4	218	149
Foreign exchange differences	8	(53)	267	(1,832)
Currency translation differences	-	-	(939)	3,390
Closing net book value	2,785	2,809	95,320	97,095
	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Opening net book value	503	520	17,387	17,384
Non-cash movement:				
Amortisation of deferred finance cost	-	-	3	1
Foreign exchange differences	5	(17)	173	(600)
Currency translation differences	-	-	(173)	602
Closing net book value	508	503	17,390	17,387

#### Repurchase and issuance of debentures

The details of movements of debentures during the year ended 31 December 2023 are as follows:

On 10 May 2023, PTTEP Treasury Center Company Limited (PTTEP TC), a subsidiary of the Company, has completed the issuance of senior guaranteed debentures with a bondholders' representative, for a total of Baht 1,500 million (US Dollar 44.55 million), 3-year tranche, carrying the fixed coupon rates of 2.51% per annum. The debentures is fully guaranteed by the Company.

On 14 June 2023, PTTEP Canada International Finance Limited (PTTEP CIF) repurchased the unsubordinated and unsecured debentures, which will be due in 2042, amounting to US Dollar 31.89 million (Baht 1,109.19 million) from the debentures of US Dollar 490 million (Baht 17,040.93 million) at market price. On 15 June 2023, PTTEP CIF subsequently transferred the remaining debentures of US Dollar 458.11 million (Baht 15,931.74 million) to PTTEP TC. The rights and conditions of these debentures remain unchanged.

On 14 June 2023, PTTEP TC repurchased the unsubordinated and unsecured debentures, which will be due in 2059, amounting to US Dollar 50 million (Baht 1,738.87 million) from US Dollar 650 million (Baht 22,605.31 million) at market price. The remaining debentures is amounting to US Dollar 600 million (Baht 20,866.44 million).

b) Lease liabilities

The movements of lease liabilities for the years ended 31 December are as follows:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Opening net book value	1,024	572	35,384	19,153
Cash flows:				
Repayment of lease liabilities	(283)	(197)	(9,859)	(6,915)
Non-cash movements:				
Deferred finance cost	21	18	741	637
Increase of lease liabilities	190	635	6,621	22,216
Decrease of lease liabilities	(102)	(9)	(3,545)	(339)
Agreement modification	18	7	620	234
Foreign exchange differences	1	(2)	18	(66)
Currency translation differences	-	-	(261)	464
Lease liabilities	869	1,024	29,719	35,384
<u>Less</u> current portion of lease liabilities	(281)	(303)	(9,612)	(10,479)
Closing net book value	588	721	20,107	24,905

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	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Opening net book value	50	60	1,748	2,011
Cash flows:				
Repayment of lease liabilities	(16)	(42)	(562)	(1,481)
Non-cash movements:				
Deferred finance cost	1	1	33	44
Additions of lease liabilities	42	29	1,461	1,008
Decreases of lease liabilities	(14)	(2)	(501)	(58)
Agreement modification	3	4	115	145
Foreign exchange differences	-	-	6	6
Currency translation differences	-	-	(26)	73
Lease liabilities	66	50	2,274	1,748
<u>Less</u> Current portion	(34)	(31)	(1,169)	(1,081)
Closing net book value	32	19	1,105	667

Related leases transaction recognised in the statement of income for the years ended 31 December are as follows:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million US Baht	
	2023	2022	2023	2022
Expenses related to short-term lease	15	16	533	564
Expenses related to low-value assets lease	4	5	129	163
Expenses related to variable lease payment, which does not include in lease liabilities	-	-	7	4

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	Separate financial statements			
	Unit: Million US Dollar		Unit: Million US Baht	
	2023	2022	2023	2022
Expenses related to short-term lease	2	1	63	36
Expenses related to low-value assets lease	3	4	109	152
Expenses related to variable lease payment, which does not include in lease liabilities	-	-	1	2

