

**RATCH Group Public Company Limited  
and its subsidiaries**

Financial statements for the year ended  
31 December 2021  
and  
Independent Auditor's Report

## **Independent Auditor's Report**

### **To the Shareholders of RATCH Group Public Company Limited**

#### *Opinion*

I have audited the consolidated and separate financial statements of RATCH Group Public Company Limited and its subsidiaries (the "Group") and of RATCH Group Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2021, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2021 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

#### *Basis for Opinion*

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

#### *Key Audit Matters*

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

<b>Impairment testing of goodwill, right to power purchase agreements and property, plant and equipment particularly the power plants in Australia in the consolidated financial statements and investment in subsidiary in the separate financial statements</b>	
Refer to Notes 3, 10, 12 and 14 to the financial statements.	
<b>The key audit matter</b>	<b>How the matter was addressed in the audit</b>
<p>As at 31 December 2021, the Group holds significant amounts of goodwill, right to power purchase agreements and property, plant and equipment on the consolidated statement of financial position which contains a net book value of goodwill of Baht 169 million and net book value of right to power purchase agreements and property, plant and equipment of Baht 25,130 million together representing approximately 16% of total assets. There is a risk that the carrying values of the Group's goodwill, right to power purchase agreements and property, plant and equipment balances might exceed its recoverable amounts.</p> <p>The Company also has an investment in RH International Corporation Limited ("RHIC"), a subsidiary in Thailand, amounting to Baht 27,130 million which holds, via RH International (Singapore) Corporation Pte. Ltd., investments in the power plants in Australia. The recoverability of the investment in RHIC is a key audit matter because the investments in the power plants in Australia might be impaired.</p> <p>I focused on the estimated value in use of the cash generation units "CGUs" of the operation of the power plants in Australia because the determination of future cash flows and the recoverable amounts are highly judgemental and subject to material uncertainty.</p>	<p>My audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> <li>- assessing the Group's process for identifying indicators of impairment;</li> <li>- assessing the Group's response to the identified impairment indicators;</li> <li>- understanding process for estimating the impairment;</li> <li>- involving KPMG in Australia to assist in evaluating the appropriateness of discount rates applied, which included comparing the weight average cost of capital with sector averages for the relevant markets in which the Group operate and evaluating the appropriateness of the assumptions applied to key inputs such as contracted revenue, prices, operating costs, inflation rate and long-term growth rates, which included comparing these inputs with externally derived data. In addition, KPMG in Australia performed sensitivity analysis, which included assessing the effect of reasonably possible reductions in growth rates and forecast cash flows to evaluate the impact on the CGUs;</li> <li>- assessing the appropriateness of discount rates applied;</li> <li>- involving KPMG in Singapore to evaluate the appropriateness of key assumptions applied in determining the recoverable amounts of the investments in the power generation in Australia, including the consistency of the assumptions with business plans and forecasts used for impairment testing as described in my response above; and</li> <li>- evaluating the adequacy of the financial statement disclosures in accordance with Thai Financial Reporting Standards.</li> </ul>

<b>Fair value assessment of net assets acquired from business acquisition</b>	
Refer to Notes 3, 4 and 9 to the financial statements.	
<b>The key audit matter</b>	<b>How the matter was addressed in the audit</b>
<p>On 19 November 2021, the indirect subsidiary acquired the additional 40% of ordinary shares of an indirect joint venture to invest in the total proportion of 90% of issued and paid-up share capital in an operation of the Hydroelectric Power Project in Republic of Indonesia. The Group appointed an independent appraiser to determine the fair value of net assets acquired from an acquisition of investment including the consideration transferred which has been</p>	<p>My audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> <li>- reading the share sale and purchase agreement, evaluating the appropriateness of the identification of the net assets acquired at the date of acquisition;</li> <li>- evaluating significant assumptions underpinning the valuations reference to internal and external information used to determine the fair value of</li> </ul>

<p>completed as at the date of these consolidated financial statements. The consideration transferred is lower than the fair value of the identifiable net assets acquired net of the previous equity interests, of Baht 178 million while the Group recognised gain on bargain purchase in the statement of comprehensive income for the year ended 31 December 2021.</p> <p>Due to the materiality of the transactions and the significant judgement and complexities involved in determining the fair value. I considered this as a key audit matter.</p>	<p>the business prepared by an independent appraiser appointed by management;</p> <ul style="list-style-type: none"> <li>- consulting with KPMG valuation specialist to evaluate the appropriateness of financial parameters applied to the discount rate, the valuation methodology and calculation rationale; and</li> <li>- evaluating the adequacy of the financial statement disclosures in accordance with Thai Financial Reporting Standards.</li> </ul>
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### *Emphasis of Matter*

I draw attention to Note 4 to the financial statement. The Group acquired a business during the year ended 31 December 2021 and engaged an independent appraiser to determine the fair value of the identifiable assets acquired and liabilities assumed from the business acquisitions. As at the reporting date, the appraisal has not yet been completed therefore the determination of the fair value was determined provisionally and is subject to adjustment. My opinion is not modified in respect of this matter.

### *Other Information*

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with 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 consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(Vairoj Jindamaneepitak)  
Certified Public Accountant  
Registration No. 3565

KPMG Phoomchai Audit Ltd.  
Bangkok  
22 February 2022

**RATCH Group Public Company Limited and its subsidiaries**  
**Statement of financial position**

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2021	2020	2021	2020
		(in Baht)			
<b>Current assets</b>					
Cash and cash equivalents	6	6,961,494,467	4,856,588,850	692,550,892	2,231,434,858
Trade receivables from related parties	5, 7	8,934,057,143	4,982,246,143	-	-
Trade receivables from other parties	7	840,139,539	207,697,412	-	-
Other current receivables		596,115,967	165,244,989	42,458,153	33,799,302
Advances to and other current receivables from related parties	5	31,468,309	62,512,207	113,960,562	137,661,035
Short-term loans to related parties	5	-	-	185,617,452	59,667,643
Current portion of lease receivable	5	3,046,399,369	2,575,600,533	-	-
Spare parts and supplies	8	1,901,844,963	1,782,603,745	-	-
Other current financial assets	25	2,899,229,053	3,757,435,640	335,663,961	1,198,043,203
Current portion of derivative assets		834,220	-	-	-
Other current assets		104,189,134	94,762,999	6,685,810	22,578,358
<b>Total current assets</b>		<b>25,315,772,164</b>	<b>18,484,692,518</b>	<b>1,376,936,830</b>	<b>3,683,184,399</b>
<b>Non-current assets</b>					
Other non-current financial assets	25	4,014,147,802	2,076,085,479	2,152,755,593	337,232,136
Investments in associates	9	10,439,216,501	6,228,054,327	6,356,741,625	3,144,604,000
Investments in subsidiaries	10	-	-	55,708,147,476	50,836,609,974
Investments in joint ventures	9	40,627,811,350	34,559,745,405	6,814,073,547	6,346,256,691
Other non-current receivables from related parties	5	74,159,358	44,011,302	92,218,055	47,804,393
Derivative assets	25	-	5,821,259	-	-
Long-term loans to related parties	5, 25	656,164,226	522,661,930	2,804,097,662	1,753,796,258
Long-term loan to other parties	25	2,652,435,074	2,384,774,934	-	-
Investment properties	5	110,827,171	-	-	-
Land for future development projects	11	372,920,314	380,447,869	305,389,850	305,389,850
Property, plant and equipment	12	36,227,573,249	29,479,296,440	507,170,016	520,219,554
Right-of-use assets	13	2,174,445,486	2,029,586,919	29,835,814	41,717,185
Goodwill	14	1,599,717,448	169,654,828	-	-
Intangible assets other than goodwill	14	3,108,262,279	3,283,874,662	458,165	1,757,316
Lease receivable	5	25,202,498,621	10,561,883,101	-	-
Deferred tax assets	21	40,494,519	42,057,427	-	49,295,402
Other non-current assets	15	2,238,860,185	1,879,603,961	4,525,679	4,516,774
<b>Total non-current assets</b>		<b>129,539,533,583</b>	<b>93,647,559,843</b>	<b>74,775,413,482</b>	<b>63,389,199,533</b>
<b>Total assets</b>		<b>154,855,305,747</b>	<b>112,132,252,361</b>	<b>76,152,350,312</b>	<b>67,072,383,932</b>

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

**RATCH Group Public Company Limited and its subsidiaries**  
**Statement of financial position**

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2021	2020	2021	2020
		(in Baht)			
<b>Current liabilities</b>					
Short-term loans from financial institutions	16	5,364,895,500	60,074,200	2,536,000,000	-
Short-term loans from related party	5, 16	-	-	5,140,000,000	3,465,000,000
Trade payables		7,676,876,249	3,643,029,682	-	-
Other current payables	5	1,755,928,419	1,157,970,623	322,094,610	326,574,947
Derivative liabilities	25	346,401,339	225,923,272	-	-
Current portion of long-term loans from financial institutions	16, 25	2,670,533,006	1,486,205,468	-	-
Current portion of debentures	16	1,999,947,476	-	-	-
Current portion of lease liabilities	16	161,512,501	118,091,720	15,419,956	16,290,079
Current tax payable		11,053,877	150,579	-	-
Other current liabilities		282,739,873	185,743,151	20,701,931	20,769,266
<b>Total current liabilities</b>		<b>20,269,888,240</b>	<b>6,877,188,695</b>	<b>8,034,216,497</b>	<b>3,828,634,292</b>
<b>Non-current liabilities</b>					
Long-term loans from financial institutions	16, 25	26,745,189,381	16,768,088,099	5,000,000,000	-
Long-term loans	16	320,000,000	-	-	-
Lease liabilities	16	1,505,423,086	1,362,555,893	15,922,023	26,593,861
Other non-current payables from related party	5	4,235,284	-	4,235,284	-
Derivative liabilities	25	460,668,505	1,051,608,153	-	-
Debentures	16, 25	22,351,744,059	23,338,357,086	7,989,734,041	7,987,986,087
Deferred tax liabilities	21	4,139,423,769	1,831,406,359	3,580,208	-
Non-current provisions for employee benefits	17	266,686,262	225,498,462	179,303,052	178,407,987
Other long-term provisions		979,905,914	153,377,313	-	-
Other non-current liabilities		2,600,000	2,600,000	-	-
<b>Total non-current liabilities</b>		<b>56,775,876,260</b>	<b>44,733,491,365</b>	<b>13,192,774,608</b>	<b>8,192,987,935</b>
<b>Total liabilities</b>		<b>77,045,764,500</b>	<b>51,610,680,060</b>	<b>21,226,991,105</b>	<b>12,021,622,227</b>
<b>Equity</b>					
Share capital:					
Authorised share capital					
(1,450,000,000 ordinary shares, par value at Baht 10 per share)		14,500,000,000	14,500,000,000	14,500,000,000	14,500,000,000
Issued and paid-up share capital					
(1,450,000,000 ordinary shares, par value at Baht 10 per share)		14,500,000,000	14,500,000,000	14,500,000,000	14,500,000,000
Share premium on ordinary shares	18	1,531,778,000	1,531,778,000	1,531,778,000	1,531,778,000
Difference arising from common control transaction		-	-	221,308,748	221,308,748
Retained earnings					
Appropriated					
Legal reserve	18	1,450,000,000	1,450,000,000	1,450,000,000	1,450,000,000
Unappropriated		57,877,668,427	53,585,646,723	37,053,961,765	37,393,869,408
Other components of equity		(5,069,737,114)	(10,546,536,831)	168,310,694	(46,194,451)
<b>Equity attributable to owners of the parent</b>		<b>70,289,709,313</b>	<b>60,520,887,892</b>	<b>54,925,359,207</b>	<b>55,050,761,705</b>
Non-controlling interests		7,519,831,934	684,409	-	-
<b>Total equity</b>		<b>77,809,541,247</b>	<b>60,521,572,301</b>	<b>54,925,359,207</b>	<b>55,050,761,705</b>
<b>Total liabilities and equity</b>		<b>154,855,305,747</b>	<b>112,132,252,361</b>	<b>76,152,350,312</b>	<b>67,072,383,932</b>

