

Sernsang Power Corporation Public Company Limited  
and its subsidiaries  
Report and consolidated financial statements  
31 December 2022

## **Independent Auditor's Report**

To the Shareholders of Sermuang Power Corporation Public Company Limited

### **Opinion**

I have audited the accompanying consolidated financial statements of Sermuang Power Corporation Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Sermuang Power Corporation Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sermuang Power Corporation Public Company Limited and its subsidiaries and of Sermuang Power Corporation Public Company Limited as at 31 December 2022, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### **Basis for Opinion**

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Emphasis of Matter**

I draw attention to Note 4 to the consolidated financial statements, which describes the change in the accounting policy for land, from the previous policy of stating it at cost to at the revalued amount. My opinion is not modified in respect of this matter.

## **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters.

Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

### *Property, plant and equipment and intangible assets*

The net book values of the Group's property, plant and equipment and intangible assets as at 31 December 2022 amounted to Baht 14,219 million. I therefore focused on auditing the values of such assets because management is required to exercise significant judgement with respect to depreciation and amortisation rates, useful lives, and residual values, as well as their projections of future operating performance and assessment of future plans, in order to consider whether the assets are impaired.

I examined the recording of property, plant and equipment and intangible assets by examining supporting documents on a sampling basis for movements of property, plant and equipment and intangible assets occurring during the year. I assessed the judgement exercised by the Group's management with respect to the matters described above, with a focus on determining that there were no indicators that impairment losses should be recorded in addition to the amounts previously recorded, taking into account whether management had considered information from both external and internal sources and future operating performance throughout the useful lives of the property, plant and equipment and intangible assets. I examined the related documentation and considered the nature and type of benefits derived from the assets in order to assess the appropriateness of the remaining useful lives, the residual values and the depreciation or amortisation method applied by the Group's management. In addition, I reviewed the disclosure of information relating to the property, plant and equipment and intangible assets, including the impairment assessment on assets.

## **Other Information**

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

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

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

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the 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 Thai Standards on Auditing 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 financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's 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 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 to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the 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.

I am responsible for the audit resulting in this independent auditor's report.

Supachai Phanyawattano  
Certified Public Accountant (Thailand) No. 3930

EY Office Limited  
Bangkok: 27 February 2023

Sermuang Power Corporation Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	8	3,227,500,912	3,579,719,249	582,839,949	940,672,813
Short-term restricted bank deposits	9	153,884,414	251,458,844	69,134	69,147
Trade and other receivables	10	711,650,949	703,806,909	340,102,302	391,787,610
Unbilled receivables		3,425,646	6,110,082	-	-
Inventory	11	19,544,906	7,584,904	-	-
Account receivable - Revenue Department		109,350	214,353,338	-	449,444
Short-term loans to related parties	7	66,606,864	9,974,070	100,989,634	238,363,914
Other current financial assets	12	3,356,938	1,976,690	3,353,438	1,897,387
Other current assets		83,312,816	11,451,657	-	-
<b>Total current assets</b>		<u>4,269,392,795</u>	<u>4,786,435,743</u>	<u>1,027,354,457</u>	<u>1,573,240,315</u>
<b>Non-current assets</b>					
Long-term restricted bank deposits	9	424,011,236	1,018,188,214	30,979,396	402,941,706
Account receivable - Revenue Department		74,959,449	71,713,127	6,033,168	-
Long-term loans to related parties - net					
of current portion	7	-	-	3,267,452,870	3,329,519,852
Other non-current financial assets	12	250,622,923	32,086,947	184,016,000	-
Investments in subsidiaries	13	-	-	5,579,613,742	3,899,773,646
Investment in an associate	14	819,759,870	-	-	-
Property, plant and equipment	15	13,249,162,010	15,522,354,587	9,786,331	4,434,195
Right-of-use assets	21	762,800,580	724,242,661	-	-
Intangible assets	16	970,185,657	1,232,466,012	23,070	5,517
Deferred tax assets	27	740,701	3,868,609	-	444,965
Other non-current assets		470,410,735	671,954,325	412,588,582	99,269,817
<b>Total non-current assets</b>		<u>17,022,653,161</u>	<u>19,276,874,482</u>	<u>9,490,493,159</u>	<u>7,736,389,698</u>
<b>Total assets</b>		<u>21,292,045,956</u>	<u>24,063,310,225</u>	<u>10,517,847,616</u>	<u>9,309,630,013</u>

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

Sermuang Power Corporation Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	17	23,000,000	518,383,891	-	497,383,891
Trade and other payables	18	222,618,568	3,200,596,244	33,651,851	28,465,481
Current portion of long-term liabilities					
Long-term debentures	19	-	798,136,282	-	798,136,282
Long-term loans	20	874,720,389	1,501,914,489	59,897,514	401,384,562
Lease liabilities	21	21,775,129	31,141,317	-	-
Share acquisitions payable to subsidiaries'					
former shareholders		3,218,122	10,436,210	1,600,000	-
Short-term loans from related parties	7	7,212,427	-	483,144,526	22,087,432
Other current liabilities		20,930,262	20,958,265	630,000	315,000
<b>Total current liabilities</b>		<b>1,173,474,897</b>	<b>6,081,566,698</b>	<b>578,923,891</b>	<b>1,747,772,648</b>
Non-current liabilities					
Long-term liabilities - net of current portion					
Long-term debentures	19	2,086,936,171	595,432,542	2,086,936,171	595,432,542
Long-term loans	20	9,067,654,539	10,266,676,685	29,990,618	1,037,929,747
Lease liabilities	21	614,981,177	552,710,730	-	-
Deferred tax liabilities	27	56,578,299	17,306,245	1,193,394	-
Other non-current financial liabilities		-	162,783,374	-	-
Other non-current liabilities		15,408,669	12,634,715	6,302,531	4,122,210
Loss in excess of cost over investments in subsidiaries					
accounted for under equity method	13	-	-	38,785,843	40,257,416
<b>Total non-current liabilities</b>		<b>11,841,558,855</b>	<b>11,607,544,291</b>	<b>2,163,208,557</b>	<b>1,677,741,915</b>
<b>Total liabilities</b>		<b>13,015,033,752</b>	<b>17,689,110,989</b>	<b>2,742,132,448</b>	<b>3,425,514,563</b>

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



**Sermuang Power Corporation Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 31 December 2022**

(Unit: Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Shareholders' equity</b>					
Share capital	22				
Registered					
1,503,506,001 ordinary shares (31 December 2021:					
1,419,169,683 ordinary shares) of Baht 1 each		<u>1,503,506,001</u>	<u>1,419,169,683</u>	<u>1,503,506,001</u>	<u>1,419,169,683</u>
Issued and fully paid-up					
1,248,932,772 ordinary shares (31 December					
2021: 1,071,583,690 ordinary shares)					
of Baht 1 each		1,248,932,772	1,071,583,690	1,248,932,772	1,071,583,690
Share premium		2,859,573,172	2,144,433,755	2,859,573,172	2,144,433,755
Differences on business combination					
under common control		(159,720,093)	(159,720,093)	(159,720,093)	(159,720,093)
Retained earnings					
Appropriated - statutory reserve	24	150,350,601	136,653,385	150,350,601	136,653,385
Unappropriated		3,661,538,441	2,748,358,820	3,661,538,441	2,748,358,820
Other components of shareholders' equity		<u>15,040,275</u>	<u>(57,194,107)</u>	<u>15,040,275</u>	<u>(57,194,107)</u>
Equity attributable to owners of the Company		7,775,715,168	5,884,115,450	7,775,715,168	5,884,115,450
Non-controlling interests of the subsidiaries		<u>501,297,036</u>	<u>490,083,786</u>	-	-
<b>Total shareholders' equity</b>		<u>8,277,012,204</u>	<u>6,374,199,236</u>	<u>7,775,715,168</u>	<u>5,884,115,450</u>
<b>Total liabilities and shareholders' equity</b>		<u>21,292,045,956</u>	<u>24,063,310,225</u>	<u>10,517,847,616</u>	<u>9,309,630,013</u>
		-	-	-	-

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

Directors

Sermuang Power Corporation Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
<b>Profit or loss:</b>					
<b>Revenues</b>					
Revenue from sales and services		3,117,355,515	2,597,055,834	-	-
Gain on sales of subsidiaries	13, 14	365,350,592	-	-	-
Other income	7	37,444,792	98,406,092	103,227,221	68,855,726
<b>Total revenues</b>		<b>3,520,150,899</b>	<b>2,695,461,926</b>	<b>103,227,221</b>	<b>68,855,726</b>
<b>Expenses</b>					
Cost of sales and services		1,356,104,564	1,103,924,499	-	-
Administrative expenses		320,711,337	243,466,178	71,959,573	79,078,776
<b>Total expenses</b>		<b>1,676,815,901</b>	<b>1,347,390,677</b>	<b>71,959,573</b>	<b>79,078,776</b>
<b>Operating profit (loss)</b>		<b>1,843,334,998</b>	<b>1,348,071,249</b>	<b>31,267,648</b>	<b>(10,223,050)</b>
Share of profit from investments in subsidiaries and an associate	13, 14	86,295,665	-	1,280,525,604	903,402,359
Finance income	7	12,305,548	2,710,226	162,862,702	113,621,480
Finance cost		(561,322,851)	(356,022,976)	(173,455,061)	(117,550,646)
<b>Profit before income tax</b>		<b>1,380,613,360</b>	<b>994,758,499</b>	<b>1,301,200,893</b>	<b>889,250,143</b>
Income tax	27	(40,065,290)	(65,289,505)	583,058	(182,451)
<b>Profit for the year</b>		<b>1,340,548,070</b>	<b>929,468,994</b>	<b>1,301,783,951</b>	<b>889,067,692</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of financial statements in foreign currencies					
		(142,452,887)	319,554,249	(125,026,159)	299,372,383
Gain on cash flow hedges - net of income tax		67,392,886	32,793,502	67,392,886	32,793,502
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Changes in revaluation of assets - net of income tax	4	205,457,533	-	205,457,533	-
Gain on changes in value of equity instruments designated at fair value through other comprehensive income - net of income tax		11,172,400	-	11,172,400	-
Actuarial loss - net of income tax		(2,759,713)	-	(2,759,713)	-
<b>Other comprehensive income for the year</b>		<b>138,810,219</b>	<b>352,347,751</b>	<b>156,236,947</b>	<b>332,165,885</b>
<b>Total comprehensive income for the year</b>		<b>1,479,358,289</b>	<b>1,281,816,745</b>	<b>1,458,020,898</b>	<b>1,221,233,577</b>

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

**Sermuang Power Corporation Public Company Limited and its subsidiaries**

**Statement of comprehensive income (continued)**

**For the year ended 31 December 2022**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
<b>Note</b>	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>
<b>Profit attributable to:</b>				
Equity holders of the Company	1,301,783,951	859,010,655	1,301,783,951	859,010,655
Former shareholders before business combination				
under common control	-	30,057,037	-	30,057,037
Non-controlling interests of the subsidiaries	<u>38,764,119</u>	<u>40,401,302</u>	<u>-</u>	<u>-</u>
	<u>1,340,548,070</u>	<u>929,468,994</u>	<u>1,301,783,951</u>	<u>889,067,692</u>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	1,458,020,898	1,191,176,540	1,458,020,898	1,191,176,540
Former shareholders before business combination				
under common control	-	30,057,037	-	30,057,037
Non-controlling interests of the subsidiaries	<u>21,337,391</u>	<u>60,583,168</u>	<u>-</u>	<u>-</u>
	<u>1,479,358,289</u>	<u>1,281,816,745</u>	<u>1,458,020,898</u>	<u>1,221,233,577</u>
<b>Earnings per share</b>	<b>29</b>			
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>1.0476</u>	<u>0.7600</u>	<u>1.0476</u>	<u>0.7600</u>
Diluted earnings per share				
Profit attributable to equity holders of the Company	<u>1.0472</u>	<u>0.7573</u>	<u>1.0472</u>	<u>0.7573</u>

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

Sernsang Power Corporation Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements										
	Equity attributable to owners of the Company										
	Surplus (deficit) on business						Total equity attributable to owners	Former shareholders		Total	
	Issued and paid-up	combination under			Retained earnings		Other components of	to owners	combination under	Non-controlling interests of	Total shareholder's
	share capital	Share premium	common control	Appropriated	Unappropriated	shareholders' equity	of the Company		common control	the subsidiaries	equity
Balance as at 1 January 2021	922,000,000	1,511,209,678	33,098,414	92,200,000	2,036,245,692	(389,652,331)	4,205,101,453		262,416,788	336,891,455	4,804,409,696
Profit for the year	-	-	-	-	859,010,655	-	859,010,655		30,057,037	40,401,302	929,468,994
Other comprehensive income for the year	-	-	-	-	-	332,165,885	332,165,885		-	20,181,866	352,347,751
Total comprehensive income for the year	-	-	-	-	859,010,655	332,165,885	1,191,176,540		30,057,037	60,583,168	1,281,816,745
Share capital increases	57,384,007	633,224,077	-	-	-	-	690,608,084		-	-	690,608,084
Stock dividend paid	92,199,683	-	-	-	(92,199,683)	-	-		-	-	-
Cash dividend paid	-	-	-	-	(10,244,459)	-	(10,244,459)		-	-	(10,244,459)
Transfer to statutory reserve	-	-	-	44,453,385	(44,453,385)	-	-		-	-	-
Acquisition of a subsidiary	-	-	(192,818,507)	-	-	292,339	(192,526,168)		(292,473,825)	-	(484,999,993)
Called-up shares of subsidiaries	-	-	-	-	-	-	-		-	121,169,527	121,169,527
Dividends paid by the subsidiaries	-	-	-	-	-	-	-		-	(28,560,364)	(28,560,364)
Balance as at 31 December 2021	1,071,583,690	2,144,433,755	(159,720,093)	136,653,385	2,748,358,820	(57,194,107)	5,884,115,450		-	490,083,786	6,374,199,236

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

Sermuang Power Corporation Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2022

(Unit: Baht)

Consolidated financial statements (continued)									
Equity attributable to owners of the Company									
	Surplus (deficit) on business			Retained earnings		Other components of shareholders' equity	Total equity attributable to owners of the Company	Former shareholders	
	Issued and paid-up share capital	Share premium	combination under common control	Appropriated	Unappropriated			combination under common control	Non-controlling interests of the subsidiaries
									Total shareholder's equity
<b>Balance as at 1 January 2022</b>	1,071,583,690	2,144,433,755	(159,720,093)	136,653,385	2,748,358,820	(57,194,107)	5,884,115,450	-	490,083,786
Profit for the year	-	-	-	-	1,301,783,951	-	1,301,783,951	-	38,764,119
Other comprehensive income for the year	-	-	-	-	-	156,236,947	156,236,947	-	(17,426,728)
Total comprehensive income for the year	-	-	-	-	1,301,783,951	156,236,947	1,458,020,898	-	21,337,391
Share capital increases (Note 22)	64,739,947	715,139,417	-	-	-	-	779,879,364	-	-
Stock dividend paid (Note 22)	112,609,135	-	-	-	(112,609,135)	-	-	-	-
Cash dividend paid (Notes 22 and 25)	-	-	-	-	(262,297,979)	-	(262,297,979)	-	-
Transfer to statutory reserve	-	-	-	13,697,216	(13,697,216)	-	-	-	-
Called-up shares of subsidiaries	-	-	-	-	-	-	-	-	58,874,275
Dividends paid by the subsidiaries	-	-	-	-	-	-	-	-	(11,626,949)
Sales of a subsidiary (Note 13)	-	-	-	-	-	(84,002,565)	(84,002,565)	-	(57,371,467)
<b>Balance as at 31 December 2022</b>	<u>1,248,932,772</u>	<u>2,859,573,172</u>	<u>(159,720,093)</u>	<u>150,350,601</u>	<u>3,661,538,441</u>	<u>15,040,275</u>	<u>7,775,715,168</u>	<u>-</u>	<u>501,297,036</u>