## 26 Provision for decommissioning costs

Provision for decommissioning costs are as follows:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Provision for decommissioning costs	3,912	3,114	133,898	107,623
<u>Less</u> Current portion	(60)	(314)	(2,078)	(10,866)
Non-current portion of provision for decommissioning costs	3,852	2,800	131,820	96,757

  

	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Provision for decommissioning costs	942	1,080	32,250	37,336
<u>Less</u> Current portion	(16)	(255)	(560)	(8,821)
Non-current portion of provision for decommissioning costs	926	825	31,690	28,515

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The movements of provision for decommissioning costs during the year as follows:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Balance as at 1 January	3,114	2,724	107,623	91,044
Additional provision	942	711	32,762	24,858
Provision used during the year	(300)	(157)	(10,440)	(5,494)
Finance costs	152	76	5,297	2,683
Reversal of provision	(1)	(238)	(29)	(8,340)
Foreign exchange differences	5	(2)	187	(57)
Currency translation differences	-	-	(1,502)	2,929
Balance as at 31 December	3,912	3,114	133,898	107,623
	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Balance as at 1 January	1,080	1,310	37,336	43,795
Additional provision	108	1	3,755	30
Provision used during the year	(190)	(153)	(6,609)	(5,364)
Finance costs	43	25	1,496	871
Reversal of provision	(104)	(101)	(3,626)	(3,532)
Foreign exchange differences	5	(2)	187	(57)
Currency translation differences	-	-	(289)	1,593
Balance as at 31 December	942	1,080	32,250	37,336

The Group recognised provision for decommissioning costs of production projects under production sharing contracts. The recognition is in accordance with the related laws and there is a probable possibility of the present obligation. In addition, the Company has paid the decommissioning costs for a portion of the project that had come to the end of concession, resulting in the decrease in provision for decommissioning costs. Approximately 75% and 50% of non-current portion of provision for decommissioning costs in the consolidated and separate financial statements, respectively, will be settled over 5 years.

During the year 2022, the Company had paid the decommissioning cost prepayment to Department of Mineral Fuels for the project that would have reached the end of concession in 2023. This payment was presented as part of other current assets in the statements of financial position as at 31 December 2022. In the year 2023, when the concession ended, the Company offset the decommissioning cost prepayment with the related provision for decommissioning cost.

The Group records a provision for decommissioning costs whenever it is probable that there would be an obligation as a result of a past event and the amount of that obligation is reliably estimated by the Group's engineers and management's judgment. The Group recognises provision for decommissioning costs as part of oil and gas properties, using the discounted present value before tax based on the estimated eventual costs that relate to the removal of the production facilities and amortised based on the unit of production of the proved reserve or the proved developed reserve. The Group recognises an increase that reflects the passage of time from the unwinding discount in each period, as a finance cost in the statements of income.

The provisions are based on the current situation such as regulations, technologies and prices. The actual results could differ from these estimates as future confirming events occur.

27 Provision for remuneration for production bonus and the renewal of petroleum production

Provision for remuneration for production bonus and the renewal of petroleum production is as follows:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Provision for remuneration for production bonus and the renewal of petroleum production	202	237	6,923	8,202
<u>Less</u> Current portion	(43)	(43)	(1,482)	(1,513)
Non-current portion of provision for remuneration for production bonus and the renewal of petroleum production	159	194	5,441	6,689

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	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Provision for remuneration for the renewal of petroleum production	24	44	824	1,531
<u>Less</u> Current portion	(6)	(22)	(195)	(772)
Non-current portion of provision for remuneration for the renewal of petroleum production	18	22	629	759

Movements of provision for remuneration for production bonus and the renewal of petroleum production during the years are as follows:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Balance as at 1 January	237	236	8,202	7,894
Additional provision during the year	6	113	202	3,963
Remuneration paid during the year	(45)	(126)	(1,578)	(4,414)
Finance costs	(1)	-	(26)	13
Reversal of provision	4	9	147	310
Foreign exchange differences	1	5	35	171
Currency translation differences	-	-	(59)	265
Balance as at 31 December	202	237	6,923	8,202

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	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Balance as at 1 January	44	145	1,531	4,856
Additional provision during the year	1	5	47	186
Remuneration paid during the year	(27)	(109)	(963)	(3,823)
Finance costs	1	1	36	28
Reversal of provision	5	2	177	76
Currency translation differences	-	-	(4)	208
Balance as at 31 December	24	44	824	1,531

The Group recognised provision for remuneration for production bonus and the renewal of petroleum production which has to pay remuneration fee to the Ministry of Energy by using the discounted cash flows based on the significant assumptions, such as sales volume data, accumulate volume of total petroleum production, oil price and discounted rate, etc.