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



**RATCH Group Public Company Limited and its subsidiaries**  
**Statement of comprehensive income**

		Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2021	2020	2021	2020
		(in Baht)			
Revenue from sales and rendering of services	5, 19	35,231,479,642	31,652,536,013	-	-
Revenue from lease contracts	5	2,095,297,401	2,553,209,226	-	-
Cost of sales and rendering of services	5, 20	(33,116,498,074)	(30,228,688,704)	-	-
Gross profit		4,210,278,969	3,977,056,535	-	-
Management service income	5	224,304,685	276,307,350	429,484,729	439,448,107
Interest income	5	205,354,408	159,412,199	108,542,941	95,978,778
Dividend income	5, 9, 10	58,829,567	61,184,256	3,529,325,201	3,463,629,570
Other income	5	397,952,979	219,002,836	13,829,017	5,009,984
Administrative expenses	5, 20	(1,701,840,868)	(1,601,096,914)	(878,619,267)	(930,216,123)
Net gain on bargain purchase	4	177,666,981	-	-	-
Net foreign exchange gain (loss)		206,290,135	304,452,937	205,176,933	(5,717,374)
Gain (loss) on fair value adjustment of derivatives		143,505,823	(130,239,655)	-	-
Finance costs	5	(1,868,068,721)	(1,551,352,466)	(268,397,872)	(71,953,352)
Share of profit of joint ventures and associates accounted for using equity method	9	5,902,400,599	4,600,342,636	-	-
Profit before income tax expense		7,956,674,557	6,315,069,714	3,139,341,682	2,996,179,590
Tax (expense) income	21	(178,055,391)	(28,357,829)	750,675	2,514,702
Profit for the year		7,778,619,166	6,286,711,885	3,140,092,357	2,998,694,292
Other comprehensive income (expense)					
Items that will be reclassified subsequently to profit or loss					
Exchange differences on translating financial statements		3,355,442,936	318,077,769	-	-
Gain (loss) on cash flow hedges		613,256,077	(141,232,876)	-	-
Share of other comprehensive income (expense) of joint ventures and associates accounted for using equity method	9	1,599,144,613	(1,162,084,981)	-	-
Income tax relating to items that will be reclassified	21	(11,613,932)	-	-	-
Total items that will be reclassified subsequently to profit or loss		5,556,229,694	(985,240,888)	-	-
Items that will not be reclassified to profit or loss					
Gain (loss) on investments in equity instruments designated at fair value through other comprehensive income	25	123,539,796	(665,536,995)	264,813,025	-
Gain (loss) on remeasurements of defined benefit plans	17	6,122,618	(28,912,830)	3,318,405	(23,736,045)
Share of other comprehensive income (expense) of joint ventures and associates accounted for using equity method	9	-	(1,863,880)	-	-
Income tax relating to items that will not be reclassified	21	(54,187,128)	5,782,566	(53,626,285)	4,747,209
Total items that will not be reclassified to profit or loss		75,475,286	(690,531,139)	214,505,145	(18,988,836)
Other comprehensive income (expense) for the year, net of tax		5,631,704,980	(1,675,771,227)	214,505,145	(18,988,836)
Total comprehensive income for the year		13,410,324,146	4,610,940,658	3,354,597,502	2,979,705,456
Profit attributable to:					
Owners of the parent		7,772,021,704	6,286,677,775	3,140,092,357	2,998,694,292
Non-controlling interests		6,597,462	34,110	-	-
Profit for the year		7,778,619,166	6,286,711,885	3,140,092,357	2,998,694,292
Total comprehensive income attributable to:					
Owners of the parent		13,248,821,421	4,610,906,548	3,354,597,502	2,979,705,456
Non-controlling interests		161,502,725	34,110	-	-
Total comprehensive income for the year		13,410,324,146	4,610,940,658	3,354,597,502	2,979,705,456
Basic earnings per share (in Baht)	23	5.36	4.34	2.17	2.07

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

**RATCH Group Public Company Limited and its subsidiaries**
**Statement of changes in equity**

	Consolidated financial statements												
	Retained earnings				Other components of equity								
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Translation reserve	Fair value reserve	Hedging reserve	Share of other comprehensive income (expense) of joint ventures and associates using equity method	Losses on remeasurements of defined benefit plans	Total other components of equity	Total equity attributable to owners of the parent	Non- controlling interests	Total equity
								(in Baht)					
<b>Year ended 31 December 2020</b>													
<b>Balance at 1 January 2020</b>	<b>14,500,000,000</b>	<b>1,531,778,000</b>	<b>1,450,000,000</b>	<b>50,778,968,948</b>	<b>(5,845,454,565)</b>	<b>(1,365,475,327)</b>	<b>(796,264,466)</b>	<b>(841,054,805)</b>	<b>(22,516,441)</b>	<b>(8,870,765,604)</b>	<b>59,389,981,344</b>	<b>650,299</b>	<b>59,390,631,643</b>
<b>Transactions with owners, recorded directly in equity</b>													
<i>Distributions to owners of the parent</i>													
Dividends	-	-	-	(3,480,000,000)	-	-	-	-	-	-	(3,480,000,000)	-	(3,480,000,000)
<b>Total transactions with owners, recorded directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,480,000,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,480,000,000)</b>	<b>-</b>	<b>(3,480,000,000)</b>
<b>Comprehensive income for the year</b>													
Profit	-	-	-	6,286,677,775	-	-	-	-	-	-	6,286,677,775	34,110	6,286,711,885
Other comprehensive income (expense)	-	-	-	-	318,077,769	(665,536,995)	(141,232,876)	(1,163,948,861)	(23,130,264)	(1,675,771,227)	(1,675,771,227)	-	(1,675,771,227)
<b>Total comprehensive income (expense) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,286,677,775</b>	<b>318,077,769</b>	<b>(665,536,995)</b>	<b>(141,232,876)</b>	<b>(1,163,948,861)</b>	<b>(23,130,264)</b>	<b>(1,675,771,227)</b>	<b>4,610,906,548</b>	<b>34,110</b>	<b>4,610,940,658</b>
<b>Balance at 31 December 2020</b>	<b>14,500,000,000</b>	<b>1,531,778,000</b>	<b>1,450,000,000</b>	<b>53,585,646,723</b>	<b>(5,527,376,796)</b>	<b>(2,031,012,322)</b>	<b>(937,497,342)</b>	<b>(2,005,003,666)</b>	<b>(45,646,705)</b>	<b>(10,546,536,831)</b>	<b>60,520,887,892</b>	<b>684,409</b>	<b>60,521,572,301</b>

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

**RATCH Group Public Company Limited and its subsidiaries**
**Statement of changes in equity**

Consolidated financial statements																		
		Retained earnings				Other components of equity												
						Share of other comprehensive income (expense) of joint ventures and associates using equity method							Losses on remeasurements of defined benefit plans	Total other components of equity	Total equity attributable to owners of the parent	Non-controlling interests	Total equity	
Note	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Translation reserve	Fair value reserve	Hedging reserve	(in Baht)										
Year ended 31 December 2021																		
Balance at 1 January 2021		14,500,000,000	1,531,778,000	1,450,000,000	53,585,646,723	(5,527,376,796)	(2,031,012,322)	(937,497,342)	(2,005,003,666)	(45,646,705)	(10,546,536,831)	60,520,887,892	684,409	60,521,572,301				
Transactions with owners, recorded directly in equity																		
Distributions to owners of the parent																		
Dividends	24	-	-	-	(3,480,000,000)	-	-	-	-	-	-	(3,480,000,000)	-	(3,480,000,000)				
Total distributions to owners		-	-	-	(3,480,000,000)	-	-	-	-	-	-	(3,480,000,000)	-	(3,480,000,000)				
Changes in ownership interests in subsidiaries																		
Acquisition of non-controlling interests with a change in control																		
4	-	-	-	-	-	-	-	-	-	-	-	-	7,357,644,800	7,357,644,800				
Total changes in ownership interests in subsidiaries		-	-	-	-	-	-	-	-	-	-	-	7,357,644,800	7,357,644,800				
Total transactions with owners, recorded directly in equity		-	-	-	(3,480,000,000)	-	-	-	-	-	-	(3,480,000,000)	7,357,644,800	3,877,644,800				
Comprehensive income for the year																		
Profit		-	-	-	7,772,021,704	-	-	-	-	-	-	7,772,021,704	6,597,462	7,778,619,166				
Other comprehensive income		-	-	-	-	3,199,773,273	71,341,591	601,642,145	1,599,144,613	4,898,095	5,476,799,717	5,476,799,717	154,905,263	5,631,704,980				
Total comprehensive income for the year		-	-	-	7,772,021,704	3,199,773,273	71,341,591	601,642,145	1,599,144,613	4,898,095	5,476,799,717	13,248,821,421	161,502,725	13,410,324,146				
Balance at 31 December 2021		14,500,000,000	1,531,778,000	1,450,000,000	57,877,668,427	(2,327,603,523)	(1,959,670,731)	(335,855,197)	(405,859,053)	(40,748,610)	(5,069,737,114)	70,289,709,313	7,519,831,934	77,809,541,247				

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

# RATCH Group Public Company Limited and its subsidiaries

## Statement of changes in equity

	Separate financial statements					Other components	Total equity
	Issued and paid-up share capital	Share premium	Difference arising from common control transaction	Retained earnings		of equity	
				Legal reserve	Unappropriated	Losses on remeasurements of defined benefit plans	
				(in Baht)			
<b>Year ended 31 December 2020</b>							
<b>Balance at 1 January 2020</b>	<b>14,500,000,000</b>	<b>1,531,778,000</b>	<b>221,308,748</b>	<b>1,450,000,000</b>	<b>37,875,175,116</b>	<b>(27,205,615)</b>	<b>55,551,056,249</b>
<b>Transactions with owners, recorded directly in equity</b>							
<i>Distributions to owners of the parent</i>							
Dividends	-	-	-	-	(3,480,000,000)	-	(3,480,000,000)
<b>Total transactions with owners, recorded directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,480,000,000)</b>	<b>-</b>	<b>(3,480,000,000)</b>
<b>Comprehensive income for the year</b>							
Profit	-	-	-	-	2,998,694,292	-	2,998,694,292
Other comprehensive income (expense)	-	-	-	-	-	(18,988,836)	(18,988,836)
<b>Total comprehensive income (expense) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,998,694,292</b>	<b>(18,988,836)</b>	<b>2,979,705,456</b>
<b>Balance at 31 December 2020</b>	<b>14,500,000,000</b>	<b>1,531,778,000</b>	<b>221,308,748</b>	<b>1,450,000,000</b>	<b>37,393,869,408</b>	<b>(46,194,451)</b>	<b>55,050,761,705</b>

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

**RATCH Group Public Company Limited and its subsidiaries**
**Statement of changes in equity**

				Separate financial statements						
				Retained earnings		Other components of equity				
		Issued and paid-up share capital	Share premium	Difference arising from common control transaction	Legal reserve	Unappropriated	Fair value reserve	Gain (loss) on remeasurements of defined benefit plans	Total other components of equity	Total equity
	Note				(in Baht)					
Year ended 31 December 2021										
Balance at 1 January 2021		14,500,000,000	1,531,778,000	221,308,748	1,450,000,000	37,393,869,408	-	(46,194,451)	(46,194,451)	55,050,761,705
Transactions with owners, recorded directly in equity										
Distributions to owners of the parent										
Dividends	24	-	-	-	-	(3,480,000,000)	-	-	-	(3,480,000,000)
Total transactions with owners, recorded directly in equity		-	-	-	-	(3,480,000,000)	-	-	-	(3,480,000,000)
Comprehensive income for the year										
Profit		-	-	-	-	3,140,092,357	-	-	-	3,140,092,357
Other comprehensive income		-	-	-	-	-	211,850,421	2,654,724	214,505,145	214,505,145
Total comprehensive income for the year		-	-	-	-	3,140,092,357	211,850,421	2,654,724	214,505,145	3,354,597,502
Balance at 31 December 2021		14,500,000,000	1,531,778,000	221,308,748	1,450,000,000	37,053,961,765	211,850,421	(43,539,727)	168,310,694	54,925,359,207

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

**RATCH Group Public Company Limited and its subsidiaries**
**Statement of cash flows**

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
		2021	2020	2021	2020
				(in Baht)	
<b>Cash flows from operating activities</b>					
Profit for the year		7,778,619,166	6,286,711,885	3,140,092,357	2,998,694,292
<i>Adjustments to reconcile profit to cash receipts (payments)</i>					
Tax expense (income)	21	178,055,391	28,357,829	(750,675)	(2,514,702)
Finance costs		1,868,068,721	1,551,352,466	268,397,872	71,953,352
Depreciation	12, 13	1,809,560,839	1,504,306,699	35,435,047	35,754,096
Amortisation	14	334,706,350	328,225,233	1,299,152	2,576,314
(Reverse of) impairment losses recognised in profit or loss	25	(9,783,590)	22,623,034	(35,441)	36,820,421
Impairment losses on assets		82,181,446	-	-	-
Unrealised (gain) loss on foreign exchange		(249,286,070)	(224,520,304)	(170,792,923)	5,854,454
(Gain) loss on fair value adjustment of derivatives		(143,505,823)	130,239,655	-	-
(Gain) loss on fair value adjustment of other financial assets	25	6,189,553	(10,144,144)	3,580,381	262,076
(Gain) loss on disposal of other financial assets		(3,492,979)	(3,669,581)	904,741	(713,962)
Fair value adjustment of lease receivable		16,601,706	(77,678,174)	-	-
Share of profit of joint ventures and associates accounted for using equity method, net of tax	9	(5,902,400,599)	(4,600,342,636)	-	-
Loss on allowance for obsolescence of spare parts and supplies devaluation	8	26,538,833	74,612,903	-	-
(Reversal of) loss on fuel oil devaluation	8	(65,884,276)	65,884,276	-	-
Gain on disposal of spare parts and supplies		-	(250,000)	-	-
Gain on bargain purchase	4	(177,666,981)	-	-	-
Gain on disposal of land for future development projects		-	(1,801,903)	-	-
(Gain) loss on write-off and disposal of plant and equipment		1,465,705	2,765,778	13	(7,346)
Dividend income	5, 9, 10	(58,829,567)	(61,184,256)	(3,529,325,201)	(3,463,629,570)
Interest income		(205,354,408)	(159,412,199)	(108,542,941)	(95,978,778)
Write-off withholding tax deducted at source and others		4,728,289	172	4,727,463	-
		5,290,511,706	4,856,076,733	(355,010,155)	(410,929,353)
<b>Changes in operating assets and liabilities</b>					
Trade receivable from related parties		(3,426,400,345)	295,413,147	-	-
Trade receivable from other parties		(204,079,368)	48,558,675	-	-
Other current receivables		(309,705,548)	40,519,917	(1,079,588)	(3,416,938)
Advances to and other current receivables from related parties		30,653,167	27,518,985	23,900,188	(49,800,653)
Lease receivable		2,575,600,533	3,346,052,037	-	-
Spare parts and supplies		193,591,713	(16,624,094)	-	-
Other current assets and other non-current assets		(65,911,076)	(157,832,781)	15,866,985	(20,791,177)
Trade payable		3,533,555,368	(271,813,667)	-	-
Other current payables and other non-current payable		(197,376,186)	(582,575,392)	(8,168,276)	508,533
Other current liabilities		(84,588,048)	66,106,348	155,132	(415,499)
Non-current provisions for employee benefits		61,256	(7,308,969)	4,213,468	(11,559,908)
Long-term provisions		38,718,499	5,923,747	-	-
Net cash generated from (used in) operating		7,374,631,671	7,650,014,686	(320,122,246)	(496,404,995)
Taxes received (paid)		(221,060,381)	(358,661,699)	(14,410,921)	641,143
<b>Net cash from (used in) operating activities</b>		<b>7,153,571,290</b>	<b>7,291,352,987</b>	<b>(334,533,167)</b>	<b>(495,763,852)</b>