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

**Sermuang Power Corporation Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity (continued)**

**For the year ended 31 December 2022**

Details of other components of shareholders' equity:

(Unit: Baht)

<b>Consolidated financial statements (continued)</b>						
Other comprehensive income						
	Exchange differences on translation of financial statements in foreign currencies	Actuarial loss	Gains from equity investments designated at fair value through other comprehensive income	Cash flow hedge reserve	Surplus on revaluation of assets	Total
<b>Balance as at 1 January 2021</b>	(191,760,028)	(463,458)	-	(197,428,845)	-	(389,652,331)
Other comprehensive income for the year	299,372,383	-	-	32,793,502	-	332,165,885
Total comprehensive income for the year	299,372,383	-	-	32,793,502	-	332,165,885
Acquisition of a subsidiary	-	292,339	-	-	-	292,339
<b>Balance as at 31 December 2021</b>	<u>107,612,355</u>	<u>(171,119)</u>	<u>-</u>	<u>(164,635,343)</u>	<u>-</u>	<u>(57,194,107)</u>
						-
<b>Balance as at 1 January 2022</b>	107,612,355	(171,119)	-	(164,635,343)	-	(57,194,107)
Other comprehensive income for the year	(125,026,159)	(2,759,713)	11,172,400	67,392,886	205,457,533	156,236,947
Total comprehensive income for the year	(125,026,159)	(2,759,713)	11,172,400	67,392,886	205,457,533	156,236,947
Sales of a subsidiary (Note 13)	(84,002,565)	-	-	-	-	(84,002,565)
<b>Balance as at 31 December 2022</b>	<u>(101,416,369)</u>	<u>(2,930,832)</u>	<u>11,172,400</u>	<u>(97,242,457)</u>	<u>205,457,533</u>	<u>15,040,275</u>
						-

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

Sernsang Power Corporation Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Sperate financial statements								
	Equity attributable to owners of the Company								
	Surplus (deficit)						Total equity	Former shareholders	
	on business						attributable	before business	Total
	Issued and paid-up		combination under	Retained earnings		Other components of	to owners	combination under	shareholders'
	share capital	Share premium	common control	Appropriated	Unappropriated	shareholders' equity	of the Company	common control	equity
Balance as at 1 January 2021	922,000,000	1,511,209,678	33,098,414	92,200,000	2,036,245,692	(389,652,331)	4,205,101,453	262,416,788	4,467,518,241
Profit for the year	-	-	-	-	859,010,655	-	859,010,655	30,057,037	889,067,692
Other comprehensive income for the year	-	-	-	-	-	332,165,885	332,165,885	-	332,165,885
Total comprehensive income for the year	-	-	-	-	859,010,655	332,165,885	1,191,176,540	30,057,037	1,221,233,577
Share capital increases	57,384,007	633,224,077	-	-	-	-	690,608,084	-	690,608,084
Stock dividend paid	92,199,683	-	-	-	(92,199,683)	-	-	-	-
Cash dividend paid	-	-	-	-	(10,244,459)	-	(10,244,459)	-	(10,244,459)
Transfer to statutory reserve	-	-	-	44,453,385	(44,453,385)	-	-	-	-
Acquisition of a subsidiary	-	-	(192,818,507)	-	-	292,339	(192,526,168)	(292,473,825)	(484,999,993)
Balance as at 31 December 2021	1,071,583,690	2,144,433,755	(159,720,093)	136,653,385	2,748,358,820	(57,194,107)	5,884,115,450	-	5,884,115,450

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

Sernsang Power Corporation Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Seperate financial statements (continued)								
	Equity attributable to owners of the Company								
			Surplus (deficit)				Total equity	Former shareholders	
			on business				attributable	before business	Total
	Issued and paid-up		combination under	Retained earnings		Other components of	to owners	combination under	shareholders'
	share capital	Share premium	common control	Appropriated	Unappropriated	shareholders' equity	of the Company	common control	equity
Balance as at 1 January 2022	1,071,583,690	2,144,433,755	(159,720,093)	136,653,385	2,748,358,820	(57,194,107)	5,884,115,450	-	5,884,115,450
Profit for the year	-	-	-	-	1,301,783,951	-	1,301,783,951	-	1,301,783,951
Other comprehensive income for the year	-	-	-	-	-	156,236,947	156,236,947	-	156,236,947
Total comprehensive income for the year	-	-	-	-	1,301,783,951	156,236,947	1,458,020,898	-	1,458,020,898
Share capital increases (Note 22)	64,739,947	715,139,417	-	-	-	-	779,879,364	-	779,879,364
Stock dividend paid (Note 22)	112,609,135	-	-	-	(112,609,135)	-	-	-	-
Cash dividend paid (Notes 22 and 25)	-	-	-	-	(262,297,979)	-	(262,297,979)	-	(262,297,979)
Transfer to statutory reserve	-	-	-	13,697,216	(13,697,216)	-	-	-	-
Sales of a subsidiary (Note 13)	-	-	-	-	-	(84,002,565)	(84,002,565)	-	(84,002,565)
Balance as at 31 December 2022	1,248,932,772	2,859,573,172	(159,720,093)	150,350,601	3,661,538,441	15,040,275	7,775,715,168	-	7,775,715,168

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



**Sernsang Power Corporation Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity (continued)**

**For the year ended 31 December 2022**

Details of other components of shareholders' equity:

(Unit: Baht)

	Seperate financial statements (continued)					
	Other comprehensive income					
	Exchange differences		Gains from			
	on translation of		equity investments		Surplus	Total other
	financial statements		designated at fair	Cash flow	on revaluation	components of
	in foreign currencies	Actuarial loss	value through other	Cash flow	on revaluation	components of
			comprehensive income	hedge reserve	of assets	shareholders' equity
Balance as at 1 January 2021	(191,760,028)	(463,458)	-	(197,428,845)	-	(389,652,331)
Other comprehensive income for the year	299,372,383	-	-	32,793,502	-	332,165,885
Total comprehensive income for the year	299,372,383	-	-	32,793,502	-	332,165,885
Acquisition of a subsidiary	-	292,339	-	-	-	292,339
Balance as at 31 December 2021	107,612,355	(171,119)	-	(164,635,343)	-	(57,194,107)
						-
Balance as at 1 January 2022	107,612,355	(171,119)	-	(164,635,343)	-	(57,194,107)
Other comprehensive income for the year	(125,026,159)	(2,759,713)	11,172,400	67,392,886	205,457,533	156,236,947
Total comprehensive income for the year	(125,026,159)	(2,759,713)	11,172,400	67,392,886	205,457,533	156,236,947
Sales of a subsidiary (Note 13)	(84,002,565)	-	-	-	-	(84,002,565)
Balance as at 31 December 2022	(101,416,369)	(2,930,832)	11,172,400	(97,242,457)	205,457,533	15,040,275

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

**Sermuang Power Corporation Public Company Limited and its subsidiaries**

**Cash flow statement**

**For the year ended 31 December 2022**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Cash flows from operating activities</b>				
Profit before tax	1,380,613,360	994,758,499	1,301,200,893	889,250,143
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	920,058,926	750,871,587	1,092,955	214,347
Gain (loss) on disposals of investments in subsidiaries	(365,350,592)	-	999,980	-
Loss on disposals of assets	7,927,213	1,880,447	408,256	-
Loss on impairment of assets	16,728,966	2,663,416	-	-
Provision for long-term employee benefits	1,776,376	1,718,090	1,017,906	985,134
Share of profit from investments in subsidiaries and an associate	(86,295,665)	-	(1,280,525,604)	(903,402,359)
Unrealised loss (gain) on exchange	7,940,409	(31,349,552)	(35,986,164)	(38,041,799)
Unrealised gain on fair value adjustments of other current financial assets and liabilities	-	(2,263,173)	-	(1,897,387)
Finance income	(12,305,548)	(2,710,226)	(162,862,702)	(113,621,480)
Finance cost	<u>561,322,851</u>	<u>356,022,976</u>	<u>173,455,061</u>	<u>117,550,646</u>
Profit (loss) from operating activities before changes in operating assets and liabilities	2,432,416,296	2,071,592,064	(1,199,419)	(48,962,755)
Operating assets decrease (increase)				
Trade and other receivables	(75,585,690)	(241,854,139)	221,017,076	(8,875,664)
Unbilled receivables	2,684,436	(5,223,212)	-	-
Inventory	(11,960,002)	(2,506,279)	-	-
Other current assets	(79,763,294)	(41,641,611)	(62,252,060)	-
Account receivable - Revenue Department	210,997,666	(24,646,757)	(5,583,724)	(449,444)
Other non-current assets	(129,516,447)	192,536,465	-	-
Operating liabilities increase (decrease)				
Trade and other payables	(78,715,825)	515,729,453	4,213,889	2,475,331
Other current liabilities	(28,011)	2,797,153	315,000	-
Other non-current liabilities	<u>(177,639,138)</u>	<u>(7,486,776)</u>	<u>(134,112,591)</u>	<u>-</u>
Cash flows from (used in) operating activities	2,092,889,991	2,459,296,361	22,398,171	(55,812,532)
Cash paid for income tax	<u>(49,454,366)</u>	<u>(68,937,022)</u>	<u>(1,424,211)</u>	<u>(892,774)</u>
<b>Net cash flows from (used in) operating activities</b>	<u>2,043,435,625</u>	<u>2,390,359,339</u>	<u>20,973,960</u>	<u>(56,705,306)</u>

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

**Sermuang Power Corporation Public Company Limited and its subsidiaries**

**Cash flow statement (continued)**

**For the year ended 31 December 2022**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Cash flows from investing activities</b>				
Decrease (increase) in short-term restricted bank deposits	97,574,430	(52,074,818)	13	(14,488)
Increase in long-term restricted bank deposits	-	(298,437,015)	-	(73,326)
Decrease in long-term restricted bank deposits	472,337,463	-	395,505,781	-
Decrease (increase) in short-term loans to related parties	(54,289,474)	-	38,154,750	(207,862,500)
Increase in long-term loans to related parties	-	-	(796,310,000)	(464,000,000)
Decrease in long-term loans to related parties	-	-	858,376,982	-
Cash paid for acquisition of a listed equity investment (Note 12)	(170,050,500)	-	(170,050,500)	-
Purchases of other financial instruments	(9,139,563)	-	-	-
Proceeds from sales of other financial instruments	-	5,296,511	-	-
Cash paid for investments in subsidiaries - net of cash acquired	(3,424,686)	(485,000,000)	(519,456,961)	(533,610,375)
Cash paid for share acquisition payable to a subsidiary's former shareholder	(9,284,916)	-	-	-
Proceeds from disposals of investments in subsidiaries - net of cash disposed of (Note 13)	627,163,105	-	125,000	-
Cash paid for direct expenses in sales of subsidiaries	(12,362,072)	-	-	-
Advance payments for investments in subsidiaries	(119,363,136)	(99,269,816)	(119,363,136)	(99,269,816)
Dividend received from subsidiaries	-	-	279,999,938	499,999,889
Cash paid for investment in an associate (Note 14)	(984,464,205)	-	-	-
Dividend received from an associate	251,000,000	-	-	-
Cash paid for account payable for construction and project development	(2,398,716,860)	-	-	-
Advance payments for construction	(46,909,813)	-	-	-
Advance payments for leases	(11,711,589)	(2,074,125)	-	-
Acquisition of property, plant and equipment	(153,000,076)	(2,055,243,924)	(6,846,709)	(4,001,798)
Acquisition of intangible assets	(23,952,507)	(208,899,746)	(24,190)	(4,700)
Interest received	11,304,675	2,710,224	4,719,814	674,526
<b>Net cash flows used in investing activities</b>	<u>(2,537,289,724)</u>	<u>(3,192,992,709)</u>	<u>(35,169,218)</u>	<u>(808,162,588)</u>

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

**Sermuang Power Corporation Public Company Limited and its subsidiaries**

**Cash flow statement (continued)**

**For the year ended 31 December 2022**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Cash flows from financing activities</b>				
Increase (decrease) in short-term loans from financial institutions	(498,000,000)	239,964,398	(500,000,000)	241,758,922
Increase (decrease) in short-term loans from related parties	4,174,150	(15,000,000)	461,057,095	(78,969,845)
Payment of principal portion of lease liabilities	(35,141,415)	(41,499,960)	-	-
Cash received from long-term loans from banks	2,991,246,789	3,001,264,249	-	423,700,000
Repayment of long-term loans from banks	(2,973,693,176)	(1,348,503,474)	(1,364,000,000)	(378,000,000)
Proceeds from issuance of debentures	1,500,000,000	600,000,000	1,500,000,000	600,000,000
Cash paid for direct expenses in issuance of debentures	(14,091,026)	(5,481,982)	(14,091,026)	(5,481,982)
Repayment of debentures	(800,000,000)	-	(800,000,000)	-
Proceeds from share capital increase	779,879,364	690,608,084	779,879,364	690,608,084
Proceeds from share capital increase of a subsidiary	58,874,273	121,169,531	-	-
Dividend paid	(262,297,979)	(10,244,459)	(262,297,979)	(10,244,459)
Dividend paid by the subsidiaries	(12,772,196)	(28,560,364)	-	-
Interest expenses and bank fees paid	(555,499,418)	(354,550,916)	(150,224,313)	(123,660,788)
<b>Net cash flows from (used in) financing activities</b>	<u>182,679,366</u>	<u>2,849,165,107</u>	<u>(349,676,859)</u>	<u>1,359,709,932</u>
<b>Increase in translation adjustments</b>	<u>2,301,358</u>	<u>145,574,597</u>	<u>-</u>	<u>-</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(308,873,375)</u>	<u>2,192,106,334</u>	<u>(363,872,117)</u>	<u>494,842,038</u>
Net foreign exchange difference	(43,344,962)	-	6,039,253	-
Cash and cash equivalents at beginning of year	<u>3,579,719,249</u>	<u>1,387,612,915</u>	<u>940,672,813</u>	<u>445,830,775</u>
<b>Cash and cash equivalents at end of year</b>	<u>3,227,500,912</u>	<u>3,579,719,249</u>	<u>582,839,949</u>	<u>940,672,813</u>
	-	-	-	-

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

**Sernsang Power Corporation Public Company Limited and its subsidiaries**  
**Notes to consolidated financial statements**  
**For the year ended 31 December 2022**

**1. General information**

Sernsang Power Corporation Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The major shareholder of the Group is a group of ordinary persons in the same family (“the group of major shareholders”) who hold shares directly in their own names or through companies. The Company is principally engaged in investment, consultancy and provision of services for energy businesses to related parties. The registered office of the Company is at 325/14, Lan Luang Road, Si Yaek Mahanak, Dusit, Bangkok.