## 28 Provision for employee benefits

Provision for employee benefits is as follows:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Statement of financial position				
Retirement benefits	195	181	6,660	6,246
Other long-term benefits	12	10	415	349
Liabilities in the statements of financial position	207	191	7,075	6,595
Statement of income				
Retirement benefits	21	19	737	663
Other long-term benefits	3	1	83	48
	24	20	820	711

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	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Statement of financial position				
Retirement benefits	109	97	3,719	3,362
Other long-term benefits	11	10	396	334
Liabilities in the statements of financial position	120	107	4,115	3,696
Statement of income				
Retirement benefits	9	8	292	302
Other long-term benefits	2	1	80	33
	11	9	372	335

The movements of provision for retirement benefits during the years are as follows:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
As at 1 January	181	194	6,246	6,495
Current service cost	13	13	462	444
Interest expense	8	6	275	219
	202	213	6,983	7,158
Loss (gain) from actuarial assumptions	12	(15)	434	(514)
Benefits paid	(7)	(8)	(250)	(303)
Foreign exchange differences	(12)	(8)	(441)	(289)
Currency translation differences	-	(1)	(66)	194
	(7)	(32)	(323)	(912)
As at 31 December	195	181	6,660	6,246

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	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
As at 1 January	97	111	3,362	3,692
Current service cost	6	6	183	228
Interest expense	3	2	109	74
	106	119	3,654	3,994
Loss (gain) from actuarial assumptions	5	(14)	183	(472)
Benefits paid	(3)	(5)	(115)	(173)
Foreign exchange differences	1	(3)	40	(116)
Currency translation differences	-	-	(43)	129
	3	(22)	65	(632)
As at 31 December	109	97	3,719	3,362

Expenses recognised in the statements of income for the years are as follows:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Current service cost	13	13	462	444
Past service cost	-	-	-	-
Interest expense	8	6	275	219
Total	21	19	737	663
Other long-term benefits	3	1	83	48
Expenses recognised in statement of income	24	20	820	711

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	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Current service cost	6	6	183	228
Interest expense	3	2	109	74
Total	9	8	292	302
Other long-term benefits	2	1	80	33
Expenses recognised in statement of income	11	9	372	335

(Gain) loss from actuarial assumptions recognised in the statements of comprehensive income are as follows:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Change in financial assumptions	3	(21)	132	(726)
Change in demographic assumptions	1	-	19	-
Experience adjustment	8	6	283	212
Total	12	(15)	434	(514)

	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Change in financial assumptions	3	(18)	124	(626)
Experience adjustment	2	4	59	154
Total	5	(14)	183	(472)

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The significant actuarial assumptions used were as follows:

	% per annum	
	2023	2022
Discount rate	2.46 - 6.85	1.37 - 7.26
Inflation rate	2.0	2.0
Turnover rate	0.0 - 15.0	0.0 - 15.0

Sensitivity analysis for each significant assumption used is as follows:

	Increase (Decrease) in impact on defined retirement benefit obligation			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Discount rate				
Increase 1%	(13)	(11)	(434)	(377)
Decrease 1%	15	13	529	451

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method has been applied as when calculating the retirement benefits recognised in the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

As at 31 December 2023, the weighted average duration of the defined retirement benefit obligation is 22.1 years (2022: 23 years).