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

**RATCH Group Public Company Limited and its subsidiaries**
**Statement of cash flows**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		Year ended 31 December		Year ended 31 December	
		2021	2020	2021	2020
<i>(in Baht)</i>					
<b><i>Cash flows from investing activities</i></b>					
Proceeds from disposal of subsidiary	10	-	1,960,000	-	1,960,000
Cash decreased from disposal of subsidiary		-	(3,765,979)	-	-
Payments for investments in joint ventures	9	(971,915,417)	(4,511,633,068)	(467,816,856)	(1,427,713,807)
Payments for investments in associates	9	(3,632,590,346)	(1,484,045,658)	(3,212,137,625)	-
Acquisition of subsidiaries, net of cash acquired	4, 10	(2,577,327,115)	-	(3,412,537,502)	-
Payments for investment in subsidiaries	10	-	-	(1,459,000,000)	(8,280,000,000)
Net cash inflow (outflow) in other current financial assets		860,981,364	728,657,861	864,901,534	(632,539,036)
Net cash outflow in other non-current financial assets		(1,747,705,339)	(698,116,250)	(1,557,705,339)	(245,000,000)
Proceeds from repayment of short-term loans to related parties	5	-	25,000,000	92,000,000	1,239,000,000
Short-term loans to related parties	5	-	(5,000,000)	(217,000,000)	(1,165,000,000)
Proceeds from repayment of long-term loans to related parties	5	-	-	-	132,348,026
Long-term loans to related parties	5	(63,353,000)	-	(878,673,000)	(136,133,542)
Long-term loan to other party	9	-	(2,500,768,000)	-	-
Proceeds from sale of land for future development projects		-	19,844,250	-	-
Proceeds from sale of equipment		367,211	2,184,944	-	7,382
Payment for acquisition of plant and equipment		(1,893,530,865)	(4,628,729,219)	(5,093,295)	(469,159)
Payment for acquisition of intangible assets		392,681	(3,857,513)	-	-
Dividends received		2,208,834,448	2,047,010,551	3,529,325,201	3,464,229,570
Interest received		167,101,100	98,053,132	64,369,246	69,880,488
<b>Net cash used in investing activities</b>		<b>(7,648,745,278)</b>	<b>(10,913,204,949)</b>	<b>(6,659,367,636)</b>	<b>(6,979,430,078)</b>
<b><i>Cash flows from financing activities</i></b>					
Proceeds from short-term loans from financial institutions	16	21,161,590,400	11,405,912,200	12,829,000,000	8,335,000,000
Repayment for short-term loans from financial institutions	16	(17,133,534,700)	(11,946,580,000)	(10,293,000,000)	(8,335,000,000)
Proceeds from long-term loans from financial institutions	16	5,767,013,011	2,239,229,895	5,000,000,000	-
Repayment for long-term loans from financial institutions	16	(2,055,422,234)	(1,549,790,061)	-	-
Proceeds from short-term loans from related party	5, 16	-	-	1,750,000,000	3,465,000,000
Repayment for short-term loans from related party		-	-	(75,000,000)	-
Proceeds from early unwinding of derivative		-	227,783,123	-	-
Payment of lease liabilities	13, 16	(159,382,147)	(62,810,603)	(18,791,737)	(18,500,460)
Proceeds from issue of debentures	16	-	8,000,000,000	-	8,000,000,000
Dividend paid to owners of the Company		(3,480,222,463)	(3,480,049,203)	(3,480,222,464)	(3,480,049,203)
Finance costs paid		(1,715,470,073)	(1,408,571,319)	(256,968,962)	(39,925,680)
<b>Net cash from financing activities</b>		<b>2,384,571,794</b>	<b>3,425,124,032</b>	<b>5,455,016,837</b>	<b>7,926,524,657</b>
Net increase (decrease) in cash and cash equivalents,					
before effect of exchange rates		1,889,397,806	(196,727,930)	(1,538,883,966)	451,330,727
Effect of exchange rate changes on cash and cash equivalents		215,507,811	136,153,649	-	-
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>2,104,905,617</b>	<b>(60,574,281)</b>	<b>(1,538,883,966)</b>	<b>451,330,727</b>
Cash and cash equivalents at 1 January		4,856,588,850	4,917,163,131	2,231,434,858	1,780,104,131
<b>Cash and cash equivalents at 31 December</b>		<b>6,961,494,467</b>	<b>4,856,588,850</b>	<b>692,550,892</b>	<b>2,231,434,858</b>

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

**RATCH Group Public Company Limited and its subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2021**

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**RATCH Group Public Company Limited and its subsidiaries**  
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**For the year ended 31 December 2021**

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 22 February 2022.

**1 General information**

RATCH Group Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand in October 2000. The Company’s registered office is at 72 Ngamwongwan Road, Bangkok, Muang Nonthaburi, Nonthaburi, Thailand.

The Company’s major shareholder during the financial year was Electricity Generating Authority of Thailand (“EGAT”) (45% shareholding), which was incorporated in Thailand.

The principal businesses of the Company are the investing in companies, whose objectives are to generate and sell electricity, develop power energy project and infrastructure project. Details of the Company’s subsidiaries, associates and joint ventures as at 31 December 2021 and 2020 are given in note 9 and 10.

**2 Basis of preparation of the financial statements**

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency.

**3 Significant accounting policies**

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

**(a) Basis of consolidation**

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

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree. In addition, when there is a change in the Group’s interest in a subsidiary that do not result in a loss of control, any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid from the acquisition of the non-controlling interests with no change in control are accounted for as other surpluses/deficits in shareholders’ equity.

**RATCH Group Public Company Limited and its subsidiaries**  
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**For the year ended 31 December 2021**

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The Group recognised investments in associates and joint ventures using the equity method in the consolidated financial statements. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's dividend income and share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

*Business combinations*

The Group applies the acquisition method when the Group assess that the acquired set of activities and assets include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. The acquisition date is the date on which control is transferred to the Group other than business combinations with entities under common control. Expenses in connection with a business combination are recognised as incurred.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less net fair value of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, any contingent consideration and equity interests issued by the Group.

Any contingent consideration is measured at fair value at the date of acquisition and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

**RATCH Group Public Company Limited and its subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2021**

Business combinations under common control are accounted for using a method similar to the pooling of interest method, by recognising assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the moment of the transaction. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or deficit from business combinations under common control in shareholder's equity. The surplus or deficit will be written upon divestment of the businesses acquired. The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

**(b) *Investments in subsidiaries, associates and joint ventures***

Investments in subsidiaries, associates and joint ventures in the separate financial statements are measured at cost less allowance for impairment losses. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established. If the Company disposes of part of its investment, the deemed cost of the part sold is determined using the weighted average method. Gains and losses on disposal of the investments are recognised in profit or loss.

**(c) *Foreign currencies***

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date. Non-monetary assets and liabilities measured at fair value in foreign currencies are translated at the exchange rates at the dates that fair value was determined.

Foreign currency differences are generally recognised in profit or loss. However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income:

- an investment in equity securities designated as at FVOCI (except on impairment, in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss); and
- qualifying cash flow hedges to the extent the hedge is effective.

***Foreign operations***

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Thai Baht at the exchange rates at the reporting date. The revenues and expenses of foreign operation are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve until disposal of the investment, except to extent that the translation difference is allocated to non-controlling interest.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

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When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the translation reserve in equity until disposal of the investment.

**(d) Financial instruments**

*(d.1) Classification and measurement*

Financial assets and financial liabilities (except trade accounts receivables) are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value, taking into account for transaction costs that are directly attributable to its acquisition or issue of the securities, except for financial assets and financial liabilities measured at FVTPL, which are initially and subsequently measured at fair value, and any transaction costs that are directly attributable to its acquisition or issue of the securities are recognised in profit or loss.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or fair value through profit or loss (FVTPL). Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method or FVTPL. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

Debt investments measured at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and expected credit loss are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments measured at FVOCI are subsequently measured at fair value. Dividend income is recognised as income in profit or loss on the date on which the Group's right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

*(d.2) Derecognition and offset*

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

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The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

*(d.3) Derivatives*

Derivative are recognised at fair value and remeasured at fair value at each reporting date. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting or hedges of net investment in a foreign operation, in which case recognition of any resultant gain or loss depends on nature of the item being hedged.

*(d.4) Hedging*

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the risk, the economic relationship between the hedged item and the hedging instrument, including consideration of the hedge effectiveness at the inception of the hedging relationship and throughout the remaining period to determine the existence of economic relationship between the hedged item and the hedging instrument.

*Cash flow hedges*

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts (forward points) is recognised in a cash flow hedging reserve within equity.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the cash flow hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the cash flow hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the cash flow hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the cash flow hedging reserve are immediately reclassified to profit or loss.

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*(d.5) Impairment of financial assets other than trade accounts receivables*

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVOCI, lease receivables, and loan commitments issued which are not measured at FVTPL.

The Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

The Group considers a financial asset to have low credit risk when its credit rating is equivalent to the globally understood definition of 'investment grade'. The Group recognises ECLs for low credit risk financial asset as 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is over the payment specified in the contract

*(d.6) Write offs*

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

**(e) Cash and cash equivalents**

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments which has a maturity of three months or less from the date of acquisition.

**(f) Trade and other accounts receivable**

A receivable is recognised when the Group has an unconditional right to receive consideration. A receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

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**(g) Spare parts and supplies**

Spare parts and supplies are measured at the lower of cost and net realisable value. Spare parts comprise fuel oil and supplies which are used for specific equipment in the power plant. Cost is calculated using the moving average cost principle and comprises all costs of purchase and other costs incurred in bringing the spare parts and supplies to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

The allowance for obsolescence of spare parts is calculated from the balances of spare parts at the end of year on a straight-line basis to write-down the spare parts over the remaining useful lives of power plants.

**(h) Property, plant and equipment**

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

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

Any gains and losses on disposal of item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss.

*Subsequent costs*

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

*Depreciation*

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land and assets under construction.

The estimated useful lives are as follows:

Buildings and other constructions	20 - 40 years
Building improvements	3 - 6 years
Power plants, substation and transmission systems	4 - 45 years
Operating and maintenance equipment	3 - 15 years
Furniture, fixtures and office equipment	3 - 15 years
Vehicles	5 years

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**(i) Goodwill**

Goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investee, the carrying amount of goodwill is included in the carrying amount of the investment.

**(j) Project development expenditure**

Project development expenditure is recognised in profit or loss as incurred. Project development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to use or sell the asset. The expenditure capitalised includes borrowing costs. Other development expenditure is recognised in profit or loss as incurred.

Capitalised development expenditure is measured at cost less accumulated impairment losses. Capitalised development expenditure will be amortised when it is available for use in the manner intended.

**(k) Other Intangible assets**

Other intangible assets are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate the future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss.

The estimated useful lives are as follows:

Software licences	3 - 10	years
Licenses on project development	25	years
Right to power purchase agreements	9 - 30	years

**(l) Leases**

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

*As a lessee*

At commencement or on modification of a contract that contains a lease component and the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.



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The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The lease payments included fixed payments less any lease incentive receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under a residual value guarantee. The lease payments also include amount under purchase, extension or termination option if the Group is reasonably certain to exercise option. Variable lease payments that do not depend on index or a rate are recognised as expenses in the accounting period in which they are incurred.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in lease term, change in lease payments, change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of purchase, extension or termination options. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

*As a lessor*

At inception or on modification of a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

The Group recognises lease payments received under operating leases as rental income on a straight-line basis over the lease term as part of other income. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as rental income in the accounting period in which they are earned.

The Group recognises finance lease receivables at the amount of the Group's net investment in the lease, which comprises the present value of the lease payments and any unguaranteed residual value, discounted using the interest rate implicit in the lease. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

The Group derecognises and determines impairment on the lease receivables as disclosed in note 3(d)

**(m) Impairment of non-financial assets**

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

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

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

Impairment losses of assets recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**(n) Employee benefits**

*Defined contribution plan*

Obligations for contributions to the Group's provident funds are expensed as the related service is provided.

*Defined benefit plans*

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**(o) Provisions**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

**(p) 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 market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

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

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

**(q) Revenue**

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts.

*Revenue from sales of electricity*

Revenue from sales of electricity comprises of revenue from energy payment and revenue from availability payment in terms of operating costs.

Revenue from availability payment in terms of operating costs is a revenue that reflects the fixed operation and maintenance expenses ("Fixed O&M"), maintenance parts expenses and administrative expenses. The availability payment rate is fixed at an amount per Kilowatt based on the availability hours of each year throughout the period of the Power Purchase Agreement. Each Power Purchase Agreement of the Group has different terms and conditions for receiving the revenue from availability payment in terms of operating costs.