**2. Basis of preparation**

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

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

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

**2.2 Basis of consolidation**

The consolidated financial statements include the financial statements of the Company and the following subsidiaries (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2022</u>	<u>2021</u>
			(Percent)	(Percent)
<b>Subsidiaries directly held by the Company</b>				
Sern Sang Palang Ngan Company Limited	Production and distribution of electricity	Thailand	100	100
Sernsang Corporation Company Limited	Production and distribution of electricity	Thailand	100	100
Sernsang International Company Limited	Investment and consultancy	Thailand	100	100
Access Energy Company Limited	Investment and consultancy	Thailand	100	100
Essential Power Company Limited	Production and distribution of electricity	Thailand	100	100
Sernsang Solar Company Limited	Production and distribution of electricity	Thailand	100	100

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2022</u>	<u>2021</u>
			(Percent)	(Percent)
Siam Renewable Power Company Limited	Production and distribution of electricity	Thailand	100	100
Plus Energy Company Limited	Production and distribution of electricity	Thailand	100	100
Sernsang Infinite Company Limited	Production and distribution of electricity	Thailand	100	100
Siam Clean Solutions Company Limited	Production and distribution of electricity	Thailand	100	100
Uni Power Tec Company Limited	Production and distribution of electricity	Thailand	100	99
Niche Renewable Power				
Company Limited *	Investment and consultancy	Thailand	100	-
Sernsang Next Ventures				
Company Limited *	Investment and consultancy	Thailand	100	-
Bettenergy Company Limited (Note 13)	Investment and consultancy	Thailand	100	-
Renewable Infinite Company Limited *	Investment and consultancy	Thailand	75	-
Renewable Absolute Power				
Company Limited *	Investment and consultancy	Thailand	75	-
Infinite Renewable Power				
Company Limited *	Investment and consultancy	Thailand	75	-
STZ Innovation Company Limited *	Investment and consultancy	Thailand	75	-
SSTE Sustainable Company Limited *	Investment and consultancy	Thailand	75	-
Truong Thanh Tra Vinh Wind Power JSC.	Production and distribution of electricity	Vietnam	80	80
<b>Subsidiaries indirectly held by the Company</b>				
Lomnarai Company Limited *	Production and distribution of electricity	Thailand	100	-
Lomsingkhon Company Limited (Note 13)	Production and distribution of electricity	Thailand	100	-
Lomchangklang Company Limited				
(Note 13)	Production and distribution of electricity	Thailand	100	-
Lomkohyai Company Limited *	Production and distribution of electricity	Thailand	100	-
Prestige Group Company Limited				
(2021: directly held by the Company)	Production and distribution of electricity	Thailand	75	100
Triple P Renewable Company Limited				
(2021: directly held by the Company)	Production and distribution of electricity	Thailand	75	100
S. Global Power Limited	Investment and consultancy	Hong Kong	100	100
Surge Energy Corporation Limited	Investment and consultancy	Hong Kong	100	100
Access C Management Limited	Investment and consultancy	Hong Kong	100	100
Sernsang Sustainable Singapore Private				
Limited	Investment and consultancy	Singapore	100	100
Seijo Corporation	Investment and consultancy	Japan	100	100

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2022</u>	<u>2021</u>
			(Percent)	(Percent)
SS Hidaka No Mori GK (Note 13)	Production and distribution of electricity	Japan	-	87
GK GSSE	Production and distribution of electricity	Japan	90	90
Zouen Energy GK	Production and distribution of electricity	Japan	100	100
Ashita Power 1 GK	Production and distribution of electricity	Japan	100	100
Ashita Power 2 GK	Production and distribution of electricity	Japan	100	100
Tenuun Gerel Construction LLC	Production and distribution of electricity	Mongolia	75	75
Truong Thanh Quang Ngai Power and High Technology JSC.	Production and distribution of electricity	Vietnam	87	87
Sea Sun Energy Partners Pte., Ltd.	Investment and consultancy	Singapore	96	95
PT Sea Sun Energi	Production and distribution of electricity	Indonesia	96	95

\* Incorporated during the current year.

- a) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- b) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- c) The financial statements of the subsidiaries are prepared using the same period and significant accounting policies as the Company.
- d) The assets and liabilities in the financial statements of overseas subsidiaries are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currencies" in the statements of changes in shareholders' equity.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries under the equity method.

### **3. New financial reporting standards**

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

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

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

However, the Group has adopted the temporary exemptions from applying specific hedge accounting requirements in accordance with TFRS 9, Financial Instruments, and TFRS 7, Disclosure of Financial Instruments, which apply to all hedging relationships directly affected by interest rate benchmark reform. Consequently, the Group can continue to apply hedge accounting for those hedging relationships during the period in which there is uncertainty about the timing or the amount of interest rate benchmark-based cash flows of the hedged item or of the hedging instrument.

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

#### **3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2023**

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

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



#### 4. Change in accounting policy for property, plant and equipment

During the current year, the Group changed its accounting policy for property, plant and equipment, from a cost basis to revaluation basis for its land, since the Group's management believes that it is more appropriate under the current financial and economic conditions.

In changing the accounting policy for property, plant and equipment, the Group has complied with TAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, and the change is considered a revaluation of assets in accordance with TAS 16 *Property, Plant and Equipment*, which does not require that the changes be applied retrospectively. Therefore, the Group recognises the effect of the change in this accounting policy prospectively.

The impacts of the change in accounting policy for property, plant and equipment on the statement of financial position as at 31 December 2022 and the statements of comprehensive income for the year then ended are presented as follows:

	(Unit: Million Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
<b>Statement of financial position</b>		
Increase in investments in subsidiaries	-	205
Increase in property, plant and equipment	257	-
Increase in deferred tax liabilities	52	-
Increase in surplus on revaluation of assets	205	205

	(Unit: Million Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
<b>Statement of comprehensive income</b>		
<b>Other comprehensive income:</b>		
Increase in changes in surplus on revaluation		
of assets - net of income tax	205	205
<b>Increase in total comprehensive income for the year</b>	205	205

## **5. Significant accounting policies**

### **5.1 Revenue and expense recognition**

#### ***Revenue from sales of electricity***

Revenue from sales of electricity is recognised based on the delivery unit at the rate specified in the agreement, excluding value added tax.

Subsidy for adder is recognised when there is a reasonable assurance that the subsidy will be received and the Group will comply with all attached conditions.

Government grants are recognised when there is reasonable assurance that the grants will be received, and all attached conditions will be complied with. The subsidy relating to income are recognised as income in profit and loss. The subsidy relating to specific expenses are deferred and recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the subsidy is intended to compensate.

Grants related to property, plant and equipment are presented as non-current liabilities because there are conditions under agreements to fulfill. When conditions are fulfilled, grants are deducted from the value of related assets and are recognised in profit or loss over the useful lives of the assets as a reduced depreciation expense.

#### ***Sales of goods***

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

#### ***Management services***

Management income is recognised over time when services have been rendered taking into account the stage of completion.

#### ***Revenues from construction services***

The Group recognised revenue from construction service on a percentage of completion basis. The percentage of completion is measured by completion of physical proportion of the contract work.

The recognised revenue which is not yet due per the contract has been presented under the caption of “Unbilled receivables” in the statement of financial position. The amounts recognised as unbilled receivables are reclassified to trade receivables when the Group’s right to consideration is unconditional such as upon completion of services and acceptance by the customer. The excess of the amount billed to a customer over the value of the construction contract in progress is presented as “Construction revenue received in advance” under current liabilities.

### ***Interest income***

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

### ***Finance cost***

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

### ***Dividends***

Dividends are recognised when the right to receive the dividend is established.

### ***Cost of construction***

Cost of construction includes cost of material and equipment and expenses which are calculated from the percentage of completion. Contracts of which incurred construction cost exceeds calculated cost of construction under percentage of completion, and cost of project of which revenue has not yet been recognised are shown as “Construction contracts in progress” under current assets in the statement of financial position, while contracts of which calculated cost of construction exceeds incurred cost of construction are shown as “Accrued construction costs” under current liabilities in the statement of financial position.

### ***Expenses***

Unless included in the effective interest rate calculation, expenses are recognised on an accrual basis.

## **5.2 Cash and cash equivalents**

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

### **5.3 Inventory**

Inventory are valued at the lower of cost and net realisable value. The cost of inventories includes all purchase costs and direct related expenses under the average cost method.

### **5.4 Investments in subsidiaries and an associate**

Investment in an associate is accounted for in the consolidated financial statements and investments in subsidiaries are accounted for in the separate financial statements, using the equity method.

### **5.5 Power plants under construction**

All expenditures and other related expenses incurred during the construction of the power plants to make the plants operational are capitalised as solar power plants. Such project costs incurred during the construction phase include materials and equipment, project construction costs, management fees, consulting fees, direct costs and borrowing costs.

### **5.6 Property, plant and equipment/Depreciation**

#### *Accounting policy adopted since 30 June 2022*

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

Land is initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to its fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Group's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of "Revaluation surplus". However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Group's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in "Revaluation surplus" in respect of the same asset.

#### *Accounting policy adopted before 30 June 2022*

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

Depreciation of buildings and equipment is calculated by reference to their costs less residual values (if any) on the straight-line basis over the following estimated useful lives:

Land improvements	20, 25 years
Office building and building improvement	20 years
Power plants	12, 20, 25 years
Solar roof systems	25, 30 years
Machinery, equipment and spare parts	12, 20, 25 years
Equipment, tools, furniture and fixtures	3, 5, 10, 20 years
Vehicles	5 years

Depreciation is charged to profit or loss. No depreciation is provided on land and assets under installation and construction.

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

## 5.7 Borrowing costs

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

## 5.8 Intangible assets

Intangible assets are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

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

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

	<u>Useful lives</u>
Electric distribution linkage right	12, 25 years
Communication and external electric distribution system	20, 25 years
Computer software	3, 5 years

## 5.9 Leases

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

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

### ***Right-of-use assets***

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

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

Land	20, 25, 30 years
Motor vehicles	5 years

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

### ***Lease liabilities***

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

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

#### ***Short-term leases and leases of low-value assets***

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

### **5.10 Related party transactions**

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

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

### **5.11 Business combinations under common control**

Business combinations under common control are accounted for using the pooling of interests method, with the cost of the business combinations under common control being the fair value, at the date of exchange, of the consideration transferred to obtain control. The assets and liabilities of the entities pooled are recognised based on their book values, in proportion to the interests previously under common control.

Differences between the cost of the business combination under common control and the acquirer's proportionate interests in the book value of the pooled entities are directly recognised in shareholders' equity (and if the pooled entities have profit or loss transactions directly recognised in the shareholders' equity, the financial statements after business combination present the transaction as if the business combination occurred at the earliest reporting date). The remaining difference between the cost of the business combination under common control and the acquirer's proportionate interest in the book value the pooled entities, after recognising the profit or loss transactions directly in shareholders' equity, is presented as "Surplus (deficit) on business combination under common control" in shareholders' equity

Costs relating to business combinations under common control are accounted for as expenses in the period in which the business combination occurred.

## **5.12 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

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

Gains and losses on exchange are included in determining income, except for gain and loss on exchange rate of financial liabilities designated as hedging instruments for cashflow hedge. The effective portion of the gain or loss on exchange rate is recognised in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in profit or loss.

### Foreign operations

Assets and liabilities of each foreign operation included in the consolidated financial statements are translated into Baht using the exchange rate prevailing at the end of reporting period. Items in statement of comprehensive income of foreign operations translated into Baht using the exchange rate ruling at the date of the transaction or yearly average exchange rates. The exchange differences arising on translation for consolidation are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity.

When the settlement of a monetary item borrowing from or lending to a foreign operation is neither planned nor likely in the foreseeable future, gains and losses arising from translation of such monetary item are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity until loan settlement.

## **5.13 Impairment of non-financial assets**

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use asset and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.



## **5.14 Employee benefits**

### ***Short-term employee benefits***

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

### ***Post-employment benefits***

#### **Defined Contribution plans**

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

#### **Defined benefit plans**

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

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

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

## **5.15 Provisions**

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

## **5.16 Income tax**

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

### **Current tax**

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

### **Deferred tax**

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

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

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

## **5.17 Financial instruments**

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

### **Classification and measurement of financial assets**

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

#### ***Financial assets at amortised cost***

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

#### ***Financial assets designated at FVOCI (equity instruments)***

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

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

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

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

### ***Financial assets at FVTPL***

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

### **Classification and measurement of financial liabilities**

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

### **Derecognition of financial instruments**

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

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

### **Impairment of financial assets**

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

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

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

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. ECL are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

### **Offsetting of financial instruments**

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

### **5.18 Derivatives and hedge accounting**

The Group uses derivatives, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risk, respectively.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss unless the derivative is designated and effective as a hedging instrument under cash flow hedge. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current financial assets or non-current financial liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current financial assets or current financial liabilities.

## **Hedge accounting**

The Group applies hedge accounting as cash flow hedges for recognised liability and a highly probable forecast transaction.

At the inception of a hedging relationship, the Group formally designates and documents the hedging relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation, at the inception of the hedge and on an ongoing basis, includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements, including analysis of the sources of hedge ineffectiveness and how the hedge ratio is determined.

A hedging relationship qualifies for hedge accounting if it meets all of the following hedge effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk is not the dominant factor in the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all of the qualifying criteria for hedge accounting are accounted for, as described below:

- The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in profit or loss. The cash flow hedge reserve is adjusted to the lower (in absolute amounts) of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.
- The way cash flow hedge reserve accumulated in other comprehensive income are subsequently accounted for, depends on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the reserve accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and is not recognised in other comprehensive income for the period. For any other cash flow hedges, the reserve accumulated in other comprehensive income is subsequently reclassified to profit or loss as a reclassification adjustment in the same period which the hedged cash flows affect profit or loss.

- If cash flow hedge accounting is discontinued, the cash flow hedge reserve accumulated in other comprehensive income will be immediately reclassified to profit or loss as a reclassification adjustment if the hedged future cash flows are not expected to occur. If the hedged future cash flows are still expected to occur the cash flow hedge reserve must remain in equity and recognise in profit and loss statement in the same period which the hedged cash flows affect profit or loss.

### **5.19 Fair value measurement**

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

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

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

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

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

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

## **6. Significant accounting judgements and estimates**

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

### **Allowance for expected credit losses of trade receivables and loans**

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

### **Fair value of financial instruments**

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

### **Property, plant and equipment and intangible assets**

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

The Group measures land at revalued amounts. Such amounts are determined by an independent valuer using the market approach. The valuation involves certain assumptions and estimates.

In addition, the management is required to review assets for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review and a suitable discount rate selected in order to calculate the present value of estimate cash flows to be generated by the assets.