Maturity analysis of undiscounted retirement benefits are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	Unit: Million US Dollar	Unit: Million Baht	Unit: Million US Dollar	Unit: Million Baht
As at 31 December 2023				
Not later than 1 year	7	243	2	82
Over 1 to 5 years	49	1,680	35	1,190
Over 5 to 10 years	72	2,452	46	1,572
Over than 10 years	352	12,059	307	10,501
	480	16,434	390	13,345

## 29 Share capital

The total number of authorised ordinary shares is 3,969.98 million shares (2022: 3,969.98 million shares) with a par value of Baht 1 each (2022: a par value of Baht 1 each). All authorised ordinary shares are fully paid.

## 30 Legal reserves

Under the Public Companies Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit for the year until the reserve is not less than 10% of the authorised ordinary shares capital. The legal reserve is not available for dividend distribution. The Company has already set aside full legal reserve at 10% of the authorised ordinary shares capital.

### 31 Repayment of subordinated perpetual loan

On 9 June 2023, PTTEP Canada Limited (PTTEP CA), a subsidiary of the Group, repaid a subordinated perpetual loan of US Dollar 487.24 million to PTTEP Canada International Finance Limited (PTTEP CIF), a subsidiary of the Group. Such repayment was an intercompany transaction. However, it resulted in the recognition of foreign exchange differences in the consolidated financial statements of Canadian Dollar 67 million or equivalent to US Dollar 49.41 million (Baht 1,724.75 million).

### 32 Dividends

On 3 April 2023, the Annual General Meeting of the Shareholder approved payment of a dividend for the year 2022 at the rate of Baht 9.25 per share. The Company made an interim dividend payment for the first half-year operations of 2022 at the rate of Baht 4.25 per share on 26 August 2022, and for the second half-year operations of 2022 at the rate of Baht 5.00 per share, which were paid to shareholders on 24 April 2023.

On 30 January 2024, the Company's Board of Directors endorsed the proposal of dividend payment for the year 2023 at the rate of Baht 9.50 per share. The Company made an interim dividend payment for the first half-year operations of 2023 at the rate of Baht 4.25 per share on 29 August 2023. The remaining is for the second half-year operations of 2023 at the rate of Baht 5.25 per share, which will be paid after receiving approval from the Annual General Meeting of the Shareholders.

### 33 Expense by nature

Significant expenses by nature of the Group which comprise the expenses based on its participating interest in each project for the years are as follows:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Salary, wages and employees' benefits	283	294	9,840	10,235
Repair and maintenance	319	293	11,079	10,247
Exploration well and projects write-off	59	33	2,070	1,178
Geological and geophysical expenses	20	34	688	1,206
Logistics	337	283	11,744	9,888
Utility and information technology	93	75	3,248	2,606
Rental expenses	19	21	669	731
	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Salary, wages and employees' benefits	266	259	9,273	9,042
Repair and maintenance	45	53	1,572	1,865
Exploration well and projects write-off	1	1	36	34
Geological and geophysical expenses	-	-	1	1
Logistics	29	73	1,014	2,560
Utility and information technology	69	58	2,401	2,025
Rental expenses	5	5	173	190

### 34 Income tax expense

Income tax rates for the year ended 31 December 2023 are as follows:

	Tax Rate (%)
Income tax in Thailand	
- Corporate income tax under Revenue Code	Exempt*, 3, 20
- Petroleum income tax on petroleum businesses in Thailand pursuant to Petroleum Income Tax Act, B.E. 2514 and 2532	50
- Petroleum income tax on petroleum business in Thailand pursuant to Petroleum Income Tax Act, B.E. 2560	20
Income tax from the Petroleum business in the Thailand - Malaysia Joint Development Area under the Petroleum Income Tax Act (No.5), B.E. 2541 and Petroleum Income tax in Malaysia	
- From the first to the eighth accounting period	Exempt
- From the ninth to the fifteenth accounting period	10
- From the sixteenth accounting period onwards	20
Income tax in Malaysia	
- Corporate income tax	24
- Petroleum income tax	25, 38
Corporate income tax in the Republic of the Union of Myanmar	22, 25
Corporate income tax in the Socialist Republic of Vietnam	20, 50
Corporate income tax in the Republic of Indonesia	
- Corporate income tax	22
- Income tax from the profit distribution	20
Corporate income tax in the Republic of Singapore	17
Corporate income tax in Hong Kong Special Administrative Region of the People's Republic of China	16.5
Corporate income tax in United Kingdom	19, 25
Corporate income tax in the Kingdom of the Netherlands	19, 25.8
Corporate income tax in the Republic of Cyprus	12.5
Corporate income tax in the Commonwealth of Australia	
- Corporate income tax	30
- Petroleum resource rent tax in the Commonwealth of Australia	40