The Group recognise revenue from availability payment in terms of operating costs by varying the Contracted Available Hours (CAH) in a year and the Base Availability Credit (BAC).

*Revenue from rendering of services*

Revenue from rendering of services is recognised over time as the services are provided. The related costs are recognised in profit or loss when they are incurred.

*Revenue from finance lease contracts*

Revenue from finance lease contracts is recognised in profit or loss by using the effective interest rate method over the period of the power purchase agreements.

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**(r) Income tax**

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**(s) Basic earnings per share**

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

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**4 Acquisition of subsidiaries**

**(a) Share acquisition of Fareast Renewable Development Pte. Ltd. (“FRD”)**

On 19 November 2021, RH International (Singapore) Corporation Pte. Ltd. (“RHIS”), an indirect subsidiary, acquired an additional 40% of ordinary shares in Fareast Renewable Development Pte. Ltd. (“FRD”), an indirect joint venture, from Hydro Sumatra International Pte. Ltd. (“HSI”), the existing shareholder, totalling 13,544,257 shares. The investment value is approximately US Dollars 54.31 million or equivalent to approximately Baht 1,776.28 million.

FRD is incorporated in Singapore and investing in Asahan-1 Hydroelectric Power Project (“Asahan-1”) in the Republic of Indonesia which owns 53.21% shares of PT Bajradaya Sentranusa (“BDSN”).

The acquisition of additional shares of FRD on 19 November 2021 (“Acquisition date”) through obtaining the transferred shares 40% combined with the Group’s interests previously had 50%, as a result, the Group held 90% interests of issued and paid-up share capital in FRD resulting in the change from an indirect joint venture to an indirect subsidiary through step up acquisition. After such transaction was completed, the shareholding structure of FRD comprises of RHIS at 90% and HSI at 10% resulting the increasing in the Group held an indirect stake for participate in the operation of Asahan-1 Hydroelectric Power Project (“Asahan-1”) 47.89% (previously 26.61%). The Group required to remeasure the fair value of previously held equity interest in FRD prior to acquisition and recognise the difference between fair value and carrying value profit or loss on the acquisition date as follows:

	<i>(in thousand Baht)</i>
Fair value of equity interests in FRD of RHIS prior to acquisition	2,751,830
Less Carrying value of FRD accounted for equity method in RHIS at the acquisition date	(2,930,148)
Less Amount arising from interests recognised in other comprehensive income	(69,203)
<b>Difference from changes in fair value of investment in a joint venture</b>	<b>(247,521)</b>

Obtaining the control in FRD results the business alliances of the Group strength. This power plant is a renewable infrastructure dramatically helps strengthen North Sumatra’s power system stability in Republic of Indonesia. It also reflects in driving renewable energy capacity towards the Group’s target, which a Hydroelectric Power Project aside from wind, solar, and biomass power projects. As committed to renewable energy development, the Group intends to reduce greenhouse gas emission in order to lessen effect of climate change. In addition to environmental benefit, Asahan-1 also helps secure the power grid in North Sumatra province, increasing rate of people access to electricity in North Sumatra, as well as enhancing living quality of people and society at large and also support success of business restructure of FRD’s shareholders.

According to the above acquisitions, the Group has engaged an independent appraiser to determine the fair values of net assets and liabilities acquired. The determination of the fair values has been completed. The consideration transferred and the assets acquired, and liabilities assumed were recorded accordingly.

	<b>Fair value</b> <i>(in thousand Baht)</i>
Cash and cash equivalents	975,802
Lease receivables	17,313,364
Trade receivables and other assets	574,318
Loans and borrowings	(5,074,851)
Trade and other payables	(276,791)
Derivative liabilities	(211,490)

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	<b>Fair value</b> <i>(in thousand Baht)</i>
Deferred tax liabilities	(2,175,231)
Provisions and other liabilities	(796,129)
<b>Total identifiable net assets</b>	<b>10,328,992</b>
<i>Less</i> Non-controlling interests	(5,375,698)
<b>Total identifiable net assets received</b>	<b>4,953,294</b>
Fair value of equity interests in FRD prior to acquisition	(2,751,830)
Gain on bargain purchase	(425,188)
<b>Purchase consideration transferred</b>	<b>1,776,276</b>
Net cash acquired	(975,802)
<b>Net cash outflows</b>	<b>800,474</b>

As at 31 December 2021, the consideration transferred totalling Baht 1,776.28 million comprise of cash paid of Baht 1,575.76 million and payable to shareholder of Baht 200.52 million which subsequently paid on 11 January 2022. The Group incurred acquisition-related costs of Baht 8.59 million which have been included in administrative expenses in the statement of comprehensive income.

As a result, the Group recognised gain on bargain purchase and the difference from changing in fair value of equity interests prior to acquisition as at the acquisition date in the consolidated statements of income for the year ended 31 December 2021 amounting Baht 177.67 million.

The Group included the assets, liabilities and operating results of such subsidiary in the consolidated financial statements for the year ended 31 December 2021. Revenues and operating results of such subsidiaries from the purchasing date to 31 December 2021 are included in total income statement, amounting to Baht 134.63 million and profit for the period attributable to equity holders amounting to Baht 2.12 million. If the acquisition of FRD had occurred on 1 January 2021, management estimates that revenue from leases and profit for the Group in the consolidated financial statements for the year ended 31 December 2021 would have been Baht 1,484.55 million and Baht 433.00 million, respectively.

**(b) Share acquisition of Sahacogen (Chonburi) Public Company Limited (“SCG”)**

On 13 December 2021, (“Acquisition date”), the Company completed the purchase of the ordinary shares of Sahacogen (Chonburi) Public Company Limited (“SCG”), which is listed on the Stock Exchange of Thailand, from 34 shareholders in the total amount of 384.79 million shares at Baht 5.75 per share amounting to Baht 2,212.54 million and the purchase of newly issued ordinary shares of SCG which has been issued and allotted to a specific person (Private Placement) in the amount of 208.69 million shares, with a par value of Baht 1.00 per share at the subscription price of Baht 5.75 per share amounting to Baht 1,200 million whereby SCG has registered the change of its paid-up capital with the Ministry of Commerce and after the issuance and allotment of such new ordinary shares to the Company was complete. The Company has therefore acquired a total amount of 593.48 million ordinary shares in SCG, equivalent to 51% of the total issued shares in SCG, which resulted in SCG becoming a subsidiary of the Company.

The investment in SCG will be help business alliances between the Group and Saha Group which applies knowledge and expertise to develop power plant projects. It creates power plant jointly partnership of the Group to encourage its strength and sustainable growth in its full capacity, including promoting the increase of capacity and competence in other projects of Saha Group in the future.

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According to the above acquisition, the Group has engaged independent appraisers to determine the fair values of net assets and liabilities acquired. As at 31 December 2021, the determination of the fair values, especially for intangible assets acquired, has not been completed. Therefore, the Group has been recorded at provisional amounts in consolidated statement of financial position as at 31 December 2021. The fair values of the assets acquired and liabilities assumed and goodwill may be adjusted when the report of the appraiser is completed.

The Group has continuously reviewed fair values of the business acquired within one year from the acquisition date, taking into accounts additional information, facts as well as circumstances that existed at the acquisition date. Consequently, the adjustments on accounting transaction of such acquisition will be made.

Assets acquired and liabilities assumed at the acquisition date:

	<b>Fair value</b> <i>(in thousand Baht)</i>
Cash and cash equivalents	1,435,164
Trade and other receivables	573,154
Inventories	262,070
Property, plant and equipment	5,047,561
Other assets	413,014
Trade and other payables	(351,198)
Loans and borrowings	(2,987,379)
Other liabilities	(428,375)
<b>Total identifiable net assets</b>	<b>3,964,011</b>
<i>Less Non-controlling interests</i>	<i>(1,981,946)</i>
<b>Total identifiable net assets received</b>	<b>1,982,065</b>
Goodwill arising from the acquisition	1,430,473
<b>Purchase consideration transferred</b>	<b>3,412,538</b>
Net cash acquired	(1,435,164)
<b>Net cash outflows</b>	<b>1,977,374</b>

The Group incurred acquisition-related costs of Baht 21 million which have been included in administrative expenses in the statement of comprehensive income.

During the period from acquisition date to 31 December 2021, SCG contributed revenue of Baht 246.61 million and profit of Baht 14.49 million to the Group's results. If the acquisition had occurred on 1 January 2021, management estimates that consolidated revenue would have increased by Baht 4,354.41 million and consolidated profit for the year would have increased by Baht 106.40 million.

In addition, on 22 December 2021, the Group, as the Tender Offeror in the tender offer for all of the remaining securities of SCG in the total amount of 127.60 million shares. On 31 January 2022, which is the end of the tender offer period, there were those who expressed the intentions to sell in the total amount of 7.80 million shares, equivalent to 0.67% of the total issued shares, at Baht 5.75 per share amounting to Baht 44.83 million. After such transaction is completed, the Company hold the total of 601.28 million shares or equivalent to 51.67% of the total issued shares.

**RATCH Group Public Company Limited and its subsidiaries**  
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**5 Related parties**

A related party is a person or entity that has direct or indirect control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or has significant influence over the financial and managerial decision-making of a person or entity.

Relationships with subsidiaries, associates and joint ventures are described in notes 9 and 10. Other related parties that the Group had significant transactions with during the year were as follows:

<b>Name of entities</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>
Electricity Generating Authority of Thailand	Thailand	Major shareholder, some common directors
EGAT International Co., Ltd.	Thailand	99.99% shareholding by Electricity Generating Authority of Thailand, some common directors
RH International (Mauritius) Corporation Limited	Mauritius	Indirect subsidiary, 100% shareholding by a direct subsidiary
RH International (Singapore) Corporation Pte. Ltd.	Singapore	Indirect subsidiary, 100% shareholding by an indirect subsidiary
Fareast Renewable Development Pte. Ltd.	Singapore	Indirect subsidiary, 90% shareholding by an indirect subsidiary
RATCH-Australia Corporation Pty. Ltd. and its subsidiaries	Australia	Indirect subsidiary, 100% shareholding by an indirect subsidiary, some common directors
RATCH China Power Limited	Hong Kong	Indirect subsidiary, 100% shareholding by an indirect subsidiary
RE Solar 1 Company Limited	Thailand	Indirect subsidiary, 99.99% shareholding by a direct subsidiary
Hin Kong Power Company Limited	Thailand	Subsidiary of a direct joint venture, 99.99% shareholding by a direct joint venture, some common directors
Nexif Ratch Energy Rayong Company Limited	Thailand	Subsidiary of a direct joint venture, 99.99% shareholding by a direct joint venture
Nam Ngum 2 Power Company Limited	Lao PDR	Subsidiary of a direct joint venture, 75% shareholding by a direct joint venture
Ecowin Energy Corporation	Vietnam	Subsidiary of an indirect joint venture, 80% shareholding by an indirect joint venture



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<b>Name of entities</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>			
EGAT Diamond service Company Limited	Thai	Other related party, 10% shareholding			
Key management personnel	Thai	Persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.			

  

<b>Significant transactions with related parties</b> <b>Year ended 31 December</b>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b>Major shareholder</b>				
Revenue from sales of electricity	31,015,433	28,672,488	-	-
Operation and maintenance service income	67,182	60,035	-	-
Revenue from finance lease contracts	1,953,582	2,553,209	-	-
Other income	7,089	-	7,089	-
Purchase of fuel oil	459,845	-	-	-
Purchase of electricity	207,530	142,838	-	-
Operation and maintenance service fee	1,205,295	1,196,613	-	-
Management service of fuel	2,173	2,175	-	-
Other service fees	2,724	4,911	1,399	3,586
<b>Subsidiaries</b>				
Management service income	-	-	206,633	164,197
Interest income	-	-	63,416	50,196
Dividend income	-	-	3,346,272	3,283,271
Interest expense	-	-	40,843	9,872
<b>Associates</b>				
Management service income	2,276	2,276	2,276	2,276
Interest income	154	-	154	-
Dividend income	-	-	17,400	16,200
<b>Joint ventures</b>				
Operation and maintenance service income	2,079	1,990	-	-
Management service income	221,926	273,886	220,473	272,830
Interest income	30,777	26,058	30,777	26,058
Dividend income	-	-	163,146	163,146
Rental income	52,639	12,067	-	-
Other income	24,732	22,679	-	-
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefits	156,747	144,124	68,968	71,145
Defined contribution plan	7,085	6,966	2,004	2,792
Defined benefit plan	4,254	2,681	2,770	2,053
<b>Total key management personnel compensation</b>	<b>168,086</b>	<b>153,771</b>	<b>73,742</b>	<b>75,990</b>

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<i>Significant transactions with related parties</i> <i>Year ended 31 December</i>	<b>Consolidated</b> <b>financial statements</b>		<b>Separate</b> <b>financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b>Other related parties</b>				
Dividend income	2,507	1,013	2,507	1,013
Other service fee	10,207	1,449	10,207	1,449