## Estimating the incremental borrowing rate of leases - the Group as lessee

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

## 7. Related party transactions

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

(Unit: Million Baht)

	Consolidated		Separate		
	financial statements		financial statements		Pricing policy
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	
<b><u>Transactions with subsidiaries</u></b>					
<i>(eliminated from the consolidated financial statements)</i>					
Management income					
(included in other income)	-	-	29	29	As per agreement
Interest income	-	-	157	111	2%-7% (2021: 3.06%-3.99%) per annum
Dividend income	-	-	280	500	As announced
Interest expenses	-	-	2	1	2% (2021: 2%) per annum
Service expenses	-	-	10	10	As per agreement
<b><u>Transactions with related parties</u></b>					
Sales of electricity	9	8	-	-	As per agreement
Interest income	-	-	1	-	7% per annum
Rental and service expenses	3	1	1	-	As per agreement



The balances of the accounts between the Group and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b><u>Trade and other receivables - related parties (Note 10)</u></b>				
Subsidiaries	-	-	321,574	357,452
Related companies	4,613	1,449	960	-
Total	<u>4,613</u>	<u>1,449</u>	<u>322,534</u>	<u>357,452</u>
<b><u>Deposits - related parties</u></b>				
Related individuals and companies	<u>186,169</u>	<u>99,270</u>	<u>186,169</u>	<u>99,270</u>
<b><u>Trade and other payables - related parties (Note 18)</u></b>				
Subsidiaries	-	-	14,417	8,088
Related individuals and companies	122	85	50	30
Total	<u>122</u>	<u>85</u>	<u>14,467</u>	<u>8,118</u>
<b><u>Lease liabilities - related party</u></b>				
Related company	<u>18,988</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Loans to/from related parties**

The balances of loans between the Group and those related parties and the movements in loans are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance as at			Balance as at
	1 January 2022	Increase	Decrease	Translation adjustments 31 December 2022
<b><u>Short-term loans to</u></b>				
Thai Eastern Industrial Land Co., Ltd.	-	23,750	-	-
Truong Thanh Vietnam Group				
Joint Stock Company	9,974	32,696	-	(1,813)
Director	-	2,000	-	-
Total	<u>9,974</u>	<u>58,446</u>	<u>-</u>	<u>(1,813)</u>

(Unit: Thousand Baht)

## Separate financial statements

	Balance as at				Balance as at
	1 January			Translation	31 December
	2022	Increase	Decrease	adjustments	2022
<u>Short-term loans to</u>					
Access Energy Co., Ltd.	13,909	-	-	-	13,909
Truong Thanh Tra Vinh					
Wind Power JSC.	199,481	451,788	(658,306)	7,037	-
Truong Thanh Vietnam Group					
Joint Stock Company	9,974	32,696	-	(1,813)	40,857
Uni Power Tec Co., Ltd.	15,000	-	-	-	15,000
Niche Renewable Power Co., Ltd.	-	2,875	-	-	2,875
Infinite Renewable Power Co., Ltd.	-	1,250	-	-	1,250
Renewable Absolute Power Co., Ltd.	-	11,600	-	-	11,600
Renewable Infinite Co., Ltd.	-	2,975	-	-	2,975
SSTE Sustainable Co., Ltd.	-	26,719	(20,457)	-	6,262
STZ Innovation Co., Ltd.	-	26,719	(20,457)	-	6,262
Total	238,364	556,622	(699,220)	5,224	100,990
<u>Long-term loans to</u>					
Sermasang International Co., Ltd.	3,262,520	796,310	(1,610,687)	-	2,448,143
Access Energy Co., Ltd.	20,000	-	-	-	20,000
Sermasang Infinite Co., Ltd.	47,000	-	-	-	47,000
Plus Energy Co., Ltd.	-	752,310	-	-	753,310
Total	3,329,520	1,548,620	(1,610,687)	-	3,267,453

(Unit: Thousand Baht)

## Consolidated financial statements

	Balance as at				Balance as at
	1 January				31 December
	2022	Increase	Decrease		2022
<u>Short-term loans from</u>					
Thaieastern Bio Power Co., Ltd.	-	17,813	(13,639)		4,174
Director	-	3,038	-		3,038
Total	-	20,851	(13,639)		7,212

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at			Balance as at
	1 January			31 December
	2022	Increase	Decrease	2022
<u>Short-term loans from</u>				
Essential Power Co., Ltd.	10,549	305,000	(7,017)	308,532
Plus Energy Co., Ltd.	1,903	-	(1,145)	758
Prestige Group Co., Ltd.	1,104	-	(181)	923
Siam Clean Solution Co., Ltd.	8,531	122,500	(1,194)	129,837
Bettenergy Co., Ltd.	-	69,500	(26,405)	43,095
Total	22,087	497,000	(35,942)	483,145

### **Directors and management's benefits**

During the years, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidated/Separate financial statements	
	<u>2022</u>	<u>2021</u>
Short-term employee benefits	30	23
Post-employment benefits	1	1
Total	31	24

### **Guarantee obligations with related parties**

The Company has outstanding guarantee obligations with its related parties, as described in Note 32.4 to the consolidated financial statements.

## **8. Cash and cash equivalents**

The subsidiaries have pledged bank deposits amounting to Baht 70 million (2021: Baht 193 million) as security against long-term loans, as discussed in Note 20 to the consolidated financial statements. However, the subsidiaries can withdraw such bank deposits for use in their operations.

## 9. Restricted bank deposits

Short-term and long-term restricted bank deposits represent bank deposits pledged with the banks to secure credit facilities, as described in Notes 17, 20 and 32.4 to the consolidated financial statements. The bank deposits are restricted in accordance with the conditions stipulated in the credit facility agreements made with the banks.

## 10. Trade and other receivables

(Unit: Thousand Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	1,633	1,449	9,707	4,892
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	466,237	470,578	-	-
Past due				
Up to 3 months	4,290	599	-	-
3-6 months	13	4,623	-	-
6-12 months	5	99	-	-
Over 12 months	-	71	-	-
Total	470,545	475,970	-	-
Less: Allowance for expected credit losses	-	(71)	-	-
Net	470,545	475,899	-	-
<u>Other receivables - related parties</u>				
Interest receivable	2,980	-	312,647	352,560
<u>Other receivables - unrelated parties</u>				
Other advance payments	83,195	58,969	3,068	31,059
Undue input tax	104,866	110,989	5,080	3,277
Other receivables	48,431	56,501	9,600	-
Total	236,492	226,459	17,748	34,336
Total trade and other receivables - net	711,650	703,807	340,102	391,788

A subsidiary has pledged trade accounts receivable of Baht 13 million (2021: Baht 11 million) to secure credit limit of its loan from a financial institution, as described in Note 20 to the consolidated financial statements.

The normal credit term is 15 to 45 days.

## 11. Inventory

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2022</u>	<u>2021</u>
Finished goods	1,737	421
Raw materials	17,808	7,164
Total	<u>19,545</u>	<u>7,585</u>

## 12. Other financial assets and hedge accounting

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Other current financial assets</b>				
Debt instruments - fixed deposits				
at amortised cost	3,357	4	3,353	-
Derivatives at FVTPL	-	1,973	-	1,897
Total other current financial assets	<u>3,357</u>	<u>1,977</u>	<u>3,353</u>	<u>1,897</u>
<b>Other non-current financial assets</b>				
<u>Derivatives designated as hedging</u>				
<u>instruments - cash flow hedges</u>				
Interest rate swaps	27,303	-	-	-
<u>Equity instruments designated at FVOCI</u>				
Marketable equity instruments				
Nova Empire Public Company Limited	184,016	-	184,016	-
Non-listed equity instruments				
Xurya Pte., Ltd. & Subsidiary	7,278	7,278	-	-
500 Tuk Tuks II, L.P.	32,026	24,809	-	-
Total other non-current financial assets	<u>250,623</u>	<u>32,087</u>	<u>184,016</u>	<u>-</u>

During the year, the Company acquired 9.67 percent of all paid-up shares of Nova Empire Public Company Limited at a price of Baht 170 million, through an offering of additional shares of that company made by private placement. The Company's management considered the investment to be long-term, strategic, made in order to acquire certain rights as stipulated in the share sale and purchase agreement.

### **Cash flow hedges**

The subsidiaries designated interest rate swap contracts as hedging instruments to hedge the cash flow risk of the floating rate loans and designated borrowings denominated in foreign currency as hedging instruments to hedge the cash flow risk of the foreign exchange arising on the sales.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the interest rate swap match the terms of loans, i.e., notional amount, maturity, payment and reset dates. The Group has established a hedge ratio of 1:1 as the underlying risks of the interest rate swaps are identical to the hedged risk component. To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in the fair value of the hedged items attributable to the hedged risks.

The gain on hedging instruments before income tax recognised in other comprehensive income is equal to the change in fair value, which is used to measure its effectiveness. No ineffective portion was recognised. During the year, cashflow hedge reserve amounting to Baht 25 million was transferred to profit or loss, where it was presented under the caption of finance cost (2021: Baht 22 million was transferred to profit or loss, and Baht 9 million of reserve was transferred to power plants under construction).

The subsidiaries hold the following derivatives as hedging instruments:

(Unit: Thousand)

Consolidated financial statements								
	Notional amount		Book value		Hedged item		Notional amount	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Interest rate swaps</b>								
Baht	-	455,676	-	(21,939)	Floating rate loan - Baht	Floating rate loan - Baht	-	455,676
Yen	8,397,117	8,926,400	104,645	(484,604)	Floating rate loan - Yen	Floating rate loan - Yen	8,397,117	8,926,400

### 13. Investments in subsidiaries

#### 13.1 Details of investments in subsidiaries as presented in separate financial statements

Company's name	Shareholding		Paid-up capital		Cost		(Unit: Thousand Baht) Carrying amounts based on equity method	
	percentage							
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(Percent)	(Percent)						
<b>Subsidiaries directly held by the Company</b>								
Serm Sang Palang Ngan Co., Ltd.	100	100	900,506	900,506	900,506	900,506	2,419,274	1,954,508
Sermsang Corporation Co., Ltd. **	100	100	35,454	34,141	35,454	34,141	1,015	312
Sermsang International Co., Ltd.	100	100	810,000	810,000	810,000	810,000	910,171	498,958
Essential Power Co., Ltd. **	100	100	318,250	13,250	318,250	13,250	316,523	11,682
Sermsang Solar Co., Ltd.	100	100	50,000	50,000	50,000	50,000	85,310	74,486
Siam Renewable Power Co., Ltd. **	100	100	6,490	6,310	6,490	6,310	-	5,056
Sermsang Infinite Co., Ltd.	100	100	108,400	108,400	108,400	108,400	130,270	116,165
Plus Energy Co., Ltd.	100	100	3,250	3,250	3,250	3,250	33,110	2,170
Siam Clean Solutions Co., Ltd. **	100	100	132,500	10,000	132,500	10,000	131,305	9,217
Prestige Group Co., Ltd.	-	100	-	2,500	-	2,500	-	1,287
Triple P Renewable Co., Ltd.	-	100	-	6,500	-	6,500	-	192
Uni Power Tec Co., Ltd.	100	99	243,000	243,000	243,000	243,000	504,258	329,780
Truong Thanh Tra Vinh Wind Power JSC. **	80	80	1,033,396	876,659	834,378	709,671	976,979	895,961
Bettenergy Co., Ltd.	100	-	71,100	-	71,100	-	71,176	-
Sermsang Next Ventures Co., Ltd. *	100	-	250	-	250	-	223	-
Total							<u>5,579,614</u>	<u>3,899,774</u>

Investment in a subsidiary with a capital deficit was presented separately in the separate financial statements under the caption “Loss in excess of cost over investments in subsidiaries accounted for under equity method”, summarised as follows:

Company's name	Shareholding		Paid-up capital		Cost		(Unit: Thousand Baht) Carrying amounts based on equity method	
	percentage							
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(Percent)	(Percent)						
Access Energy Co., Ltd. **	100	100	33,500	33,000	33,500	33,000	(28,378)	(40,257)
SSTE Sustainable Co., Ltd. *	75	-	250	-	188	-	(1,088)	-
STZ Innovation Co., Ltd. *	75	-	250	-	188	-	(4,943)	-
Siam Renewable Power Co., Ltd. **	100	100	6,490	6,310	6,490	6,310	(244)	-
Niche Renewable Power Co., Ltd. *	100	-	250	-	250	-	(2,227)	-
Renewable Infinite Co., Ltd. *	75	-	250	-	188	-	(495)	-
Infinite Renewable Power Co., Ltd. *	75	-	250	-	188	-	(1,062)	-
Renewable Absolute Power Co., Ltd. *	75	-	250	-	188	-	(349)	-
							<u>(38,786)</u>	<u>(40,257)</u>

\* Incorporated during the current year.

\*\* Called up share capital during the current year.



As at 31 December 2022, the Company pledged investment in a subsidiary amounting to Baht 85 million (2021: Baht 74 million) as collateral against credit facilities granted by a financial institution, as discussed in Note 20 to the consolidated financial statements.

13.1.1 On 8 June 2022, Surge Energy Corporation Limited (a subsidiary) sold its 87 percent investment (TK's interest) under the TK-GK agreement in SS Hidaka No Mori GK, its subsidiary owning a solar power plant project in Japan, at a price of JPY 2,800 million, or equivalent to Baht 716 million, to an unrelated company in Japan, in accordance with a resolution passed by a meeting of the Company's Board of Directors on 20 May 2022. The Group therefore recognised a gain of Baht 348 million from the sale of the subsidiary and included this in "Gain on sales of subsidiaries" in profit or loss in the consolidated statements of comprehensive income for the current year.

The carrying value of the net assets of SS Hidaka No Mori GK as at the loss of control date is below:

	(Unit: Thousand Baht)
	Consolidated financial statements
Cash and cash equivalents	90,276
Trade and other receivables	63,919
Property, plant and equipment	1,176,810
Intangible assets	151,779
Other assets	283,737
Trade and other payables	(32,186)
Loans	(1,129,872)
Other liabilities	(163,148)
Net assets	441,315
Non-controlling interests of the subsidiary	(57,371)
Exchange differences on translation of financial statements in foreign currency	84,002
Carrying value of the net assets	467,946
Gain on sales of the subsidiary	348,400
Direct expenses in sale of the subsidiary	12,700
Translation adjustments	(112,856)
Proceeds from sales of the subsidiary	716,190

13.1.2 In October 2022, the Extraordinary General Meetings of shareholders of Siam Clean Solutions Company Limited and Essential Power Company Limited passed resolutions approving increases of Baht 490 million and Baht 1,220 million, respectively, in registered share capital through the issue of additional ordinary shares to the Company. The two subsidiaries registered the increases in share capital with the Ministry of Commerce on 27 October 2022. The increases in share capital do not have any impact on the Company's interests in the subsidiaries.

13.1.3 During the current year, the Group acquired shares of Bettenergy Company Limited, Lomsingkhon Company Limited and Lomchangklang Company Limited, at a price of Baht 2 million, Baht 1 million and Baht 12 million, respectively. The Group's management determined that the costs of the acquisitions were not significantly different from the fair values of the net assets acquired.

Subsequently, in November 2022, the Extraordinary General Meeting of shareholders of Bettenergy Company Limited passed a resolution approving an increase of Baht 280 million in registered share capital through the issue of additional ordinary shares to the Company. Bettenergy Company Limited registered the increase in share capital with the Ministry of Commerce on 22 November 2022. The increase in share capital does not have any impact on the Company's interests in the subsidiary.

13.1.4 In November 2022, the Company sold all shares of Prestige Group Company Limited and Triple P Renewable Company Limited to SSTE Sustainable Company Limited and STZ Innovation Company Limited, respectively. Subsequently, the two subsidiaries sold 25 percent interests in the shares of Prestige Group Company Limited and Triple P Renewable Company Limited to an unrelated domestic company, decreasing the Group's ownership interests from 100 percent to 75 percent. There is no significant impact from the change in ownership interests in the subsidiaries.