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	Tax Rate (%)
Corporate income tax in the Federative Republic of Brazil	24, 34
Corporate income tax in Canada	23
Corporate income tax in the United Mexican States	30
Corporate income tax in the Republic of Panama	25
Corporate income tax in the People's Democratic Republic of Algeria	
- Corporate income tax	38, 19 - 80
- Petroleum income tax	20 - 70
Income tax in Sultanate of Oman	
- Corporate income tax	15
- Petroleum income tax	55, 80
Corporate income tax in the United Arab Emirates	50, 55
Corporate income tax in the Republic of Kazakhstan	
- Corporate income tax	30
- Income tax from the profit distribution	15
Corporate income tax in the Republic of Mozambique	32
Petroleum income tax in the Republic of Angola	50

\* FutureTech Solar (Thailand) Co., Ltd. (FST), a subsidiary of the Group, has received promotional privileges from the Office of the Board of Investment (BOI) issued in respect of the solar power business. Under these privileges, FutureTech Solar has received exemptions from certain taxes and duties as detailed in the certificate.

Income tax expenses for the year ended 31 December comprised:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Current income tax	1,470	1,622	51,233	56,836
Deferred income tax	361	440	12,471	15,459
Total income tax expenses	1,831	2,062	63,704	72,295

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	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Current income tax	293	574	10,201	20,123
Deferred income tax	288	225	9,964	7,923
Total income tax expenses	581	799	20,165	28,046

The income tax on the Group's profit before income tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company are as follows:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Profit before income tax	4,039	4,060	140,408	143,196
Tax calculated at a tax rate of 50%	2,020	2,030	70,204	71,598
Tax effect of:				
Loss of the entities not subject to tax	78	205	2,707	7,232
Expenses not deductible for tax purpose	300	312	10,447	11,002
Adjustment in respect of prior year	(17)	6	(582)	190
Results of operations of associates and joint ventures, net of tax	(21)	(10)	(738)	(334)
Tax credit on petroleum royalty	(389)	(576)	(13,514)	(20,330)
Tax credit on foreign corporate income tax	(9)	-	(330)	-
Deferred tax on functional currency	9	15	304	526
Foreign income tax	78	66	2,723	2,342
Difference in tax rate of the Group's operating countries	(216)	14	(7,494)	491
Others	(2)	-	(23)	(422)
Tax charge	1,831	2,062	63,704	72,295

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	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	2023	2022	2023	2022
Profit before income tax	1,685	2,340	58,515	81,990
Tax calculated at a tax rate of 50%	843	1,170	29,257	40,995
Tax effect of:				
Gain from the entities not subject to tax	(15)	(27)	(516)	(954)
Expenses not deductible for tax purpose	146	222	5,083	7,782
Adjustment in respect of prior year	21	12	729	399
Tax credit on petroleum royalty	(283)	(453)	(9,806)	(15,881)
Foreign income tax	31	18	1,079	636
Tax rate difference impact on				
profits before tax	(162)	(143)	(5,629)	(4,988)
Others	-	-	(32)	57
Tax charge	581	799	20,165	28,046

### 35 Earnings per share

Basic earnings per share for the year ended 31 December are calculated as follows:

	Consolidated financial statements			
	Unit: US Dollar		Unit: Baht	
	2023	2022	2023	2022
Profit attributable to equity holders of parent (unit: million)	2,208	1,999	76,706	70,901
<u>Adjustment</u>				
Interest expenses for subordinated capital debentures (unit: million)	-	(4)	-	(145)
Redemption of subordinated capital debentures (unit: million)	-	14	-	490
Foreign exchange difference from repayment of subordinated perpetual loan (unit: million)	(49)	-	(1,725)	-
Income tax for subordinated capital debentures (unit: million)	-	(1)	-	(14)
Profit used to determine basic earnings per share (unit: million)	2,159	2,008	74,981	71,232
Weighted average number of ordinary shares outstanding during the year (million shares)	3,970	3,970	3,970	3,970
Basic earnings per share	0.54	0.51	18.89	17.94

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	Separate financial statements			
	Unit: US Dollar		Unit: Baht	
	2023	2022	2023	2022
Profit attributable to equity holders of parent (unit: million)	1,104	1,541	38,350	53,944
<u>Adjustment</u>				
Interest expenses for subordinated capital debentures (unit: million)	-	(4)	-	(145)
Redemption of subordinated capital debentures (unit: million)	-	14	-	490
Income tax for subordinated capital debentures (unit: million)	-	(1)	-	(14)
Profit used to determine basic earnings per share (unit: million)	1,104	1,550	38,350	54,275
Weighted average number of ordinary shares outstanding during the year (million shares)	3,970	3,970	3,970	3,970
Basic earnings per share	0.28	0.39	9.66	13.67

## 36 Commitments and contingent liabilities

### 36.1 Contractual commitments

As at 31 December 2023 and 2022, significant contractual commitments contracted but not recognised as liabilities are as follows:

	Consolidated financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Capital commitments	1,778	2,085	60,837	72,079
Other commitments	80	168	2,729	5,797
Total	1,858	2,253	63,566	77,876

	Separate financial statements			
	Unit: Million US Dollar		Unit: Million Baht	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Capital commitments	223	227	7,632	7,815
Other commitments	9	8	300	292
Total	232	235	7,932	8,107

### 36.2 Contingent liabilities

As at 31 December 2023, the Company had contingent liabilities in the form of letters of guarantee with an amount equivalent to US Dollar 496.18 million (Baht 16,980.96 million) for the consolidated financial statements (2022: US Dollar 504.21 million (Baht 17,426.74 million)) and with an amount equivalent to US Dollar 273.60 million (Baht 9,363.35 million) for the separate financial statements (2022: US Dollar 342.46 million (Baht 11,836.32 million)).

### 36.3 Commitments

#### Commitment from the guarantee of debentures and loans of subsidiaries

As at 31 December 2023, the Company has commitment to guarantee unsecured and unsubordinated capital debenture of US Dollar 1,908.11 million (2022: US Dollar 1,500 million) and the senior guaranteed debentures with a bondholders' representative of Baht 13,500 million (2022: Baht 12,000 million) for PTTEP Treasury Center Company Limited (PTTEP TC), a subsidiary of the Company.

As at 31 December 2023 and 2022, the Company has commitment to guarantee cross currency swap transactions for PTTEP TC to swap Baht debenture to US Dollar with a guaranteed amount of US Dollar 348.66 million.

As at 31 December 2023 and 2022, the Company has commitment to the guarantee senior debt financing agreements in the form of project finance for a subsidiary of Moz LNG1 Holding Company Ltd (HoldCo) with a US Dollar 14,900 million facility, which is guaranteed by the Company based on the Group's participating interest in HoldCo of 8.5%, which is equivalent to US Dollar 1,266.50 million.

The Company has commitment to guarantee PTTEP TC's US Dollar loan agreement for revolving credit facilities with a financial institution. The total loan facility is in amount of US Dollar 400 million. As at 31 December 2023 and 2022, there is unused credit facilities of US Dollar 400 million.

### 37 Events occurring after the reporting date

On 2 February 2024, Cariva (Thailand) Co., Ltd. (Cariva), a subsidiary of the Group, called for paid up for the remaining unpaid shares which is 10% of registered capital. The Group paid the share subscription according to the Group's shareholding portion with an amount equivalent to US Dollar 0.54 million.