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

	<b>Consolidated</b> <b>financial statements</b>		<b>Separate</b> <b>financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b><i>Trade accounts receivable</i></b>				
Major shareholder	8,933,479	4,982,071	-	-
Associate	398	-	-	-
Joint venture	180	175	-	-
	<b>8,934,057</b>	<b>4,982,246</b>	-	-
Less allowance for expected credit loss	-	-	-	-
<b>Net</b>	<b>8,934,057</b>	<b>4,982,246</b>	<b>-</b>	<b>-</b>
<b><i>Advances to and other current receivables</i></b>				
Major shareholder	8,667	2,215	7,585	-
Subsidiaries	-	-	84,566	88,124
Associates	203	202	203	202
Joint ventures	22,598	60,095	21,607	49,335
<b>Total</b>	<b>31,468</b>	<b>62,512</b>	<b>113,961</b>	<b>137,661</b>
<b><i>Short-term loans to</i></b>				
Subsidiaries	-	-	186,273	60,000
	-	-	<b>186,273</b>	<b>60,000</b>
Less allowance for expected credit loss	-	-	(656)	(332)
<b>Net</b>	<b>-</b>	<b>-</b>	<b>185,617</b>	<b>59,668</b>
<b><i>Other non-current receivables</i></b>				
Subsidiaries	-	-	18,059	3,793
Associates	154	-	154	-
Joint ventures	74,005	44,011	74,005	44,011
<b>Total</b>	<b>74,159</b>	<b>44,011</b>	<b>92,218</b>	<b>47,804</b>
<b><i>Long-term loans to</i></b>				
Subsidiaries	-	-	2,192,448	1,266,992
Associates	32,253	-	32,253	-
Joint ventures	631,142	538,896	631,142	538,896
	<b>663,395</b>	<b>538,896</b>	<b>2,855,843</b>	<b>1,805,888</b>
Less allowance for expected credit loss	(7,231)	(16,234)	(51,745)	(52,092)
<b>Net</b>	<b>656,164</b>	<b>522,662</b>	<b>2,804,098</b>	<b>1,753,796</b>

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<i>Receivable under lease contracts</i>	<b>Consolidated financial statements</b>					
	Portion due within one year		Portion due after one year		Total	
	2021	2020	2021	2020	2021	2020
	<i>(in thousand Baht)</i>					
<b>Major shareholder</b>						
Receivables under lease contracts	4,297,206	4,481,635	10,724,690	15,021,896	15,021,896	19,503,531
Less unearned interest income	<u>(1,488,791)</u>	<u>(1,906,035)</u>	<u>(2,969,382)</u>	<u>(4,458,173)</u>	<u>(4,458,173)</u>	<u>(6,364,208)</u>
	<b>2,808,415</b>	<b>2,575,600</b>	<b>7,755,308</b>	<b>10,563,723</b>	<b>10,563,723</b>	<b>13,139,323</b>
Less allowance for expected credit loss	<u>-</u>	<u>-</u>	<u>(1,644)</u>	<u>(1,840)</u>	<u>(1,644)</u>	<u>(1,840)</u>
<b>Receivable under lease contracts-net</b>	<b><u>2,808,415</u></b>	<b><u>2,575,600</u></b>	<b><u>7,753,664</u></b>	<b><u>10,561,883</u></b>	<b><u>10,562,079</u></b>	<b><u>13,137,483</u></b>

The gross receivable and interest under lease contracts as at 31 December were as follows:

	<b>Consolidated financial statements</b>			
	Receivable and interest under lease contracts	Receivable under lease contracts - net	Receivable and interest under lease contracts	Receivable under lease contracts - net
	2021		2020	
	<i>(in thousand Baht)</i>			
Portion due within one year	4,297,206	2,808,415	4,481,635	2,575,600
Portion due after one year but within five years	9,670,979	6,766,962	12,053,444	7,983,513
Portion due after five years	<u>1,053,711</u>	<u>988,346</u>	<u>2,968,452</u>	<u>2,580,210</u>
	<b>15,021,896</b>	<b>10,563,723</b>	<b>19,503,531</b>	<b>13,139,323</b>
Less unearned interest income	<u>(4,458,173)</u>	<u>-</u>	<u>(6,364,208)</u>	<u>-</u>
Less allowance for expected credit loss	<u>(1,644)</u>	<u>(1,644)</u>	<u>(1,840)</u>	<u>(1,840)</u>
<b>Receivable under lease contracts-net</b>	<b><u>10,562,079</u></b>	<b><u>10,562,079</u></b>	<b><u>13,137,483</u></b>	<b><u>13,137,483</u></b>

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b>(Reversal of) Expected credit losses for the year ended 31 December</b>				
Short-term loans to	-	-	324	332
Long-term loans to	(9,003)	3,114	(347)	36,485
Receivable under lease contracts	(196)	(461)	-	-

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	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b><i>Short term loan from</i></b>				
Subsidiary	<u>-</u>	<u>-</u>	<u>5,140,000</u>	<u>3,465,000</u>
<b><i>Other current payable</i></b>				
Major shareholder	78,175	40,347	-	1,609
Subsidiaries	-	-	12,993	13,215
Joint ventures	16,570	14,151	15,052	12,506
Other related parties	2,042	1,449	2,042	1,449
<b>Total</b>	<u>96,787</u>	<u>55,947</u>	<u>30,087</u>	<u>28,779</u>
<b><i>Other non-current payables</i></b>				
Joint venture	<u>4,235</u>	<u>-</u>	<u>4,235</u>	<u>-</u>

***Significant agreements with related parties***

***Loans to related parties***

As at 31 December 2021, the Company had loans to RATCH Cogeneration Company Limited, a direct subsidiary, of short-term loans outstanding balance amounting to Baht 186.27 million with interest 3-Month floating rate plus a fixed margin and will be due within one year. The long-term loan of existing agreement outstanding balance amounting to Baht 136.13 million and the long-term Intercompany Loan Agreement for the Project expansion amounting to Baht 815.32 million with interest at the fixed rate of 4.50% and 3.34% per annum, respectively. The principal and interest will be due as stipulated in the agreement. The Company has no intention to recall the loans from the subsidiary within one year. Therefore, the Company classified the balance of the loan as long-term loan.

As at 31 December 2021, the Company had outstanding balance of loans to RATCH-Lao Services Company Limited, a direct subsidiary, under the existing loan agreement, amounting to US Dollars 32.60 million or equivalent to Baht 1,080.80 million with interest at the fixed rate of 3.65% per annum and under the new loan agreement, amounting to Baht 160.20 million with interest at the fixed rate of 4.50% per annum. The principal and interest will be due as stipulated in the agreement. The Company has no intention to recall the loans from the subsidiary within one year. Therefore, the Company classified the balance of the loans as long-term loans.

As at 31 December 2021, the Company had outstanding balance of loans to Xe-Pian Xe-Namnoy Power Company Limited, a direct joint venture, amounting to US Dollars 1.32 million or equivalent to Baht 43.76 million with interest at the rate of 3-Month London Interbank Offered Rate (LIBOR), plus fixed margin per annum. The loan agreement determined the repayment term of principal and interest within 27 years commencing from the joint venture made the first drawdown of loans from financial institutions on 5 February 2014. The Company had outstanding balance of loans for the purpose of covering additional expenditure of the Xe-Pian Xe-Namnoy Hydroelectric Power Project amounting to US Dollars 16.78 million or equivalent to Baht 556.28 million with interest at the rate of 3-Month London Interbank Offered Rate (LIBOR), plus fixed margin per annum. The principal and interest will be due as stipulated in the agreement.

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As at 31 December 2021, the Company had outstanding balance of loans to Smart Infranet Company Limited, a direct joint venture, amounting to Baht 25.50 million with interest at the fixed rate of 5.30% per annum. The principal and interest will be due as stipulated in the agreement. The Company has no intention to recall the loans from the joint venture within one year. Therefore, the Company classified the balance of the loan as long-term loan.

As at 31 December 2021, the Company had outstanding balance of loans to Things on Net Company Limited, a direct joint venture, amounting to Baht 5.60 million with interest at the fixed rate of 5.30% per annum. The principal and interest will be due as stipulated in the agreement. The Company has no intention to recall the loans from the joint venture within one year. Therefore, the Company classified the balance of the loan as long-term loan.

As at 31 December 2021, the Company had outstanding balance of loans to Northern Bangkok Monorail Company Limited, a direct associate, amounting to Baht 32.25 million with interest at the fixed rate of 5.00% per annum. The principal and interest will be due as stipulated in the agreement. The Company has no intention to recall the loans from the associate within one year. Therefore, the Company classified the balance of the loan as long-term loan.

***Short term loans from related parties***

As at 31 December 2021, the Company had outstanding balance of loans from Ratchaburi Electricity Generating Company Limited, a direct subsidiary, amounting to Baht 5,140 million which bear interest at the fixed rate of 0.78% and 0.80% per annum and will be due within one year.

***Power Purchase Agreements***

On 9 October 2000, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, entered into a Power Purchase Agreement with EGAT for a period of 25 years, whereby such subsidiary will deliver net electricity generation from Thermal power plants unit 1 and 2 and Combined Cycle power plants block 1, 2 and 3 to EGAT under the conditions of the Power Purchase Agreement. Such subsidiary will receive revenue from EGAT, which are comprised of energy payment (EP) and availability payment (AP). An energy payment (EP) covers production costs which are comprised of fuel costs and variable costs of operation and maintenance. Such costs will be adjusted in accordance with fuel price, Energy Efficiency Ratio and Consumer Price Index. An availability payment (AP) covers the repayment of principal and interest of loans, return on shareholders' equity, fixed operation and maintenance expenses, maintenance parts expenses and administrative expenses. Such costs will be adjusted to cover the changes of interest rates, Consumer Price Index and exchange rates.

On 3 December 2009, RATCH Cogeneration Company Limited, a direct subsidiary, entered into a Power Purchase Agreement for RATCH Cogeneration Power Project located in Pathum Thani province with EGAT. The agreement is effective from the execution date until the 25-year from the commercial operation date. The project is a combined-cycle power plant project with total contracted capacity of 110 Megawatts which started its commercial operation in 2013.

On 12 July 2019, Hin Kong Power Company Limited, a subsidiary of a direct joint venture, entered into a Power Purchase Agreement for Hin Kong Power Project located in Ratchaburi province with EGAT. The agreement is effective from the execution date until the 25-year from the commercial operation date. The project is a combined-cycle power plant project with total contracted capacity of 1,400 Megawatts which is scheduled for commercial operation in 2024 and 2025.

Sahacogen (Chonburi) Public Company Limited, a direct subsidiary, entered into a Power Purchase Agreement with EGAT to sell electricity in a specified quantity and at a stipulated price as defined in the agreement. The agreement period is 25 years and will expire in April 2024.

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***Operation and Maintenance Agreement***

On 7 January 2009, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, entered into an Operation and Maintenance Agreement with EGAT. The agreement is effective from 1 January 2009 until the termination dates of the Power Purchase Agreement for Thermal power plants and Combined Cycle power plants. EGAT will operate and provide routine maintenance services including major overhaul to such subsidiary. The initial value of the agreement is approximately Baht 16,608.16 million, which will be adjusted by the annual Consumer Price Index.

On 27 May 2020, RATCH-Lao Services Company Limited, a direct subsidiary, entered into a Personnel Providing Service for Operation and Maintenance Agreement with EGAT, whereby such subsidiary will recruit and provide qualified personnel according to the number and qualifications specified in the agreement for operation and maintenance of Nam Ngiep 1 Hydropower Plant located in Lao PDR, for a period of 58 months. The agreement is effective from May 2020 to February 2025. The total value of the agreement is Baht 36.67 million.

On 28 October 2020, RATCH-Lao Services Company Limited, a direct subsidiary, entered into an Operation and Maintenance Services Agreement for Hongsa Mine Mouth Power Project in Lao PDR with EGAT to operate and maintenance for Hongsa Power Project for a period of 36 months from November 2020 onwards. The total value of the agreement is Baht 168.11 million.

***Fuel Management Service Agreement***

On 1 July 2012, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, entered into a Fuel Management Service Agreement with EGAT, whereby EGAT will coordinate the supply and delivery of fuel oil, according to the demand of such subsidiary and align with EGAT's power dispatching plan. The agreement is effective from 1 July 2012 until 30 June 2013. The service fee is stipulated in the agreement. The agreement is automatically extended for a period of 1 year unless written notice.

***Land Lease Agreement and Common Facility Agreement***

On 7 June 2004 and 21 October 2005, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, entered into a Land Lease Agreement for an area of 145 rai with Ratchaburi Power Company Limited, an indirect joint venture. The land is located in the Ratchaburi Power Plant area. The rental period is 25 years and 3 months commencing from the commercial operation date of Ratchaburi Power Company Limited.

On 25 November 2005, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, entered into a Common Facility Agreement with Ratchaburi Power Company Limited, an indirect joint venture, whereby such subsidiary will provide certain facilities, services, right to use and access rights to utilities relating to construction and operation to Ratchaburi Power Company Limited as stipulated in the agreement. This agreement is effective from the signing date in the agreement until the termination date of the Land Lease Agreement dated on 7 June 2004.

On 23 August 2019, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, entered into land lease agreement 175 rai with Hin Kong Power Company Limited, a subsidiary of direct joint venture, for a period of 29 years which effective from 1 January 2021 onwards.

On 30 June 2021, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, entered into land lease agreement 8 rai with Hin Kong Power Company Limited, a subsidiary of direct joint venture, for a period of 28 years and 6 months which effective from 1 July 2021 onwards.

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***Management Service Agreement***

On 27 February 2004, the Company entered into a Management Service Agreement with Ratchaburi Power Company Limited, an indirect joint venture, whereby the Company will receive management service fee amounting to US Dollars 2.50 million per annum for a period of 25 years and 3 months commencing from the commercial operation date of the Power Plant Unit 1 of Ratchaburi Power Company Limited. The total value of the agreement is US Dollars 63.12 million.