## 13.2 Share of comprehensive income and dividend received

During the years, the Company recognised its share of comprehensive income from investments in subsidiaries in the separate financial statements and received dividend from the subsidiaries as follows:

(Unit: Thousand Baht)

Company's name	<div>Share of other</div> <div>comprehensive income</div>					
	Share of profit (loss)		from investments		Dividend received	
	from investments		from investments			
	in subsidiaries		in subsidiaries			
	2022	2021	2022	2021	2022	2021
Serm Sang Palang Ngan Co., Ltd.	637,477	620,822	107,290	17,648	280,000	500,000
Sermsang Corporation Co., Ltd.	(610)	129	-	-	-	-
Sermsang International Co., Ltd.	471,969	130,936	(60,757)	216,947	-	-
Access Energy Co., Ltd.	(7,250)	(9,754)	18,630	62	-	-
Essential Power Co., Ltd.	(159)	(128)	-	-	-	-
Sermsang Solar Co., Ltd.	10,824	11,272	-	-	-	-
Siam Renewable Power Co., Ltd.	(5,480)	(324)	-	-	-	-
Sermsang Infinite Co., Ltd.	14,126	12,782	(21)	-	-	-
Plus Energy Co., Ltd.	30,940	(281)	-	-	-	-
Siam Clean Solutions Co., Ltd.	(413)	(169)	-	-	-	-
Prestige Group Co., Ltd.	-	(297)	-	-	-	-
Triple P Renewable Co., Ltd.	-	(353)	-	-	-	-
Uni Power Tech Co., Ltd.	72,685	67,547	101,793	-	-	-
Truong Thanh Tra Vinh Wind Power JSC.	60,199	71,221	(103,586)	97,509	-	-
STZ Innovation Co., Ltd.	1,177	-	-	-	-	-
Bettenergy Co., Ltd.	76	-	-	-	-	-
SSTE Sustainable Co., Ltd.	(62)	-	-	-	-	-
Sermsang Next Ventures Co., Ltd.	(27)	-	-	-	-	-
Renewable Infinite Co., Ltd.	(682)	-	-	-	-	-
Infinite Renewable Power Co., Ltd.	(1,250)	-	-	-	-	-
Renewable Absolute Power Co., Ltd.	(537)	-	-	-	-	-
Niche Renewable Power Co., Ltd.	(2,477)	-	-	-	-	-
Total	1,280,526	903,403	63,349	332,166	280,000	500,000

### 13.3 Subsidiaries that have material non-controlling interests

#### 13.3.1 Details of subsidiaries that have material non-controlling interests

(Unit: Thousand Baht)								
Company's name	Proportion of equity		Accumulated balance of		Profit allocated to		Dividend paid to	
	interest held by		non-controlling interests		non-controlling interests		non-controlling interests	
	non-controlling interests		non-controlling interests		during the year		during the year	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(Percent)	(Percent)						
GK GSSE	10	10	51,726	58,584	13,787	10,989	11,627	26,149
Tenuun Gerel Construction LLC.	25	25	65,722	57,267	6,592	2,677	-	-
Truong Thanh Quang Ngai Power and High Technology JSC.	13	13	94,169	93,055	1,193	8,313	-	-
Truong Thanh Tra Vinh Wind Power JSC.	20	20	241,714	200,878	11,350	13,314	-	-

13.3.2 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling interests

Summarised information about financial position

(Unit: Thousand Baht)

	GK GSSE		Tenuun Gerel Construction LLC		Truong Thanh Quang Ngai Power and High Technology JSC		Truong Thanh Tra Vinh Wind Power JSC.	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current assets	121,998	323,887	188,789	130,263	487,142	478,024	549,606	895,277
Non-current assets	2,805,511	3,277,144	526,902	592,567	1,158,632	1,240,907	3,120,569	3,308,013
Current liabilities	248,435	460,014	66,346	63,141	98,306	98,338	273,007	3,185,405
Non-current liabilities	2,179,614	2,594,967	386,456	429,954	853,354	909,856	2,282,880	13,495

Summarised information about comprehensive income

(Unit: Thousand Baht)

	GK GSSE		Tenuun Gerel Construction LLC		Truong Thanh Quang Ngai Power and High Technology JSC		Truong Thanh Tra Vinh Wind Power JSC.	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenue	428,376	433,919	127,220	114,322	215,269	199,029	508,579	117,674
Profit (loss)	137,873	109,892	26,366	10,707	9,174	63,943	56,748	66,568
Other comprehensive income	(90,179)	(413)	7,456	21,778	(706)	75,685	(9,302)	97,509
Total comprehensive income	47,694	109,479	33,822	32,485	8,468	139,628	47,446	164,077

## Summarised information about cash flow

(Unit: Thousand Baht)

	GK GSSE		Tenuun Gerel Construction LLC		Truong Thanh Quang Ngai Power and High Technology JSC		Truong Thanh Tra Vinh Wind Power JSC.	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash flow from operating activities	163,872	378,921	114,050	110,439	50,895	130,309	499,670	(256,979)
Cash flow from investing activities	259,752	28,324	140	31,901	592	(7,484)	(2,973,840)	44,729
Cash flow from financing activities	(538,939)	(454,645)	(88,314)	(86,275)	(82,988)	45,949	2,558,340	478,467
Net increase (decrease) in cash and cash equivalents	(115,315)	(47,400)	25,876	56,065	(31,501)	168,774	84,170	266,217

## 14. Investment in an associate

### 14.1 Details of an associate

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
			(Percent)	(Percent)				
Winchai Company Limited	Generation and distribution of electricity from wind	Thailand	25	-	984,464	-	819,760	-

On 7 March 2022 (the acquisition date), S. Global Power Limited (a subsidiary) acquired all issued shares of Qian Xing Long Company Limited (“QXL”) from the existing shareholder, in accordance with a resolution passed by the Company’s Board of Directors meeting held on 3 December 2021. QXL is incorporated in the Hong Kong Special Administrative Region of the People’s Republic of China and is principally engaged in the investment and consultancy.

The objective of the investment in QXL is an investment in Winchai Company Limited.

At the acquisition date, QXL’s main asset was the investment in 25 percent of all issued shares of Winchai Company Limited. The Group determined that the investment in Winchai Company Limited is an investment in an associate.

Subsequently, in December 2022, QXL sold the investment in the associate to another subsidiary (Plus Energy Company Limited). The sale does not have any impact on the Group’s interest in the associate. Moreover, S. Global Power Limited sold all shares of QXL to the existing shareholder of QXL, at a price of Baht 45 million. The Group recognised a gain of Baht 16 million from the sale of the subsidiary and included this in “Gain on sales of subsidiaries” in profit or loss in the consolidated statements of comprehensive income for the current year.

The value of the investment in the associate and the carrying value of the associate’s net assets as at 28 February 2022, which the Group’s management determined that they were not significantly different from the value at the acquisition date, are summarised below.

(Unit: Thousand Baht)

Investment value in the associate

Purchase price of the investment in QXL payable	
to the existing shareholder	694,790
Loan to QXL for debt repayment to the existing shareholder	289,674
Cash paid for investment in the associate	984,464

Net asset value of the associate

Carrying value of net assets at the acquisition date	1,872,162
The Group’s 25 percent proportionate share of the associate	468,041

## 14.2 Share of comprehensive income and dividend received

During the years, the subsidiary recognised its share of comprehensive income from investment in an associate in the consolidated financial statements and received dividend from the associate as follows:

(Unit: Thousand Baht)

Company's name	Share of profit from investment in an associate		Dividend received	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2020</u>
Winchai Company Limited	<u>86,296</u>	<u>-</u>	<u>251,000</u>	<u>-</u>

## 14.3 Summarised financial information about material associate

Summarised information about financial position

(Unit: Thousand Baht)

	Fair value at the acquisition date	31 December 2022
Current assets	1,212,820	1,104,701
Non-current assets	4,378,254	4,202,735
Current liabilities	(71,399)	(222,622)
Non-current liabilities	(2,319,484)	(2,543,442)
Net assets	3,200,191	2,541,372
Shareholding percentage (percent)	25	25
Share of net assets	800,047	635,343
Goodwill	184,417	184,417
Carrying amounts of an associate based on equity method	<u>984,464</u>	<u>819,760</u>

During the year, the Group's management completed the measurement of the fair value at the acquisition date of the identifiable assets acquired and the liabilities assumed of the associate.

Summarised information about comprehensive income for the period from 1 March 2022 to 31 December 2022

(Unit: Thousand Baht)

Revenue	691,856
Profit	345,184
Total comprehensive income	345,184



## 15. Property plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements									
		Cost basis								
	Revaluation		Office building			Machinery,	Equipment,		Power plants	
	basis	Land	and building		Solar roof	equipment	tools, furniture		under	
	Land	improvement	improvement	Power plants	system	and spare part	and fixtures	Vehicles	construction	Total
Cost/Revalued amount										
1 January 2021	268,746	1,037,001	97,366	903,670	201,491	8,268,116	93,304	18,669	1,689,751	12,578,114
Additions	-	394	556	-	308,216	2,967	1,978	-	4,419,733	4,733,844
Disposals	-	-	-	-	(80)	(6,038)	(291)	-	-	(6,409)
Capitalised depreciation										
of right-of-use assets	-	-	-	-	-	-	-	-	2,537	2,537
Transfers	-	1,558,349	14,014	592,466	225	3,917,310	30,470	-	(6,112,834)	-
Translation adjustment	(10)	7,259	2,969	9,590	4,942	184,477	386	103	7,350	217,066
31 December 2021	268,736	2,603,003	114,905	1,505,726	514,794	12,366,832	125,847	18,772	6,537	17,525,152
Additions	-	20,441	3,775	500	132,117	17,957	4,839	645	33,305	213,579
Disposals	-	-	-	(1,005)	(10)	(8,636)	(2,218)	-	-	(11,869)
Capitalised depreciation										
of right-of-use assets	-	-	-	-	-	-	-	-	7,137	7,137
Transfers	-	3,007	3,230	-	14,022	5,413	1,575	-	(27,247)	-
Revaluations (Note 4)	257,805		-	-	-	-	-	-	-	257,805
Sales of a subsidiary (Note 13)	-	(72,974)	-	(193,094)	-	(1,224,199)	(5,056)	-	-	(1,495,323)
Translation adjustment	(7,431)	(235,722)	993	(87,688)	(20,530)	(467,450)	(11,532)	35	(1)	(829,326)
31 December 2022	519,110	2,317,755	122,903	1,224,439	640,393	10,689,917	113,455	19,452	19,731	15,667,155

(Unit: Thousand Baht)

## Consolidated financial statements

	Revaluation basis	Cost basis								Total
		Land improvement	Office building and building improvement		Solar roof system	Machinery, equipment and spare part	Equipment, tools, furniture and fixtures	Vehicles	Power plants under construction	
Land	improvement	improvement	Power plants	system	and spare part	and fixtures	Vehicles	construction		
Accumulated depreciation										
1 January 2021	-	74,839	10,294	170,150	13,470	1,043,778	8,089	8,535	-	1,329,155
Depreciation for the year	-	84,272	6,717	59,242	14,040	481,134	7,099	2,607	-	655,111
Depreciation on disposals	-	-	-	-	(14)	(1,587)	(266)	-	-	(1,867)
Translation adjustment	-	743	398	1,001	93	18,018	139	6	-	20,398
31 December 2021	-	159,854	17,409	230,393	27,589	1,541,343	15,061	11,148	-	2,002,797
Depreciation for the year	-	120,165	6,422	63,465	26,377	594,974	8,161	2,692	-	822,256
Depreciation on disposals	-	-	-	-	(1)	(2,610)	(327)	-	-	(2,938)
Sales of a subsidiary (Note 13)	-	(14,548)	-	(42,079)	-	(260,051)	(1,835)	-	-	(318,513)
Translation adjustment	-	(13,204)	222	(8,853)	(1,715)	(61,159)	(906)	6	-	(85,609)
31 December 2022	-	252,267	24,053	242,926	52,250	1,812,497	20,154	13,846	-	2,417,993
Net book value										
31 December 2021	268,736	2,443,149	97,496	1,275,333	487,205	10,825,489	110,786	7,624	6,537	15,522,355
31 December 2022	519,110	2,065,488	98,850	981,513	588,143	8,877,420	93,301	5,606	19,731	13,249,162
Depreciation for the year										
2021 (Baht 648 million included in cost of sales, and the balance in administrative expenses)										655,111
2022 (Baht 783 million included in cost of sales, and the balance in administrative expenses)										822,256

(Unit: Thousand Baht)

	Separate financial statements			
	Office building and building improvement	Construction in process	Office equipment and fixtures	Total
<b>Cost</b>				
1 January 2021	-	408	1,152	1,560
Additions	556	3,138	308	4,002
31 December 2021	556	3,546	1,460	5,562
Additions	3,692	1,260	1,487	6,439
Transfers	3,231	(4,806)	1,575	-
31 December 2022	7,479	-	4,522	12,001
<b>Accumulated depreciation</b>				
1 January 2021	-	-	926	926
Depreciation for the year	14	-	188	202
31 December 2021	14	-	1,114	1,128
Depreciation for the year	526	-	561	1,087
31 December 2022	540	-	1,675	2,215
<b>Net book value</b>				
31 December 2021	542	3,546	346	4,434
31 December 2022	6,939	-	2,847	9,786
<b>Depreciation for the year ended 31 December</b>				
2021 (Included in administrative expenses)				202
2022 (Included in administrative expenses)				1,087

In 2022, the subsidiaries arranged for an independent professional valuer to appraise the value of land, categorised within Level 2 of the fair value hierarchy, using the market approach.

Had the land been carried in the consolidated financial statements on a historical cost basis, its net book value as at 31 December 2022 would have been Baht 261 million (2021: Baht 269 million).

The subsidiaries have mortgaged their property, plant and equipment with net book value of Baht 12,477 million (2021: Baht 11,666 million) as collateral against credit facilities received from commercial banks, as discussed in Note 20 to the consolidated financial statements.

## 16. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements					
	Land distribution linkage right	Electric distribution linkage right	Communication and external electric distribution system	Computer software	Intangible assets of power plants under construction	Total
<b>Cost</b>						
1 January 2021	138,036	423,479	395,837	2,155	177,551	1,137,058
Additions	3,356	-	-	95	205,449	208,900
Disposals	-	-	-	(14)	-	(14)
Transfers	217,125	30,517	102,399	2	(350,043)	-
Translation adjustment	17,587	14,261	(40)	1	(39)	31,770
31 December 2021	376,104	468,257	498,196	2,239	32,918	1,377,714
Additions	145	-	59	111	26,067	26,382
Sales of a subsidiary						
(Note 13)	-	-	(193,008)	-	-	(193,008)
Translation adjustment	(20,958)	(31,941)	(30,643)	-	(3,366)	(86,908)
31 December 2022	355,291	436,316	274,604	2,350	55,619	1,124,180
<b>Accumulated amortisation</b>						
1 January 2021	10,928	21,659	42,068	1,006	-	75,661
Amortisation for the year	12,329	24,407	16,654	386	-	53,776
Amortisation for disposals	-	-	-	(12)	-	(12)
Translation adjustment	1,392	1,355	(5)	2	-	2,744
31 December 2021	24,649	47,421	58,717	1,382	-	132,169
Amortisation for the year	18,111	24,099	18,295	374	-	60,879
Sales of a subsidiary						
(Note 13)	-	-	(41,229)	-	-	(41,229)
Translation adjustment	(888)	(2,664)	(6,015)	-	-	(9,567)
31 December 2022	41,872	68,856	29,768	1,756	-	142,252
<b>Allowance for impairment</b>						
1 January 2021	-	-	-	-	(13,081)	(13,081)
Translation adjustment	-	-	-	-	2	2
31 December 2021	-	-	-	-	(13,079)	(13,079)
Translation adjustment	-	-	-	-	1,337	1,337
31 December 2022	-	-	-	-	(11,742)	(11,742)

(Unit: Thousand Baht)

	Consolidated financial statements					
	Communication and external					
	Land distribution linkage right	Electric distribution linkage right	electric distribution system	Computer software	Intangible assets of power plants under construction	Total
Net book value						
31 December 2021	351,455	420,836	439,479	857	19,839	1,232,466
31 December 2022	313,419	367,460	244,836	594	43,877	970,186
Amortisation for the year						
2021 (Baht 52 million included in cost of sales, and the balance in administrative expenses)						53,776
2022 (Baht 59 million included in cost of sales, and the balance in administrative expenses)						60,879