On 24 February 2021, the Company entered into a Management Service Agreement with Hin Kong Power Company Limited, a subsidiary of direct joint venture, whereby the Company will receive management service fee amounting to Baht 36 million per year and will increase annually as stipulated in the agreement. The agreement is automatically extended for a period of 1 year unless written notice.

***Agreement in relation to investment in Chubu Ratchaburi Electric Services Company Limited***

On 29 September 2005, the Company and Chubu Electric Power (Thailand) Company Limited entered into a Shareholders Agreement to set up Chubu Ratchaburi Electric Services Company Limited, a direct joint venture. Under the terms of the shareholders agreement, if Chubu Ratchaburi Electric Services Company Limited requires additional funding exceeding its authorised share capital, the Company agreed to provide financial support in the form of shareholders' loans or other shareholders' guarantees in proportion of investment of 50%. The agreement does not specify the amount of financial support. As at 31 December 2021, the Company has not provided any loans or guarantees under the agreement

***Sponsor Support Agreement with Northern Bangkok Monorail Company and Eastern Bangkok Monorail Company Limited***

On 11 October 2017, the Company entered into a Sponsor Support Agreement with Northern Bangkok Monorail Company Limited and Eastern Bangkok Monorail Company Limited, in direct associates. The Company agreed to provide financial support in the form of shareholders' loans or other shareholders' guarantees in proportion of investment of 10% with credit limit and conditions as specified in the agreement. As at 31 December 2021, the Company has not yet provided any loans or guarantees under the agreement with Eastern Bangkok Monorail Company Limited.

***Equity Contribution Agreement with Nexif Ratch Energy Rayong Company Limited***

The Company entered into an Equity Contribution Agreement with Nexif Ratch Energy Rayong Company Limited, a subsidiary of a direct joint venture. The Company agreed to provide financial support in the form of shareholders' loans or other shareholders' guarantees. As at 31 December 2021, the Company has provided the guarantee to such company with credit amount of Baht 96.99 million.

***Obligations related to Share Purchase Agreement***

The Company has obligations under a Share Purchase Agreement related to the purchase of ordinary shares in the two of associates. Under the terms of the agreement, the other shareholder has additional rights to the Company's dividend entitlements from those associates.

***Obligations related to Guarantee Service Agreement with Hin Kong Power Holding Company Limited and Hin Kong Power Company Limited***

The Company has obligations under a Guarantee Service Agreement to Hin Kong Power Holding Company Limited, a direct joint venture and Hin Kong Power Company Limited, a subsidiary of direct joint venture. Under the terms of the agreement defined the Company as guarantor, in proportion of shareholder of 51%. The facilities and terms are stipulated in the agreement.

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**6 Cash and cash equivalents**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Cash on hand	1,632	469	449	30
Cash at banks	6,474,862	2,950,703	542,102	512,404
Highly liquid short-term investments	485,000	1,905,417	150,000	1,719,001
<b>Cash and cash equivalents</b>	<b>6,961,494</b>	<b>4,856,589</b>	<b>692,551</b>	<b>2,231,435</b>

**7 Trade accounts receivable**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
<i>At 31 December</i>	<i>(in thousand Baht)</i>			
Within credit terms	9,550,322	5,160,948	-	-
Overdue:				
Less than 3 months	223,475	28,104	-	-
3 - 6 months	12	253	-	-
6 - 12 months	88	638	-	-
Over 12 months	300	-	-	-
<b>Total</b>	<b>9,774,197</b>	<b>5,189,943</b>	<b>-</b>	<b>-</b>
Less allowance for expected credit loss	-	-	-	-
<b>Net</b>	<b>9,774,197</b>	<b>5,189,943</b>	<b>-</b>	<b>-</b>

Information of credit risk is disclosed in note 25 (b.1).

**8 Spare parts and supplies**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Fuel oil	1,071,193	1,138,791	-	-
Spare parts and supplies	1,776,189	1,569,904	-	-
Spare parts and supplies in transit	10,715	40,548	-	-
<b>Total</b>	<b>2,858,097</b>	<b>2,749,243</b>	<b>-</b>	<b>-</b>
Less allowance for obsolescence of spare parts and supplies	(956,252)	(900,755)	-	-
Less allowance for decline in value of fuel oil	-	(65,884)	-	-
<b>Net</b>	<b>1,901,845</b>	<b>1,782,604</b>	<b>-</b>	<b>-</b>
Spare parts and supplies recognised in 'cost of sales':				
- Cost	2,460,237	112,723	-	-
- Write-down to obsolescence of spare parts and supplies	26,539	74,613	-	-
- (Reversal of) decline in value of fuel oil to net realisable value	(65,884)	65,884	-	-
<b>Net</b>	<b>2,420,892</b>	<b>253,220</b>	<b>-</b>	<b>-</b>



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**9 Investments in associates and joint ventures**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
At 1 January		40,787,800	31,103,146	9,490,861	5,681,107
Share of profits of joint ventures and associates accounted for using equity method		5,902,401	4,600,343	-	-
Share of other comprehensive income (expense) of joint ventures and associates accounted for using equity method		1,599,145	(1,163,949)	-	-
Addition investments		4,657,653	5,995,679	3,679,954	1,427,714
Acquisition through business combination	4	114,622	-	-	-
Transfer from subsidiary due to loss of control		-	2,040	-	2,040
Transfer to investment in subsidiaries	4	(2,930,148)	-	-	-
Dividend income		(2,152,067)	(1,987,288)	-	-
Exchange rate adjustment		3,151,338	(142,171)	-	-
Allowance for investment impairment		(63,716)	-	-	-
Reclassification		-	2,380,000	-	2,380,000
<b>At 31 December</b>		<b><u>51,067,028</u></b>	<b><u>40,787,800</u></b>	<b><u>13,170,815</u></b>	<b><u>9,490,861</u></b>

**RATCH Group Public Company Limited and its subsidiaries**  
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Investments in associates and joint ventures as at 31 December were as follows:

					Consolidated financial statements			
	Type of business	Country of incorporation	Ownership interest		2021	Cost	At equity method	
			2021	2020		2020	2021	2020
			(%)			(in thousand Baht)		
<b>Direct associates</b>								
First Korat Wind Company Limited	Generating and selling electricity	Thailand	20	20	399,204	399,204	439,597	427,889
K.R. TWO Company Limited	Generating and selling electricity	Thailand	20	20	365,400	365,400	401,570	386,719
Northern Bangkok Monorail Company Limited	Mass transit system	Thailand	10	10	1,440,000	1,180,000	1,402,193	994,223
Eastern Bangkok Monorail Company Limited	Mass transit system	Thailand	10	10	1,440,000	1,200,000	1,421,480	1,033,558
Bangkok Aviation Fuel Services Public Company Limited	Aviation fuel services	Thailand	15.53	-	2,712,138	-	2,593,596	-
					<b>6,356,742</b>	<b>3,144,604</b>	<b>6,258,436</b>	<b>2,842,389</b>
<b>Indirect associates</b>								
Solar Power (Korat 3) Company Limited	Generating and selling electricity	Thailand	40	40	75,500	75,500	188,230	168,925
Solar Power (Korat 4) Company Limited	Generating and selling electricity	Thailand	40	40	79,700	79,700	198,541	179,830
Solar Power (Korat 7) Company Limited	Generating and selling electricity	Thailand	40	40	75,500	75,500	186,889	168,812
Impact Solar Company Limited	Generating and providing rooftop solar power systems.	Thailand	10.71	-	118,230	-	114,330	-
Perth Power Partnership (Kwinana)	Generating and selling electricity	Australia	30	30	618,531	618,531	73,247	210,463
Yandin WF Holdings Pty Ltd	Generating and selling electricity	Australia	70	70	3,077,978	2,657,525	3,419,544	2,657,635
					<b>4,045,439</b>	<b>3,506,756</b>	<b>4,180,781</b>	<b>3,385,665</b>
<b>Total</b>					<b>10,402,181</b>	<b>6,651,360</b>	<b>10,439,217</b>	<b>6,228,054</b>
<b>Direct joint ventures</b>								
Chubu Ratchaburi Electric Services Company Limited	Providing operation and maintenance services	Thailand	50	50	10,000	10,000	88,656	80,731
SouthEast Asia Energy Limited	Investing in the power energy business	Thailand	33.33	33.33	2,202,250	2,202,250	2,742,819	2,582,723
Smart Infranet Company Limited	Investing in Underground Optic Fiber Network Project	Thailand	51	51	280,500	280,500	238,558	264,261
Things on Net Company Limited	Investing in installation and development of telecommunication networks	Thailand	35	35	180,018	180,018	142,980	165,782

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			Consolidated financial statements					
	Type of business	Country of incorporation	Ownership interest		Cost	At equity method		
			2021	2020	2021	2020	2021	2020
			(%)			(in thousand Baht)		
<b>Direct joint ventures</b>								
Hin Kong Power Holding Company Limited	Investing in the power energy business	Thailand	51	51	467,772	155,652	445,274	147,850
R E N Korat Energy Company Limited	Generating and selling electricity and steam	Thailand	40	40	120,000	10,300	111,913	7,672
Xe-Pian Xe-Namnoy Power Company Limited	Generating and selling electricity	Lao PDR	25	25	2,523,725	2,523,725	2,635,647	1,812,831
Innopower Company Limited	Investing in innovation and commercial inventions including future energy business	Thailand	30	-	45,000	-	45,000	-
NEXIF RATCH ENERGY SINGAPORE PTE. LTD.	Investing in the power energy business	Singapore	49	49	984,809	983,812	1,043,682	983,460
					<b>6,814,074</b>	<b>6,346,257</b>	<b>7,494,529</b>	<b>6,045,310</b>
<b>Indirect joint ventures</b>								
Ratchaburi Power Company Limited	Generating and selling electricity	Thailand	25	25	1,831,250	1,831,250	2,767,617	2,961,087
Nava Nakorn Electricity Generating Company Limited	Generating and selling electricity and steam	Thailand	40	40	800,000	800,000	1,050,835	948,193
Ratchaburi World Cogeneration Company Limited	Generating and selling electricity and steam	Thailand	40	40	1,000,000	1,000,000	1,350,685	1,286,024
Berkprai Cogeneration Company Limited	Generating and selling electricity and steam	Thailand	35	35	465,850	465,850	626,757	586,484
Solarta Company Limited	Generating and selling electricity	Thailand	49	49	545,960	545,960	1,619,624	1,526,560
Songkhla Biomass Company Limited	Generating and selling electricity	Thailand	40	40	98,400	98,400	178,700	172,743
Songkhla Biofuel Company Limited	Providing material of biofuel	Thailand	40	40	400	400	324	327
Hongsa Power Company Limited	Generating and selling electricity	Lao PDR	40	40	12,929,886	12,929,886	20,098,797	14,480,293
Phu Fai Mining Company Limited	Coal mining and trading	Lao PDR	37.50	37.50	630	630	275,512	139,793
Asia Water Co., Ltd.	Generating and selling water	Lao PDR	40	40	179,113	179,113	184,953	182,431
SIPHANDONE-RATCH LAO CO., LTD.	Generating and selling wood pellet	Lao PDR	25	25	25,405	406	22,008	406
PT Medco Ratch Power Riau	Generating and selling electricity	Republic of Indonesia	49	49	1,083,116	871,102	1,711,806	1,028,526
Fareast Renewable Development Pte. Ltd.	Investing in the power energy business internationally	Singapore	-	50	-	2,688,569	-	2,551,074

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					Consolidated financial statements			
Type of business	Country of incorporation	Ownership interest		Cost	At equity method			
		2021	2020	2021	2020	2021	2020	
		(%)		(in thousand Baht)				
Indirect joint ventures								
RATCH & AIDC Wind Energy Pte. Ltd.	Investing in the power energy business internationally	Singapore	63.80	63.80	210,867	118,174	214,385	117,224
An Binh Energy and Infrastructure Fund	Investing in the power energy business and infrastructure	Vietnam	49	49	2,504,686	2,504,686	2,803,749	2,533,271
NEXIF ENERGY BT PTE. LTD.	Investing in the power energy business internationally	Singapore	50	-	227,538	-	227,530	-
					21,903,101	24,034,426	33,133,282	28,514,436
Total					28,717,175	30,380,683	40,627,811	34,559,746

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			Separate financial statements							
Type of business		Country of incorporation	Ownership interest		Cost		Impairment		At cost-net	
			2021	2020	2021	2020	2021	2020	2021	2020
			(%)				(in thousand Baht)			
<b>Direct associates</b>										
First Korat Wind Company Limited	Generating and selling electricity	Thailand	20	20	399,204	399,204	-	-	399,204	399,204
K.R. TWO Company Limited	Generating and selling electricity	Thailand	20	20	365,400	365,400	-	-	365,400	365,400
Northern Bangkok Monorail Company Limited	Mass transit system	Thailand	10	10	1,440,000	1,180,000	-	-	1,440,000	1,180,000
Eastern Bangkok Monorail Company Limited	Mass transit system	Thailand	10	10	1,440,000	1,200,000	-	-	1,440,000	1,200,000
Bangkok Aviation Fuel Services Public Company Limited	Aviation fuel services	Thailand	15.53	-	2,712,138	-	-	-	2,712,138	-
<b>Total</b>					<b>6,356,742</b>	<b>3,144,604</b>	<b>-</b>	<b>-</b>	<b>6,356,742</b>	<b>3,144,604</b>
<b>Direct joint ventures</b>										
Chubu Ratchaburi Electric Services Company Limited	Providing operation and maintenance services	Thailand	50	50	10,000	10,000	-	-	10,000	10,000
SouthEast Asia Energy Limited	Investing in the power energy business	Thailand	33.33	33.33	2,202,250	2,202,250	-	-	2,202,250	2,202,250
Smart Infranet Company Limited	Investing in Underground Optic Fiber Network Project	Thailand	51	51	280,500	280,500	-	-	280,500	280,500
Things on Net Company Limited	Investing in installation and development of telecommunication networks	Thailand	35	35	180,018	180,018	-	-	180,018	180,018
Hin Kong Power Holding Company Limited	Investing in the power energy business	Thailand	51	51	467,772	155,652	-	-	467,772	155,652
R E N Korat Energy Company Limited	Generating and selling electricity and steam	Thailand	40	40	120,000	10,300	-	-	120,000	10,300
Xe-Pian Xe-Namnoy Power Company Limited	Generating and selling electricity	Lao PDR	25	25	2,523,725	2,523,725	-	-	2,523,725	2,523,725
Innopower Company Limited	Investing in innovation and commercial inventions including energy business future	Thailand	30	-	45,000	-	-	-	45,000	-
NEXIF RATCH ENERGY SINGAPORE PTE. LTD.	Investing in the power energy business	Singapore	49	49	984,809	983,812	-	-	984,809	983,812
<b>Total</b>					<b>6,814,074</b>	<b>6,346,257</b>	<b>-</b>	<b>-</b>	<b>6,814,074</b>	<b>6,346,257</b>

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None of the Group and the Company's associates and joint ventures are publicly listed and consequently do not have published price quotations except Bangkok Aviation Fuel Services Public Company Limited which is listed company on the Stock Exchange of Thailand. Based on the closing price of Baht 25.50 per share at 31 December 2021, the fair value of the investment in Bangkok Aviation Fuel Services Public Company Limited was Baht 2,524.07 million.

***Paid-up share capital***

During 2021, associate and joint ventures called for paid-up share capital. The Group had paid for the share capital in proportion of investments as follows:

<b>Name of entities</b>	<b>Description</b>	<b>Amount</b> <i>(in million Baht)</i>
<b><i>Direct associates</i></b>		
Bangkok Aviation Fuel Services Public Company Limited	Paid for share capital	2,712.14
Northern Bangkok Monorail Company Limited	Additional paid-up share capital	260.00
Eastern Bangkok Monorail Company Limited	Additional paid-up share capital	240.00
<b><i>Indirect associate</i></b>		
Yandin WF Holdings Pty Ltd	Paid for increase in share capital	420.45
<b><i>Direct joint ventures</i></b>		
Hin Kong Power Holding Company Limited	Paid for increase in share capital	312.12
R E N Korat Energy Company Limited	Additional paid-up share capital and paid for increase in share capital	109.70
NEXIF RATCH ENERGY SINGAPORE PTE. LTD.	Paid for increase in share capital	1.00
Innower Company Limited	Paid for share capital	45.00
<b><i>Indirect joint ventures</i></b>		
PT Medco Ratch Power Riau	Additional paid-up share capital	212.02
RATCH & AIDC Wind Energy Pte. Ltd.	Paid for increase in share capital	92.69
NEXIF ENERGY BT PTE. LTD.	Paid for share capital and paid for increase in share capital	227.54
SIPHANDONE-RATCH LAO CO., LTD.	Paid for increase in share capital	25.00

***Investment in direct associate - Bangkok Aviation Fuel Services Public Company Limited ("BAFS")***

On 19 December 2020, the Company attended the auction and offered the highest purchase price of Bangkok Aviation Fuel Services Public Company Limited ("BAFS") totalling 98.98 million shares (or equivalent to 15.53% of total issued and paid-up shares) from Thai Airways International Public Company Limited ("THAI") at Baht 27.40 per share totalling Baht 2,712.14 million. On 19 January 2021, THAI completely transferred the shares to the Company and the Company paid a total share purchase price to THAI.

An independent appraiser has been appointed by management to determine the fair value of the business. The Company has completely determined the fair value of the purchased business as follows:

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	Carrying value	Fair value adjustments (in thousand Baht)	Fair value
Total net assets before fair value adjustment	5,467,189	-	5,467,189
Intangible assets	-	16,549,000	16,549,000
Investment properties	-	3,000	3,000
Debenture	-	57,931	57,931
Deferred tax liabilities	-	(3,321,995)	(3,321,995)
Non-controlling interest	-	(1,552,760)	(1,552,760)
<b>Total identifiable net assets</b>	<b>5,467,189</b>	<b>11,735,176</b>	<b>17,202,365</b>
Interest acquired (%)			15.53
			<b>2,671,527</b>
Excess of purchase consideration over fair value			40,613
<b>Purchase consideration transferred</b>			<b>2,712,140</b>

***Investment in indirect associate - Yandin WF Holding Pty Ltd (“Yandin”)***

On 17 May 2021, RH International (Singapore) Corporation Pte. Ltd., an indirect subsidiary, paid for increase in share capital of Yandin WF Holdings Pty Ltd, an associate of the indirect subsidiary, totalling Australian Dollars 17.40 million or equivalent to Baht 420.45 million, in proportion of investment of 70%.

***Investment in direct joint venture - Hin Kong Power Holding Company Limited (“HKH”)***

At the extraordinary meeting of the shareholders of Hin Kong Power Holding Company Limited, a direct joint venture, held on 9 February 2021, the shareholders approved to increase the authorised share capital from Baht 1,204 million to Baht 2,852 million by issuance of new ordinary shares totalling 164.80 million shares at par value of Baht 10 per share and call for paid-up of 25% of the additional share capital. On 19 February 2021, the Company paid for increase in share capital totalling of Baht 210.12 million, in proportion of investment of 51%.

On 3 August 2021, the shareholders of a direct joint venture approved to increase the additional authorised share capital from Baht 2,852 million to Baht 3,652 million by issuance of new ordinary shares totalling 80 million shares at par value of Baht 10 per share and paid for increase in share capital at Baht 2.50 per share. Subsequently on 11 August 2021, the Company paid for increase in share capital totalling Baht 102 million, in proportion of investment of 51%.

***Investments in indirect joint venture - RATCH & AIDC Wind Energy Pte. Ltd. (“RATCH & AIDC”)***

On 23 April 2021, RH International (Singapore) Corporation Pte. Ltd. (“RHIS”), an indirect subsidiary, paid for increase in shares capital 1.21 million shares at par value of US Dollar 1 per share totalling US Dollars 1.21 million to RATCH & AIDC totalling US Dollars 1.21 million or equivalent to Baht 37.82 million, in proportion of investment of 63.80%.

On 18 June 2021, RHIS paid for increase in share capital to RATCH & AIDC 0.77 million shares at par value of US Dollar 1 per share totalling US Dollar 0.77 million or equivalent to Baht 24.54 million, in proportion of investment of 63.80%.

On 21 September 2021, RHIS paid for increase in share capital to RATCH & AIDC 0.29 million shares at par value of US Dollar 1 per share totalling US Dollar 0.29 million or equivalent to Baht 9.86 million, in proportion of investment of 63.80%.

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On 16 December 2021, RHIS paid for increase in share capital to RATCH & AIDC 0.61 million shares at par value of US Dollar 1 per share totalling US Dollar 0.61 million or equivalent to Baht 20.47 million, in proportion of investment of 63.80%.

***Investment in indirect joint venture - NEXIF ENERGY BT PTE. LTD. (“NEBTP”)***

On 5 May 2021, RH International (Singapore) Corporation Pte. Ltd. (“RHIS”), an indirect subsidiary, has entered into Share Purchase and Subscription Agreement to purchase ordinary shares of NEXIF ENERGY BT PTE. LTD. (“NEBTP”) from NEXIF ENERGY PTE. LTD., the existing shareholder. The purpose of investment is to develop Nexif Energy Ben Tre Wind Power Project in the Socialist Republic of Vietnam totalling US Dollars 8.68 million or equivalent to Baht 272.58 million, in proportion of investment of 50%. Subsequently on 7 May 2021, RHIS paid a total share purchase price totalling US Dollars 5.19 million or equivalent to Baht 162.24 million, in proportion of investment of 50%. The Project is a near-shore wind power plant with the capacity of 80 megawatts. The project located in Thanh Hai commune, Thanh Phu district of Ben Tre Province, Socialist Republic of Vietnam. It has a 20-year power purchase agreement with Vietnam Electricity Group (EVN). The project is currently under development. The construction period is expected to take approximately 18 months, with commercial operation scheduled in December 2022 with aim to distribute electricity generation to Vietnam Electricity Group (EVN) under long-term power purchase agreement.

Subsequently on 30 June 2021, RHIS paid for increase in share capital, in proportion of investment of 50% of 1.34 million shares at par value of US Dollar 1 per share to NEBTP totalling US Dollars 1.34 million or equivalent to Baht 43.06 million. On 3 November 2021, RHIS paid for increase in shares capital, in proportion of investment of 50% of 0.66 million shares at par value of US Dollar 1 per share to NEBTP totalling US Dollars 0.66 million or equivalent to Baht 22.24 million.

***Investment in direct joint venture - NEXIF RATCH ENERGY SINGAPORE PTE. LTD. (“NRES”)***

At the extraordinary meeting of the shareholders of NEXIF RATCH ENERGY SINGAPORE PTE. LTD. (“NRES”), a direct joint venture, held on 24 June 2021, the shareholders approved to increase the authorised share capital from US Dollars 34.61 million to US Dollars 34.67 million by issuance of new ordinary shares totalling 64,000 shares at par value of US Dollars 1 per share. Subsequently on 21 July 2021, the Company paid for increase in share capital totalling US Dollars 31,360 or equivalent to Baht 1 million, in proportion of investment of 49%.

***Investment in indirect joint venture - SIPHANDONE-RATCH LAO CO., LTD. (“SPD”)***

On 31 August 2021, RATCH-Lao Services Company Limited (“RL”), a direct subsidiary, paid for the increase in share capital to SIPHANDONE-RATCH LAO CO., LTD. (“SPD”), a direct joint venture of the direct subsidiary, totalling Kip 8,186.74 million or equivalent Baht 25 million, in proportion of investment of 25%.

***Investment in direct joint venture - Innopower Company Limited (“Innopower”)***

On 2 September 2021, the Company has signed the investment agreement with Electricity Generating Authority of Thailand (“EGAT”) and Electricity Generating Public Company Limited (“EGCO”) for establishing Innopower Company Limited to enhance research in innovation and inventions occurring within EGAT Group and invest in Collaboration, Incubation, Acceleration, Corporate Venture Capital (CVC) for start-up business investment in energy industry and R&D spin-off including future energy business. Innopower Company Limited has the registered of authorised share capital Baht 600 million and called for paid-up of 25% of registered capital. Subsequently on 6 September 2021, the Company paid for share capital totalling Baht 45 million, in proportion of investment of 30%.



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*Progress of Saddle Dam D collapsed*

On 23 July 2018, the Saddle Dam D of Xe-Pian Xe-Namnoy Hydroelectric Power Project, located in Lao PDR, of Xe-Pain Xe-Namnoy Power Company Limited, a direct joint venture, collapsed. The Saddle Dam fractured which caused the water flow to the downstream area. The joint venture evacuated the people residing around the affected area for safety. The project also has a standard insurance package in accordance with the loan agreement, including all risk insurance for construction, third-party liability insurance, and delay start-up insurance. The costs incurred as a result of the collapse are primarily the responsibility by the contractor in charge of engineering, procurement and construction (EPC). From this situation, the Government of Lao PDR appointed the National Investigation Committee to investigate the situation. Subsequently on 28 May 2019, the National Investigation Committee announced the result of investigation is not force majeure as stipulated in the Concession Agreement. Currently, the joint venture is during the process of claiming the compensation and related damages from the EPC contractor. During the year 2020, the joint venture has received the document of claiming on compensation from the Government of Lao PDR and the case is currently under consideration in mutually agreed among the shareholders. However, the project started its commercial operation on 6 December 2019.

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*Material joint ventures*

The following table summarises the financial information of the material joint ventures as included in their own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in these companies.