(Unit: Thousand Baht)

Separate financial statements		
Computer software		
	2022	2021
<b>Cost</b>		
Balance at beginning of year	96	91
Additions	24	5
Balance at end of year	120	96
<b>Accumulated amortisation</b>		
Balance at beginning of year	90	78
Amortisation for the year	7	12
Balance at end of year	97	90
<b>Net book value</b>	23	6
<b>Amortisation for the year</b>		
2021 (Included in administrative expenses)		12
2022 (Included in administrative expenses)		7

## 17. Short-term loans from banks

		(Unit: Thousand Baht)			
	Interest rate (% per annum)	Consolidated		Separate	
		financial statements		financial statements	
		<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term loans	-	-	100,000	-	100,000
Bills of exchange	-	-	397,384	-	397,384
Promissory notes	4	23,000	21,000	-	-
Total		<u>23,000</u>	<u>518,384</u>	<u>-</u>	<u>497,384</u>

## 18. Trade and other payables

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Trade payables - related parties		15	15	10,914	5,457
Trade payables - unrelated parties		19,261	63,881	-	3,321
Other payables		81,760	65,322	4,660	1,532
Construction and project development payables		26,091	2,991,815	-	-
Accrued interest expenses - related parties		17	-	3,503	2,631
Accrued interest expenses - unrelated parties		3,224	3,481	1,203	2,005
Accrued interest expenses - debentures		6,579	8,066	6,579	8,066
Accrued expenses - related parties		90	70	50	30
Accrued expenses - unrelated parties		85,582	67,946	6,742	5,423
Total		<u>222,619</u>	<u>3,200,596</u>	<u>33,651</u>	<u>28,465</u>

## 19. Long-term debentures

(Unit: Thousand Baht)						
No.	Issue date	Maturity date	Term (Years)	Interest rate (% per annum)	Consolidated/Separate financial statements	
					<u>2022</u>	<u>2021</u>
1/2020	4 December 2020	4 June 2022	1.5	4.6	-	800,000
1/2021	23 July 2021	23 January 2024	2.5	4.8	600,000	600,000
1/2022	25 March 2022	25 March 2025	3	4.6	1,500,000	-
Total - at face value					2,100,000	1,400,000
Less: Deferred cost of issuing debentures					(13,064)	(6,431)
Long-term debentures - net					2,086,936	1,393,569
Less: Current portion					-	(798,136)
Long-term debentures - net of current portion					<u>2,086,936</u>	<u>595,433</u>

Movements of the long-term debentures account during the years are summarised below.

(Unit: Thousand Baht)		
	Consolidated/Separate financial statements	
	<u>2022</u>	<u>2021</u>
Balance at beginning of year	1,393,569	793,904
Additional debentures	1,500,000	600,000
Cost of issuing debentures	(14,091)	(5,482)
Redemption of debentures	(800,000)	-
Amortisation of cost of issuing debentures	7,458	5,147
Balance at end of year	<u>2,086,936</u>	<u>1,393,569</u>

Long-term debentures are registered, senior, unsecured debentures with a trustee. Interest is payable on a quarterly basis. The Company is required to comply with certain procedures and conditions, such as maintaining a debt-to-equity ratio in the consolidated financial statements.

The long-term debentures of the Company had a fair value amounting to Baht 2,092 million, using the yield curve as announced by the Thai Bond Market Association. The fair value hierarchy level was classified as Level 2.

## 20. Long-term loans

				(Unit: Thousand Baht)			
Loan	Interest rate (Percent per annum)	Currency	Repayment schedule	Consolidated financial statements		Separate financial statements	
				<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
1	THBFIX 3 months plus additional rate	Baht	Principal is payable in quarterly installments, beginning in June 2015 with the final installment due in December 2024.	-	701,039	-	-
2	Fixed rate per agreement	Baht	Principal is payable in quarterly installments, beginning in March 2020 with the final installment due in December 2025.	-	521,600	-	521,600
	THBFIX 3 months plus additional rate	Baht	Principal is payable in quarterly installments, beginning in March 2020 with the final installment due in December 2025.	-	782,400	-	782,400
3	MLR less margin	Baht	Principal is payable in quarterly installments, beginning in September 2020, with the final installment due in June 2029.	71,934	81,434	-	-
4	MLR less margin	Baht	Principal is payable in semi-annual installments, beginning in August 2021, with the final installment due in February 2024.	90,000	150,000	90,000	150,000
5	MLR less margin	Baht	Principal is payable in quarterly installments, beginning in November 2019, with the final installment due in August 2027.	356,801	430,285	-	-
6	JPY LIBOR 3 months plus additional rate	Yen	Principal is payable in quarterly installments, beginning in September 2019, with the final installment due in June 2036.	-	1,342,845	-	-
7	JPY LIBOR 3 months plus additional rate	Yen	Principal is payable in quarterly installments, beginning in March 2021, with the final installment due in December 2037.	2,115,977	2,514,788	-	-



				(Unit: Thousand Baht)			
Loan	Interest rate (Percent per annum)	Currency	Repayment schedule	Consolidated		Separate	
				financial statements		financial statements	
				<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
8	JPY TIBOR 3 months plus additional rate	Yen	Principal is payable in quarterly installments, beginning in March 2020, with the final installment due in December 2035.	456,904	548,108	-	-
9	JPY TIBOR 6 months plus additional rate	Yen	Principal is payable in semi-annual installments, beginning in June 2022 with the final installment due in December 2038.	2,734,265	3,468,912	-	-
10	USD LIBOR 6 months plus additional rate	USD	Principal is payable in semi-annual installments, beginning in February 2020 with the final installment due in February 2029.	458,119	500,688	-	-
11	USD LIBOR 6 months plus additional rate	USD	Principal is payable in quarterly installments, beginning in December 2021 with the final installment due in March 2034.	964,253	1,018,516	-	-
12	IDR JIBOR plus additional rate	Rupiah	Principal is payable in quarterly installments, beginning in January 2023 with the final installment due in October 2029.	400,725	63,134	-	-
13	SOFR plus a certain margin	USD	Principal is payable in semi-annual installments, beginning in December 2022 with the final installment due in June 2036.	2,572,208	-	-	-
Total				10,221,186	12,123,749	90,000	1,454,000
Less: Deferred finance charges				(278,811)	(355,158)	(112)	(14,686)
Long-term loans - net				9,942,375	11,768,591	89,888	1,439,314
Less: Current portion				(874,720)	(1,501,914)	(59,897)	(401,384)
Long-term loans - net of current portion				<u>9,067,655</u>	<u>10,266,677</u>	<u>29,991</u>	<u>1,037,930</u>

Movements of the long-term loans account during the years are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Beginning balance	11,768,591	10,017,227	1,439,314	1,394,545
Additional borrowings	2,991,247	3,001,264	-	423,700
Finance charges	(49,191)	(28,070)	-	(931)
Repayments	(2,973,693)	(1,348,503)	(1,364,000)	(378,000)
Amortisation of financial charges	48,173	35,087	14,574	-
Sales of a subsidiary (Note 13)	(1,129,872)	-	-	-
Translation adjustments	(712,880)	91,586	-	-
Ending balance	<u>9,942,375</u>	<u>11,768,591</u>	<u>89,888</u>	<u>1,439,314</u>

During the year, a subsidiary entered into a long-term loan agreement with a domestic commercial bank, granting a loan facility of USD 72 million (approximately Baht 2,735 million) for settlement of account payable in the same amount for construction and project development, included in “Trade and other payables” in the consolidated statement of financial position as at 31 December 2021.

The loans are secured by the pledges and mortgages of bank accounts of Baht 70 million, trade receivables of Baht 13 million, investments in a subsidiary amounting to Baht 85 million and property, plant and equipment, with net book values of Baht 12,477 million, and guarantees provided by the Company.

The loan agreements contain several covenants which, among other things; require the Group to maintain debt-to-equity and debt service coverage ratios and to pay dividends, in accordance with conditions stipulated in the agreements.

As at 31 December 2022, the long-term credit facilities of the subsidiaries which have not yet been drawn down amounted to Baht 2,200 million (2021: Baht 42 million and USD 10 million).

## 21. Leases

The subsidiaries have lease contracts for various items of property and equipment used in their operations. Leases generally have lease terms between 20-30 years.

### 21.1 Right-of-use assets

	(Unit: Thousand Baht)		
	Consolidated financial statements		
	Land	Motor vehicles	Total
1 January 2021	765,395	1,094	766,489
Additions	2,241	-	2,241
Capitalised depreciation on power plants	(2,537)	-	(2,537)
Depreciation for the year	(43,835)	(383)	(44,218)
Translation adjustment	2,267	-	2,267
31 December 2021	723,531	711	724,242
Additions	310,754	1,178	311,932
Capitalised depreciation on power plants	(7,137)	-	(7,137)
Depreciation for the year	(36,661)	(263)	(36,924)
Sale of a subsidiary (Note 13)	(157,810)		(157,810)
Translation adjustment	(71,502)	-	(71,502)
31 December 2022	761,175	1,626	762,801

### 21.2 Lease liabilities

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2022</u>	<u>2021</u>
Lease payments	849,999	713,686
Less: Deferred interest expenses	(213,243)	(129,834)
Total	636,756	583,852
Less: Current portion	(21,775)	(31,141)
Lease liabilities - net of current portion	614,981	552,711

Movements of the lease liabilities account during the years are summarised below:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2022</u>	<u>2021</u>
Beginning balance	583,852	612,660
Additions	312,902	-
Accretion of interest	11,186	15,557
Repayments	(44,348)	(41,500)
Sale of a subsidiary (Note 13)	(163,148)	-
Translation adjustment	(63,688)	(2,865)
Ending balance	<u>636,756</u>	<u>583,852</u>

A maturity analysis of lease payments is disclosed in Note 33.1 to the consolidated financial statements under the liquidity risk.

### 21.3 Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Depreciation expense				
of right-of-use assets	36,924	44,218	-	-
Interest expense on lease liabilities	11,186	15,557	-	-
Expense relating to leases				
of low-value assets	2,409	953	360	120

### 21.4 Others

The Group had total cash outflows for leases for the year 2022 of Baht 47 million (2021: Baht 43 million), including the cash outflow related to short-term lease and leases of low-value assets.

## **22. Share capital**

- 22.1 On 18 January 2022, the Company received payment of Baht 363 million for 30 million additional ordinary shares with a par value of Baht 1 each, offered by private placement at a price of Baht 12.10 per share. These shares were issued in accordance with a resolution passed by the Extraordinary General Meeting of shareholders on 19 October 2021, in addition to the additional ordinary shares issued and offered on 28 December 2021. The Company registered the corresponding increase in its share capital with the Ministry of Commerce on 19 January 2022.
- 22.2 On 21 February 2022, warrant holders exercised 34,739,947 SSP-W1 warrants to purchase the Company's ordinary shares, at an exercise ratio of 1 ordinary share per warrant and an exercise price of Baht 12 per share, or for a total of Baht 417 million. A total of 29,295,920 warrants expired. The Company registered the corresponding increase in its share capital with the Ministry of Commerce on 24 February 2022.
- 22.3 On 26 April 2022, the Annual General Meeting of shareholders passed the following significant resolutions:
- a) To approve the payment of a stock dividend consisting of no more than 113,632,364 shares with a par value of Baht 1 each to the Company's shareholders, at a rate of 1 dividend share for every 10 existing shares, totaling no more than Baht 113.6 million or equivalent to a dividend payment of Baht 0.1 per share. For any remaining fractions of shares, the Company will pay a cash dividend at a rate of Baht 0.1 per share. In addition, the meeting approved the payment of a cash dividend at a rate of Baht 0.0111111114 per share, or a total of no more than Baht 12.6 million. The total stock and cash dividend payment is equal to Baht 0.1111111114 per share, or a total of Baht 126 million. The Company paid the stock dividend, consisting of 112,609,135 shares, and the cash dividend, amounting to Baht 13 million, to its shareholders on 19 May 2022 and registered the corresponding increase in its share capital with the Ministry of Commerce on 25 May 2022.
  - b) To approve a Baht 29 million decrease in the Company's registered share capital by cancelling 29,296,046 unissued ordinary shares with a par value of Baht 1 each, and a Baht 114 million increase in the registered share capital through the issuance of 113,632,364 million ordinary shares with a par value of Baht 1 each to accommodate the stock dividend. The Company registered the corresponding decrease and increase in its share capital with the Ministry of Commerce on 5 May 2022 and 6 May 2022, respectively. As a result, the Company's registered share capital increased from Baht 1,419 million (1,419,169,683 ordinary shares with a par value of Baht 1 each) to Baht 1,504 million (1,503,506,001 ordinary shares with a par value of Baht 1 each).

As a result, the Company's issued and paid-up share capital and share premium increased from Baht 1,072 million (1,071,583,690 ordinary shares with a par value of Baht 1 each) and Baht 2,144 million to Baht 1,249 million (1,248,932,772 ordinary shares with a par value of Baht 1 each) and Baht 2,860 million, respectively.

## 23. Warrants

The Company issued warrants to subscribe to the Company's ordinary shares to existing shareholders of the Company, at no cost, in accordance with a resolution passed by a meeting of shareholders on 6 May 2021.

Warrant	Exercise date		Outstanding warrants		Exercise ratio of ordinary share per 1 warrant	Exercise price (Baht)
	First exercise	Last exercise	(Million units)			
			<u>2022</u>	<u>2021</u>		
No. 1 (SSP-W1)	30 November 2021	21 February 2022	-	64	1:1	12
No. 2 (SSP-W2)	28 February 2024	21 May 2025	254	254	1:1.1 (2021: 1:1)	18.182 (2021: 20)

### Reconciliation of warrants

	(Unit: Million units)			
	SSP-W1		SSP-W2	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Outstanding warrants at beginning of year	64	-	254	-
Warrants issued	-	101	-	254
Warrants exercised	(35)	(37)	-	-
Warrants expired	(29)	-	-	-
Outstanding warrants at end of year	<u>-</u>	<u>64</u>	<u>254</u>	<u>254</u>

## 24. Statutory reserve

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

## 25. Dividends

On 6 May 2021, the Annual General Meeting of shareholders passed a resolution to pay a stock dividend consisting of no more than 92.2 million shares with a par value of Baht 1 each to the Company's shareholders, at a rate of 1 dividend share for every 10 existing shares, totaling no more than Baht 92.2 million or equivalent to a dividend payment of Baht 0.1 per share. For any remaining fractions of shares, the Company will pay a cash dividend at a rate of Baht 0.1 per share. In addition, the meeting approved the payment of a cash dividend at a rate of Baht 0.011111 per share, or a total of no more than Baht 10.2444 million. The total stock and cash dividend payment is equal to Baht 0.111111 per share, or a total of Baht 102 million.

On 11 August 2022, a meeting of the Company's Board of Directors passed a resolution approving the payment of an interim dividend of Baht 0.2 per share, or for a total of Baht 250 million.

## 26. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Salaries and wages and other employee				
benefits	120,703	92,780	33,641	25,905
Depreciation and amortisation expenses	920,059	743,225	1,093	214
Operation and maintenance of power plants	112,233	123,376	-	-
Professional fees	23,163	34,397	7,789	12,388
Bank charges	11,667	2,811	8,690	23,814
Construction cost	24,769	13,553	-	-
Impairment loss on machinery and equipment	-	2,663	-	-

## 27. Income tax

Income tax for the years is made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Current income tax:</b>				
Current income tax charge	54,318	69,820	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal				
of temporary differences	(14,253)	(4,530)	(583)	182
<b>Income tax expenses (income) reported</b>				
<b>in profit or loss</b>	<u>40,065</u>	<u>65,290</u>	<u>(583)</u>	<u>182</u>

The amounts of income tax relating to each component of other comprehensive income for the years are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Gain from cash flow hedge	-	1,961	-	-
Gain from the change in value of financial				
assets measured at FVOCI	2,793	-	2,793	-
Gain from revaluation of land	52,196	-	-	-
Actuarial loss	(690)	-	(572)	-
<b>Deferred tax reported in other</b>				
<b>comprehensive income</b>	<u>54,299</u>	<u>1,961</u>	<u>2,221</u>	<u>-</u>



The reconciliation between accounting profit and income tax is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Accounting profit before tax	1,380,613	994,758	1,301,201	889,250
Applicable tax rate (percent)	0, 10, 15, 16.5, 17, 20	0, 10, 15, 16.5, 17, 20	20	20
Accounting profit before tax multiplied by income tax rate	201,138	171,493	260,240	177,850
Previously unrecognised tax losses that are used to reduce current tax expenses	(15,409)	(47,313)	(5,241)	-
Effects of:				
Promotional privileges (Note 28)	(145,047)	(141,599)	-	-
Non-deductible expenses	5,631	1,191	523	319
Exempt income	(113,833)	(44,496)	(256,105)	(180,680)
Tax losses for the year that deferred tax assets are not recognised and others	107,585	126,014	-	2,329
<b>Income tax expenses (income) reported in profit or loss</b>	<u>40,065</u>	<u>65,290</u>	<u>(583)</u>	<u>(182)</u>

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Deferred tax assets (liabilities)</b>				
Cash flow hedge reserve	-	2,194	-	-
Provision for long-term employee benefits	2,720	1,675	1,600	824
Share of profits from foreign subsidiaries	(3,533)	(16,731)	-	-
Revaluation surplus of land	(52,231)	-	-	-
Unrealised fair value gain on investments	(2,793)	-	(2,793)	-
Unrealised fair value gain on forward exchange contracts	-	(575)	-	(379)
	<u>(55,837)</u>	<u>(13,437)</u>	<u>(1,193)</u>	<u>445</u>
<b>Deferred tax presented in the statement of financial position</b>				
Deferred tax assets	741	3,869	-	445
Deferred tax liabilities	<u>(56,578)</u>	<u>(17,306)</u>	<u>(1,193)</u>	<u>-</u>
	<u>(55,837)</u>	<u>(13,437)</u>	<u>(1,193)</u>	<u>445</u>

As at 31 December 2022, the Group had unused tax losses totaling Baht 344 million (2021: Baht 209 million) (the Company only: Baht 22 million (2021: Baht 60 million)), on which deferred tax assets have not been recognised as the Group believes future taxable profits may not be sufficient to allow utilisation of the unused tax losses.

The unused tax losses amounting to Baht 344 million will expire by 2027.

## 28. Promotional privileges

The subsidiaries have been granted promotional privileges from the Board of Investment. Significant tax privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations begin generating revenues subject to certain imposed conditions. In addition, Serm Sang Palang Ngan Company Limited has received a 50% reduction of corporate income tax on income derived from the promoted operations for a period of 5 years after the tax-exemption period ends.

Company's name	Investment promotion certificate		Date the promoted operations begin generating revenues
	No.	Date	
Serm Sang Palang Ngan Co., Ltd.	2645(1)/2556	19 November 2013	2 February 2015
Sermsang Infinite Co., Ltd	60-1446-1-00-1-0	20 December 2017	12 March 2018
	61-0246-1-00-1-0	9 March 2018	1 March 2018
	61-0796-1-00-1-0	5 July 2018	1 July 2018
	61-0797-1-00-1-0	5 July 2018	1 July 2018
	61-0798-1-00-1-0	5 July 2018	1 July 2018
	61-0799-1-00-1-0	5 July 2018	1 July 2018
	61-0800-1-00-1-0	5 July 2018	1 July 2018
	62-0029-1-00-1-0	9 January 2019	1 April 2019
	62-0922-1-00-1-0	28 August 2019	2 March 2020
	63-0040-1-00-1-0	13 January 2020	1 April 2020
	63-0041-1-00-1-0	13 January 2020	1 April 2020
	63-0042-1-00-1-0	13 January 2020	1 April 2020
Sermsang Solar Co., Ltd.	61-0508-1-00-10	3 May 2018	30 November 2018
Uni Power Tec Co., Ltd.	59-0214-1-00-1-0	9 February 2016	24 May 2019

Operating revenues of the subsidiaries are domestic revenues, which could be divided between promoted and non-promoted operations as follows:

(Unit: Million Baht)

	Consolidated financial statements					
	Promoted operations		Non-promoted operations		Total	
			2022	2021		
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Sales of electricity	669	629	1,878	1,385	2,547	2,014
Subsidy for adder	539	565	-	-	539	565
Revenue from construction services	-	-	31	18	31	18
Total	<u>1,208</u>	<u>1,194</u>	<u>1,909</u>	<u>1,403</u>	<u>3,117</u>	<u>2,597</u>

## 29. Earnings per share

Basic earnings per share are calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, after adjusting the number of ordinary shares as a result of the distribution of stock dividend, as discussed in Note 22 to the consolidated financial statements, as if the stock dividend had been distributed at the beginning of the earliest period reported.

Diluted earnings per share are calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the sum of the weighted average number of ordinary shares in issue during the year, after adjusting the number of ordinary shares as a result of the distribution of stock dividend, as discussed in Note 22 to the consolidated financial statements, as if the stock dividend had been distributed at the beginning of the earliest period reported, and the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

Consolidated/Separate financial statements						
		Weighted average				
		number				
Profit for the year		of ordinary shares		Earnings per share		
<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
			(Restated)		(Restated)	
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	1,301,784	859,011	1,242,681	1,130,251	1.0476	0.7600
<b>Effect of dilutive potential ordinary shares</b>						
Warrants offered to existing shareholders (SSF-W1)	-	-	369	4,002		
<b>Diluted earnings per share</b>						
Profit attributable to ordinary shareholders assuming						
the conversion of warrants to ordinary shares	<u>1,301,784</u>	<u>859,011</u>	<u>1,243,050</u>	<u>1,134,253</u>	1.0472	0.7573

The Company does not calculate the dilutive effect of warrant No.2 (SSP-W2) because the average share price during the year is lower than the exercise price of the warrant.

### 30. Segment information

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

For management purposes, the Group is organised into business units based on its products and services, and have 5 reportable segments as follows:

1. Production and distribution of electricity from solar power plants
2. Electricity distribution, services and installation relating to the solar roof system
3. Production and distribution of electricity from wind power plants.
4. Production and distribution of electricity from biomass.
5. Others (investment, consultancy and others)

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

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

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

The following tables present revenue, profit, total assets and total liabilities information regarding the Group's operating segments for the years.

(Unit: Thousand Baht)

	Production and distribution of electricity from solar power plants		Electricity distribution, services and installation relating to the solar roof system		Production and distribution of electricity from wind power plants		Production and distribution of electricity from biomass		Others		Eliminations		Consolidated financial statements	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Electricity sales	1,655,964	1,545,188	81,026	47,398	508,186	117,674	302,787	303,991	-	-	-	-	2,547,963	2,014,251
Subsidy for adder	538,624	564,830	-	-	-	-	-	-	-	-	-	-	538,624	564,830
Revenue from construction services	-	-	30,768	17,975	-	-	-	-	-	-	-	-	30,768	17,975
Revenue from sales and services	2,194,588	2,110,018	111,794	65,373	508,186	117,674	302,787	303,991	-	-	-	-	3,117,355	2,597,056
Other income	12,389	18,077	2,216	4,188	83,667	15,834	140	172	484,442	109,055	(93,763)	(48,920)	489,091	98,406
Total revenues	2,206,977	2,128,095	114,010	69,561	591,853	133,508	302,927	304,163	484,442	109,055	(93,763)	(48,920)	3,606,446	2,695,462
Operating profit (Loss)	1,253,590	1,180,187	46,006	29,616	214,909	68,866	92,554	90,319	315,811	(30,606)	6,761	9,689	1,929,631	1,348,071
Finance income	1,301	284	245	43	4,725	-	139	76	376,478	291,541	(370,583)	(289,234)	12,305	2,710
Finance costs	(296,251)	(264,071)	(10,085)	(1,632)	(75,699)	(2,185)	(19,975)	(22,499)	(530,779)	(375,024)	371,466	309,388	(561,323)	(356,023)
Finance costs - net	(294,950)	(263,787)	(9,840)	(1,589)	(70,974)	(2,185)	(19,836)	(22,423)	(154,301)	(83,483)	883	20,154	(549,018)	(353,313)
<b>Profit (loss) before income tax</b>	958,640	916,400	36,166	28,027	143,935	66,681	72,718	67,896	161,510	(114,089)	7,644	29,843	1,380,613	994,758
Income tax	6,900	3,416	26	(48)	(891)	(113)	1	11	(46,141)	(68,627)	40	72	(40,065)	(65,289)
<b>Profit (loss) for the year</b>	965,540	919,816	36,192	27,979	143,044	66,568	72,719	67,907	115,369	(182,716)	7,684	29,915	1,340,548	929,469

(Unit: Thousand Baht)

	Production and distribution of electricity from solar power plants		Electricity distribution, services and installation relating to the solar roof system		Production and distribution of electricity from wind power plants		Production and distribution of electricity from biomass		Others		Eliminations		Consolidated financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Segment assets</b>														
Property, plant and equipment	8,843,823	11,169,268	597,680	488,595	2,913,310	3,086,991	717,949	618,140	78,267	78,303	98,133	81,058	13,249,162	15,522,355
Right-of-use assets	616,084	710,113	-	-	145,185	13,359	-	-	-	-	1,531	771	762,800	724,243
Intangible assets	687,762	961,749	1,008	1,252	189,814	199,917	45	69	85,807	101	5,750	69,378	970,186	1,232,466
Other non-current financial assets	27,303	-	-	-	-	-	-	-	197,857	32,087	25,463	-	250,623	32,087
Unallocated assets													<u>6,059,275</u>	<u>6,552,159</u>
<b>Total assets</b>													<u>21,292,046</u>	<u>24,063,310</u>
<b>Segment liabilities</b>														
Loans	6,574,582	9,845,309	884,163	534,420	2,526,289	201,398	388,891	456,834	8,217,800	9,843,585	(8,619,137)	(8,594,571)	9,972,588	12,286,975
Debentures	-	-	-	-	-	-	-	-	2,086,936	1,393,569	-	-	2,086,936	1,393,569
Lease liabilities	497,287	569,291	-	-	138,612	13,900	-	-	857	662	-	-	636,756	583,853
Unallocated liabilities													<u>318,754</u>	<u>3,424,714</u>
<b>Total liabilities</b>													<u>13,015,034</u>	<u>17,689,111</u>

## Geographical segments

The Group operates in Thailand, Singapore, Japan, Mongolia, Vietnam, Indonesia, and Hong Kong. The operations in Hong Kong and Singapore have not generated revenues from external customers.

	(Unit: Million Baht)	
	Consolidated	
	financial statements	
	<u>2022</u>	<u>2021</u>
Revenue from external customers, based on locations of the customers		
Thailand	1,239	1,213
Japan	977	930
Mongolia	127	114
Vietnam	723	317
Indonesia	51	23
Total	<u>3,117</u>	<u>2,597</u>
Non-current assets (other than financial instruments and deferred tax assets)		
Thailand	3,791	3,169
Japan	6,223	8,798
Hong Kong	4	6
Mongolia	471	509
Vietnam	4,395	5,111
Indonesia	504	418
Total	<u>15,388</u>	<u>18,011</u>

## Major customers

For the year 2022, the Group had revenue from sales of renewable energy from 6 major customers totaling Baht 2,887 million (2021: 7 major customers totaling Baht 2,532 million).



### 31. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contribute to the fund monthly at the rates of 2-10 percent of basic salary. The fund, which is managed by Kasikorn Asset Management Company Limited will be paid to employees upon termination in accordance with the fund rules. The contributions for the year of 2022 amounting to Baht 3 million (2021: Baht 2 million) (the Company only: Baht 1 million (2021: Baht 1 million)) were recognised as expenses.

### 32. Commitments and contingent liabilities

#### 32.1 Power purchase agreements

The subsidiaries have entered into several power purchase agreements with domestic and overseas unrelated parties. The subsidiaries are required to comply with conditions stipulated in the agreements, which generally have terms of between 5 and 25 years and are renewable for a period in accordance with the conditions of each agreement.

In addition, under the conditions of a power purchase agreement made with Electricity Generating Authority of Thailand ("EGAT"), a subsidiary has been granted an adder subsidy of Baht 6.5 per kilowatt-hour for a period of 10 years from the first commercial operating date (2 February 2015).

#### 32.2 Capital commitments

The subsidiaries had capital commitments relating to the project development, acquisition of land, machinery and equipment, and licenses as follows:

		(Unit: Million)	
		Consolidated	
		financial statements	
Country	Currency	<u>2022</u>	<u>2021</u>
Thailand	Baht	-	8
Japan	Yen	400	400
Vietnam	Vietnam Dong	-	2,232,000

### **32.3 Long-term service commitments**

As at 31 December 2022, the subsidiaries have long-term service commitments to pay service fees amounting to Baht 132 million, Yen 1,638 million and VND 199,733 million (2021: Baht 36 million, Yen 1,728 million and VND 5,878 million).

In addition, the subsidiaries in Japan have long-term service commitments to pay service fees of Yen 90.5 million (2021: Yen 90.5 million) per year.

### **32.4 Guarantees**

- a) As at 31 December 2022, there were outstanding bank guarantees of Baht 568 million (2021: Baht 34 million) issued by banks on behalf of the Group to guarantee contractual performance to state enterprises (the Company only: Baht 31 million (2021: Baht 31 million), and of USD 36 million (2021: USD 36 million) on behalf of the Company to guarantee contractual performance of construction to a bank in Vietnam.
- b) As at 31 December 2022, the Company guaranteed loans of its subsidiaries from financial institutions amounting to USD 19 million and Baht 72 million (2021: USD 21 million and Baht 81 million).

### **32.5 Litigation**

A subsidiary in Thailand has a legal case related to a building construction license and a factory business license. The case is currently being considered by the Supreme Administrative Court.

## **33. Financial instruments**

### **33.1 Financial risk management objectives and policies**

The Group's financial instruments principally comprise cash and cash equivalents, restricted bank deposits, trade and other receivables, loans, trade and other payables, borrowings and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described follow.

#### **Credit risk**

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

### ***Trade receivables***

The Group is exposed to credit risk relating to trade receivables, mainly from sales to a small number of customers. However, the Group does not expect to incur material financial losses from uncollectible debts since the management has set credit policies and the financial status of each customer is analysed before credit is granted, in order to manage credit risk. In addition, the main customers are government agencies, state enterprises and large enterprises with low credit risk.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due and ability to make payment. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions, and forecasts of future economic conditions.

### ***Financial instruments and bank deposits***

The credit risk from balances with banks and financial institutions and the credit risk on debt instruments and derivatives are limited because the counterparties are banks and financial institutions with high credit-ratings assigned by international credit-rating agencies.

### **Market risk**

There are two types of market risk comprising interest rate risk and foreign currency risk. The Group enters into interest rate swaps and foreign exchange forward contracts to mitigate the risk of rising interest and foreign currency rates.

### ***Interest rate risk***

The Group's exposure to interest rate risk relates primarily to its cash at banks, loans and borrowings. Most of its financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Group mitigates its interest rate risk by having fixed and variable rate borrowings and enters into interest rate swaps for certain borrowings.

Significant financial assets and financial liabilities classified by type of interest rate are summarised in the tables below, with those financial assets and financial liabilities that carry fixed interest rates further classified based on the maturity date or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements						
	31 December 2022						
	Fixed interest rates						
	Within		Over	Floating	Non-interest		Effective
	1 year	1-5 years	5 years	interest rate	bearing	Total	interest rate
							(% per annum)
Financial assets							
Cash and cash equivalents	-	-	-	1,023	2,205	3,228	0.001-7.4
Short-term restricted bank deposits	-	-	-	154	-	154	0.25-1.01
Trade receivables and accrued							
interest income	-	-	-	-	524	524	-
Short-term loans to related parties	55	-	-	-	12	67	2-7
Long-term restricted bank deposits	-	-	-	424	-	424	0.001-0.875
Other non-current financial assets	3	-	-	-	223	226	0.6, 0.875
	58	-	-	1,601	2,964	4,623	
Financial liabilities							
Short-term loans from banks	-	-	-	23	-	23	3.75-4
Short-term loans from related parties	4	-	-	-	3	7	4.36
Trade and other payables	-	-	-	-	223	223	-
Retention payable	-	-	-	-	3	3	-
Share acquisition payable to							
a subsidiary's former shareholder	-	-	-	-	3	3	-
Lease liabilities	1	-	-	-	636	637	4.31
Long-term debentures	-	2,087	-	-	-	2,087	4.6-4.8
Long-term loans	60	30	-	9,852	-	9,942	0.88-4
	65	2,117	-	9,875	868	12,925	

(Unit: Million)

## Consolidated financial statements

31 December 2022

## Fixed interest rates

Within		Over	Floating	Non-interest		Effective
1 year	1-5 years	5 years	interest rate	bearing	Total	interest rate
(% per annum)						

**Derivatives**

## Interest rate swap contracts

## - Yen

Fixed interest rate	468	1,973	5,956	-	-	8,397	0.82
Floating interest rate	-	-	-	8,397	-	8,397	JPY TIBOR 6M + additional rate

(Unit: Million Baht)

## Consolidated financial statements

31 December 2021

## Fixed interest rates

Within		Over	Floating	Non-interest		Effective
1 year	1-5 years	5 years	interest rate	bearing	Total	interest rate
(% per annum)						

**Financial assets**

Cash and cash equivalents	-	-	-	931	2,649	3,580	0.001-5.5
Short-term restricted bank deposits	-	-	-	251	-	251	0.1
Trade receivables and accrued interest income	-	-	-	-	534	534	-
Short-term loans to related parties	-	-	-	-	10	10	-
Long-term restricted bank deposits	301	-	-	717	-	1,018	0.001-0.375
Other non-current financial assets	-	-	-	-	32	32	-
	301	-	-	1,899	3,225	5,425	

(Unit: Million Baht)

	Consolidated financial statements						
	31 December 2021						
	Fixed interest rates			Floating	Non-interest		Effective
	Within		Over				
	1 year	1-5 years	5 years	interest rate	bearing	Total	interest rate
							(% per annum)
Financial liabilities							
Short-term loans from banks	397	-	-	121	-	518	2.3-3.75
Trade and other payables	-	-	-	-	3,201	3,201	-
Retention payable	-	-	-	-	3	3	-
Share acquisition payable to							
a subsidiary's former shareholder	-	-	-	-	10	10	-
Lease liabilities	-	1	-	-	583	584	4.31
Long-term debentures	799	595	-	-	-	1,394	4.6-4.8
Long-term loans	198	471	-	11,100	-	11,769	0.88-4.72
	1,394	1,067	-	11,221	3,797	17,479	

(Unit: Million)

	Consolidated financial statements						
	31 December 2021						
	Fixed interest rates						
	Within		Over	Floating	Non-interest		Effective
	1 year	1-5 years	5 years	interest rate	bearing	Total	interest rate
							(% per annum)
Derivatives							
Forward contracts							
- Baht	-	-	-	-	1,973	1,973	-
Interest rate swap contracts							
- Baht							
Fixed interest rate	151	305	-	-	-	456	5.71-5.795
Floating interest rate	-	-	-	456	-	456	THB FIX 3M
							+ additional
							rate
- Yen							
Fixed interest rate	529	1,933	6,464	-	-	8,926	0.82
Floating interest rate	-	-	-	8,926	-	8,926	JPY TIBOR
							6M +
							additional
							rate

(Unit: Million Baht)

Separate financial statements							
31 December 2022							
Fixed interest rates							
Within	Over		Floating	Non-interest	Effective		
1 year	1-5 years	5 years	interest rate	bearing	Total	interest rate	
(% per annum)							
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	581	2	583	0.1-0.375
Trade receivables and accrued							
interest income	-	-	-	-	330	330	-
Short-term loans to related parties	62	-	-	29	10	101	3.45-7
Long-term restricted bank deposits	-	-	-	31	-	31	0.25
Long-term loans to related parties	-	-	-	3,268	-	3,268	3.45-4.41
Other financial assets	3	-	-	-	184	187	0.6
	65	-	-	3,909	526	4,500	
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	34	34	-
Short-term loans from related parties	483	-	-	-	-	483	2
Long-term debentures	-	2,087	-	-	-	2,087	4.6-4.8
Long-term loans	60	30	-	-	-	90	4
	543	2,117	-	-	34	2,694	

(Unit: Million Baht)

Separate financial statements							
31 December 2021							
Fixed interest rates							
Within	Over		Floating	Non-interest	Effective		
1 year	1-5 years	5 years	interest rate	bearing	Total	interest rate	
(% per annum)							
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	697	244	941	0.05-0.25
Trade receivables and accrued							
interest income	-	-	-	-	357	357	-
Short-term loans to related parties	-	-	-	228	10	238	3.06-3.99
Long-term restricted bank deposits	301	-	-	102	-	403	0.01-0.375
Long-term loans to related parties	-	-	-	3,330	-	3,330	3.06-3.64
	301	-	-	4,357	611	5,269	

(Unit: Million Baht)

	Separate financial statements						
	31 December 2021						
	Fixed interest rates						
	Within		Over	Floating	Non-interest		Effective
	1 year	1-5 years	5 years	interest rate	bearing	Total	interest rate
							(% per annum)
Financial liabilities							
Short-term loans from banks	397	-	-	100	-	497	2.3-3.4
Trade and other payables	-	-	-	-	28	28	-
Short-term loans from related parties	22	-	-	-	-	22	2
Long-term debentures	798	595	-	-	-	1,393	4.6-4.8
Long-term loans	198	471	-	771	-	1,440	-
	1,415	1,066	-	871	28	3,380	

*Interest rate sensitivity*

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of floating rate bank deposits, loans, borrowings and derivatives affected as at 31 December 2022 and 2021.

Consolidated financial statements				
Currency	2022		2021	
	Increase/ decrease	Effect on profit before tax	Increase/ decrease	Effect on profit before tax
	(% per annum)	(Thousand Baht)	(% per annum)	(Thousand Baht)
Baht	+0.5	(2,594)	+0.5	(8,272)
	-0.5	2,594	-0.5	8,272
US dollar	+0.5	(19,333)	+0.5	(2,503)
	-0.5	19,333	-0.5	2,503
Yen	+0.1	(3,116)	+0.1	(5,280)
	-0.1	3,116	-0.1	5,280
Vietnam Dong	+0.5	(640)	+0.5	(5,093)
	-0.5	640	-0.5	5,093
RUPIAH	+0.5	(2,004)	+0.5	(316)
	-0.5	2,004	-0.5	316



Separate financial statements				
Currency	2022		2021	
	Increase/ decrease	Effect on profit before tax	Increase/ decrease	Effect on profit before tax
	(% per annum)	(Thousand Baht)	(% per annum)	(Thousand Baht)
Baht	+0.5	(450)	+0.5	(3,912)
	-0.5	450	-0.5	3,912

The Group's analysis of interest rate sensitivity of floating interest rate borrowings in Baht and Yen takes into account the impact of using interest rate swaps as cash flow hedges.

The above analysis has been prepared assuming that the amounts of the floating rate bank deposits, loans, borrowings and derivatives and all other variables remain constant over one year. Moreover, the floating legs of these items are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest receivable/payable for the full 12-month period of the sensitivity calculation. This information is not a forecast or prediction of future market conditions.

### **Foreign currency risk**

The Group's exposure to the foreign currency risk relates primarily to bank deposits, acquisition of machinery and equipment, and borrowings and loans in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within 1 year.

The balances of financial assets and liabilities denominated in foreign currencies that the Group has not entered into any contracts to hedge the foreign currency exchange rate risk are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
Japanese yen	4,939	4,384	22,497	29,987	0.260914	0.290639
US dollar	31	40	13	15	34.562400	33.419900
Vietnam Dong	667,991	624,747	1,842,248	2,758,611	0.001464	0.001465
Rupiah	145,087	2,001	186,264	998	0.002214	0.002347

### *Foreign currency sensitivity*

The following table demonstrates the sensitivity of the Group's comprehensive income to a reasonably possible change in foreign currency exchange rates, with all other variables held constant. The impact on the Group's comprehensive income is due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives. The Group's exposure to foreign currency changes for all other currencies is not material.

Consolidated financial statements				
Currency	2022		2021	
	Increase/ decrease	Effect on comprehensive income	Increase/ decrease	Effect on comprehensive income
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Yen	+0.5	(22,905)	+0.5	(37,206)
	-0.5	22,905	-0.5	37,206
US dollar	+0.5	3,050	+0.5	4,217
	-0.5	(3,050)	-0.5	(4,217)
Vietnam Dong	+0.5	(8,593)	+0.5	(15,625)
	-0.5	8,593	-0.5	15,625

### **Liquidity risk**

The Group manages liquidity to enable it to meet its commercial obligations by maintaining cash levels and considering the need for additional internal and external lines of credit to ensure sufficient liquidity to meet the needs of operations in the normal course of business, under Group guidelines.

The Group monitors liquidity risk through a continuous liquidity planning and maintenance of adequate levels of cash, bank deposits and unused committed and uncommitted credit lines with various banks to meet its liquidity requirements.

The tables below summarise the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2022			
	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>Non-derivatives</b>				
Trade and other payables	222,619	-	-	222,619
Share acquisition payable	3,218	-	-	3,218
Retention payable	2,809	-	-	2,809
Lease liabilities	36,817	195,072	625,709	857,598
Short-term loans from financial institutions	23,227	-	-	23,227
Long-term loans	1,314,117	4,428,601	7,358,489	13,101,207
Long-term debenture	97,800	2,186,505	-	2,284,305
<b>Total non-derivatives</b>	<u>1,700,607</u>	<u>6,810,178</u>	<u>7,984,198</u>	<u>16,494,983</u>
<b>Derivatives</b>				
Derivative liabilities - net settled	<u>14,769</u>	<u>50,536</u>	<u>61,724</u>	<u>127,029</u>

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2021			
	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>Non-derivatives</b>				
Trade and other payables	3,200,596	-	-	3,200,596
Share acquisition payable	10,436	-	-	10,436
Retention payable	3,423	-	-	3,423
Lease liabilities	45,595	184,080	484,045	713,720
Short-term loans from financial institutions	523,497	-	-	523,497
Long-term loans	1,786,236	4,948,407	6,757,232	13,491,875
Long-term debenture	844,427	630,615	-	1,475,042
<b>Total non-derivatives</b>	<u>6,414,210</u>	<u>5,763,102</u>	<u>7,241,277</u>	<u>19,418,589</u>
<b>Derivatives</b>				
Derivative liabilities - net settled	<u>31,045</u>	<u>71,787</u>	<u>81,346</u>	<u>184,178</u>

(Unit: Thousand Baht)

Separate financial statements				
31 December 2022				
	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>Non-derivatives</b>				
Trade and other payables	33,652	-	-	33,652
Share acquisition payable	1,600	-	-	1,600
Short-term loans from related parties	492,807	-	-	492,807
Long-term loans	62,193	30,197	-	92,390
Long-term debenture	97,800	2,186,505	-	2,284,305
<b>Total non-derivatives</b>	<b>688,052</b>	<b>2,216,702</b>	<b>-</b>	<b>2,904,754</b>

(Unit: Thousand Baht)

Separate financial statements				
31 December 2021				
	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>Non-derivatives</b>				
Short-term loans from financial institutions	502,300	-	-	502,300
Trade and other payables	28,421	-	-	28,421
Short-term loans from related parties	22,529	-	-	22,529
Long-term loans	455,867	1,100,577	-	1,556,444
Long-term debenture	844,427	630,615	-	1,475,042
<b>Total non-derivatives</b>	<b>1,853,544</b>	<b>1,731,192</b>	<b>-</b>	<b>3,584,736</b>

### 33.2 Fair values of financial instruments

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

The Group had the financial assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

31 December 2022						
	Consolidated			Separate		
	financial statements			financial statements		
	Level 1	Level 2	Total	Level 1	Level 2	Total
<b>Assets measured at fair value</b>						
Financial assets - equity						
investments measured						
at fair value through other						
comprehensive income						
(recorded in other non-current						
financial assets)	184	39	223	184	-	184
Derivatives – interest rate swap						
contracts (recorded in other						
non-current financial assets)	-	27	27	-	-	-

(Unit: Million Baht)

31 December 2021						
	Consolidated			Separate		
	financial statements			financial statements		
	Level 1	Level 2	Total	Level 1	Level 2	Total
<b>Assets measured at fair value</b>						
Derivatives - forward exchange						
contracts (recorded in other						
current financial assets)	-	2	2	-	2	2
Financial assets - equity						
investments measured						
at fair value through other						
comprehensive income						
(recorded in other non-current						
financial assets)	-	33	33	-	-	-

(Unit: Million Baht)

31 December 2021					
Consolidated			Separate		
financial statements			financial statements		
Level 1	Level 2	Total	Level 1	Level 2	Total
<b>Liabilities measured at fair value</b>					
Derivatives – interest rate swap					
contracts (recorded in other					
non-current financial liabilities)					
-	163	163	-	-	-

During the year, there were no changes in the methods and the assumptions used to estimate the fair value of financial instruments and there were no transfers between the levels of the fair value hierarchy.

### 34. Capital management

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

As at 31 December 2022, the Group's debt-to-equity ratio was 1.57:1 (2021: 2.78:1) and the Company's was 0.35:1 (2021: 0.58:1).

### 35. Event after the reporting period

On 27 February 2023, a meeting of the Company's Board of Directors passed a resolution to propose the payment of a stock dividend consisting of no more than 124,893,278 shares with a par value of Baht 1 each to the Company's shareholders, at a rate of 1 dividend share for every 10 existing shares, totaling no more than Baht 124.9 million or equivalent to a dividend payment of Baht 0.1 per share. For any remaining fractions of shares, the Company will pay a cash dividend at a rate of Baht 0.1 per share. In addition, the meeting approved the payment of a cash dividend at a rate of Baht 0.0111111114 per share, or a total of no more than Baht 13.9 million. The company will pay a cash dividend at a rate of Baht 0.05 per share or a total of Baht 62.5 million. The total stock and cash dividend payment is equal to Baht 0.1611111114 per share, or a total of Baht 201.3 million. This will be proposed to the 2023 Annual General Meeting of the Company's shareholders for approval.

### 36. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2023.