	Ratchaburi Power Company Limited		Hongsa Power Company Limited	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Revenue	9,307,099	8,578,643	21,338,710	19,833,711
Profit from continuing operations	876,121 <sup>a</sup>	609,180 <sup>a</sup>	8,539,175 <sup>a</sup>	7,589,966 <sup>a</sup>
Other comprehensive income (expense)	-	-	1,931,559	(526,335)
Total comprehensive income (100%)	876,121	609,180	10,470,734	7,063,631
Group's interest (%)	25	25	40	40
<b>Group's share of total comprehensive income</b>	<b>219,030</b>	<b>152,295</b>	<b>4,188,294</b>	<b>2,825,452</b>
Dividend income from joint ventures for the year	412,500	650,000	608,112	361,530
Current assets	3,562,685 <sup>b</sup>	3,636,222 <sup>b</sup>	22,243,968 <sup>b</sup>	19,554,031 <sup>b</sup>
Non-current assets	8,002,288	8,226,753	90,002,942	88,707,982
Current liabilities	(1,577,132) <sup>c</sup>	(1,213,191) <sup>c</sup>	(10,606,333) <sup>c</sup>	(9,581,350) <sup>c</sup>
Non-current liabilities	(57,692) <sup>d</sup>	(53,133) <sup>d</sup>	(51,049,352) <sup>d</sup>	(56,935,598) <sup>d</sup>
Net assets (100%)	9,930,149	10,596,651	50,591,225	41,745,065
Group's share of net assets	2,482,537	2,649,163	20,236,490	16,698,026
Exchange differences on translating in the consolidated financial statements and others	285,080	311,924	(137,693)	(2,217,733)
<b>Carrying amount of interest in joint ventures</b>	<b>2,767,617</b>	<b>2,961,087</b>	<b>20,098,797</b>	<b>14,480,293</b>
Remark:				
a. Includes:				
- depreciation and amortisation	894,755	887,525	330,214	320,467
- finance costs	-	77,641	3,717,591	4,184,290
- tax expense	214,370	133,814	-	-
b. Includes cash and cash equivalents	1,268,464	1,196,774	4,985,035	4,641,313
c. Includes current financial liabilities (excluding trade and other payables and provisions)	-	-	(7,965,712)	(7,260,406)
d. Includes non-current financial liabilities (excluding trade and other payables and provisions)	-	-	(50,171,095)	(56,300,284)

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*Immaterial associates and joint ventures*

The following is summarised financial information for the Group's interest in immaterial associates and joint ventures based on the amounts reported in the Group's consolidated financial statements:

	Immaterial associates		Immaterial joint ventures	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Carrying amount of interests in immaterial associates and joint ventures	<b><u>10,439,217</u></b>	<b><u>6,228,054</u></b>	<b><u>17,761,397</u></b>	<b><u>17,118,366</u></b>
Group's share of:				
- Profit from continuing operations	99,309	211,994	2,168,392	1,200,067
- Other comprehensive income (expense)	<u>564,995</u>	<u>(722,849)</u>	<u>261,526</u>	<u>(230,566)</u>
- Total comprehensive income (expense)	<b><u>664,304</u></b>	<b><u>(510,855)</u></b>	<b><u>2,429,918</u></b>	<b><u>969,501</u></b>

**10 Investments in subsidiaries**

	Separate financial statements	
	2021	2020
	<i>(in thousand Baht)</i>	
At 1 January	50,836,610	42,560,610
Acquisitions / Additions	4,871,537	8,280,000
Disposal	-	(1,960)
Disposal from loss of control in subsidiary	-	(2,040)
<b>At 31 December</b>	<b><u>55,708,147</u></b>	<b><u>50,836,610</u></b>

**RATCH Group Public Company Limited and its subsidiaries**  
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Investments in subsidiaries as at 31 December are as follows:

		Separate financial statements								
	Type of business	Country of operation	Ownership interest		Cost		Impairment		At cost - net	
			2021	2020	2021	2020	2021	2020	2021	2020
			(%)						(in thousand Baht)	
<b>Subsidiaries</b>										
Ratchaburi Electricity Generating Company Limited	Generating and selling electricity and investing in the power energy business	Thailand	99.99	99.99	21,900,000	21,900,000	-	-	21,900,000	21,900,000
Ratchaburi Energy Company Limited	Investing in the power energy business	Thailand	99.99	99.99	640,000	640,000	-	-	640,000	640,000
RH International Corporation Limited	Investing in the power energy business	Thailand	99.99	99.99	27,130,000	25,930,000	-	-	27,130,000	25,930,000
RATCH O&M Company Limited	Providing operation and maintenance services	Thailand	99.99	99.99	2,500	2,500	-	-	2,500	2,500
Ratchaburi Alliances Company Limited	Investing in the power energy business	Thailand	99.99	99.99	420,200	420,200	-	-	420,200	420,200
RATCH Cogeneration Company Limited	Generating and selling electricity and steam	Thailand	99.97	99.97	1,866,052	1,866,052	-	-	1,866,052	1,866,052
RATCH-Lao Services Company Limited	Providing operation and Maintenance services and investing in the related business	Lao PDR	99.99	99.99	336,858	77,858	-	-	336,858	77,858
Sahacogen (Chonburi) Public Company Limited	Generating and selling electricity and steam	Thailand	51	-	3,412,537	-	-	-	3,412,537	-
<b>Total</b>					<b>55,708,147</b>	<b>50,836,610</b>	<b>-</b>	<b>-</b>	<b>55,708,147</b>	<b>50,836,610</b>

**RATCH Group Public Company Limited and its subsidiaries**  
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***Increase in share capital of RH International Corporation Limited (“RHIC”)***

<b>Date</b>	<b>Description</b>	<b>Registered share capital (in thousand shares)</b>	<b>Par value per share (Baht)</b>	<b>Registered share capital (in thousand Baht)</b>	<b>Paid-up share capital (in thousand Baht)</b>
1 January 2021	Balance	3,265,000	10	32,650,000	25,930,000
19 January 2021	Paid for increase in share capital	-		-	705,000
11 May 2021	Paid for increase in share capital	-		-	495,000
<b>31 December 2021</b>	<b>Balance</b>	<b>3,265,000</b>	<b>10</b>	<b>32,650,000</b>	<b>27,130,000</b>

***Increase in share capital of RATCH-Lao Services Company Limited (“RL”)***

At the extraordinary meeting of the shareholders of RATCH-Lao Services Company Limited, a direct subsidiary, held on 20 May 2021, the shareholders approved to increase the authorised share capital from Kip 20,000 million to Kip 144,875 million. The purpose of such capital increase is to invest in overseas projects. The subsidiary called for additional paid-up from existing shareholders 2.50 million shares from par value of Kip 8,000 to par value of Kip 9,500 and issuance of new ordinary shares totalling 12.75 million shares at par value of Kip 9,500 per share. Subsequently on 1 July 2021, the Company paid for increase in share capital in proportion of 67% totalling Baht 259 million.

## **11 Land for future development projects**

At 31 December 2021, the Group has land for future development projects comprise the 317 rai located in Pathum Thani province, the 19 rai located in Nakhorn Sri Thammarat province, the 52 rai located in Petchaburi province, the Group is considering the future development plan but not yet finalised. In addition, the 150 rai is located in Ratchaburi province. The total net book value of those lands are Baht 372.92 million. As at 31 December 2021, the Group has determined the market value resulting the net book value of those lands are not higher than the recoverable amount.

**RATCH Group Public Company Limited and its subsidiaries**  
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**12 Property, plant and equipment**

<b>Consolidated financial statements</b>							
	Land	Buildings, other constructions and building improvements	Power plants, substation & transmission systems and operating & maintenance equipment	Furniture, fixtures and office equipment <i>(in thousand Baht)</i>	Vehicles	Assets under construction and installation	Total
<b><i>Cost</i></b>							
At 1 January 2020	1,722,185	513,549	33,680,855	590,704	20,006	2,269,083	38,796,382
Additions	-	5,121	230,445	2,156	42	4,527,808	4,765,572
Transfers	-	-	427,618	-	-	(256,743)	170,875
Disposals	-	(4,340)	(321,467)	(21,554)	(1,692)	-	(349,053)
Disposal from loss of control in subsidiary	-	-	-	(74)	-	(15,764)	(15,838)
Effect of movements in exchange rates	16,958	12,871	2,573,014	454	-	592,834	3,196,131
<b>At 31 December 2020 and 1 January 2021</b>	<b>1,739,143</b>	<b>527,201</b>	<b>36,590,465</b>	<b>571,686</b>	<b>18,356</b>	<b>7,117,218</b>	<b>46,564,069</b>
Additions	10,294	38,636	533,709	8,295	-	1,691,397	2,282,331
Acquisition through business combination <i>(see note 4)</i>	616,328	285,603	9,056,394	77,898	20,573	37,747	10,094,543
Transfers	(103,300)	72,407	7,586,186	1,550	-	(7,660,144)	(103,301)
Disposals	-	-	(2,420)	(9,264)	(2,655)	-	(14,339)
Effect of movements in exchange rates	10,881	8,746	1,729,258	661	293	317,141	2,066,980
<b>At 31 December 2021</b>	<b>2,273,346</b>	<b>932,593</b>	<b>55,493,592</b>	<b>650,826</b>	<b>36,567</b>	<b>1,503,359</b>	<b>60,890,283</b>

**RATCH Group Public Company Limited and its subsidiaries**  
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Consolidated financial statements							
	Land	Buildings, other constructions and building improvements	Power plants, substation & transmission systems and operating & maintenance equipment	Furniture, fixtures and office equipment <i>(in thousand Baht)</i>	Vehicles	Assets under construction and installation	Total
<b><i>Depreciation and impairment losses</i></b>							
At 1 January 2020	-	201,481	13,909,209	557,834	19,970	-	14,688,494
Depreciation charge for the year	-	23,865	1,398,768	12,646	16	-	1,435,295
Disposals	-	(1,769)	(269,589)	(21,268)	(1,692)	-	(294,318)
Disposal from loss of control in subsidiary	-	-	-	(2)	-	-	(2)
Effect of movements in exchange rates	-	6,892	1,248,004	408	-	-	1,255,304
<b>At 31 December 2020 and 1 January 2021</b>	-	<b>230,469</b>	<b>16,286,392</b>	<b>549,618</b>	<b>18,294</b>	-	<b>17,084,773</b>
Depreciation charge for the year	-	26,181	1,670,412	9,933	98	-	1,706,624
Acquisition through business combination <i>(see note 4)</i>	-	126,085	4,834,189	68,647	16,433	-	5,045,354
Disposals	-	-	(2,159)	(9,263)	(2,655)	-	(14,077)
Effect of movements in exchange rates	-	4,955	834,200	606	275	-	840,036
<b>At 31 December 2021</b>	-	<b>387,690</b>	<b>23,623,034</b>	<b>619,541</b>	<b>32,445</b>	-	<b>24,662,710</b>
<b><i>Net book value</i></b>							
<b>At 31 December 2020</b>	<b>1,739,143</b>	<b>296,732</b>	<b>20,304,073</b>	<b>22,068</b>	<b>62</b>	<b>7,117,218</b>	<b>29,479,296</b>
<b>At 31 December 2021</b>	<b>2,273,346</b>	<b>544,903</b>	<b>31,870,558</b>	<b>31,285</b>	<b>4,122</b>	<b>1,503,359</b>	<b>36,227,573</b>

**RATCH Group Public Company Limited and its subsidiaries**  
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	Separate financial statements				
	Land	Buildings, other constructions and building improvements	Furniture, fixtures and office equipment (in thousand Baht)	Vehicles	Total
<b>Cost</b>					
At 1 January 2020	295,993	309,636	455,634	960	1,062,223
Additions	-	-	764	-	764
Disposals	-	-	(10,420)	-	(10,420)
<b>At 31 December 2020 and 1 January 2021</b>	<b>295,993</b>	<b>309,636</b>	<b>445,978</b>	<b>960</b>	<b>1,052,567</b>
Additions	-	-	3,947	-	3,947
Transfer	-	-	1,550	-	1,550
Disposals	-	-	(9,088)	-	(9,088)
<b>At 31 December 2021</b>	<b>295,993</b>	<b>309,636</b>	<b>442,387</b>	<b>960</b>	<b>1,048,976</b>
<b>Depreciation</b>					
At 1 January 2020	-	87,057	435,695	960	523,712
Depreciation charge for the year	-	12,386	6,670	-	19,056
Disposals	-	-	(10,420)	-	(10,420)
<b>At 31 December 2020 and 1 January 2021</b>	<b>-</b>	<b>99,443</b>	<b>431,945</b>	<b>960</b>	<b>532,348</b>
Depreciation charge for the year	-	12,385	6,161	-	18,546
Disposals	-	-	(9,088)	-	(9,088)
<b>At 31 December 2021</b>	<b>-</b>	<b>111,828</b>	<b>429,018</b>	<b>960</b>	<b>541,806</b>
<b>Net book value</b>					
<b>At 31 December 2020</b>	<b>295,993</b>	<b>210,193</b>	<b>14,033</b>	<b>-</b>	<b>520,219</b>
<b>At 31 December 2021</b>	<b>295,993</b>	<b>197,808</b>	<b>13,369</b>	<b>-</b>	<b>507,170</b>

Capitalised borrowing costs relating to the acquisition of the land and the construction of the new factory for the Group are amounted to Baht 79.38 million (2020: Baht 119.02 million).

*Security*

As at 31 December 2021, RATCH-Australia Corporation Pty. Ltd., an indirect subsidiary, had mortgaged land, buildings and power plants and pledged power plant equipment of 5 power plants with a net book value of Australian Dollars 987.99 million or equivalent to Baht 23,957.85 million as collateral for long-term loans from financial institutions (see note 16).

As at 31 December 2021, RATCH Cogeneration Company Limited, a direct subsidiary, had mortgaged land with all buildings on land and partial machine as collateral for long-term loans from financial institution (see note 16).



**RATCH Group Public Company Limited and its subsidiaries**  
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**13 Leases**

<i>Right-of-use assets</i> <i>At 31 December</i>	<b>Consolidated</b> <b>financial statements</b>		<b>Separate</b> <b>financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Land	466,767	397,964	-	-
Machines	82,317	-	-	-
Vehicles	27,292	22,762	13,207	16,685
Office equipment	17,049	25,705	16,629	25,032
Transmission systems	1,581,020	1,583,156	-	-
<b>Total</b>	<b>2,174,445</b>	<b>2,029,587</b>	<b>29,836</b>	<b>41,717</b>

In 2021, additions to the right-of-use assets of the Group and the Company were Baht 28.37 million and Baht 5.01 million, respectively (2020: Baht 1,013.09 million and Baht 8.32 million, respectively).

***Generator Connection and Access agreement***

On 26 October 2016, Mount Emerald Wind Farm Pty. Ltd., an indirect subsidiary, entered into a Generator Connection and Access agreement with a local company in Australia to join construct a switchyard and a transmission line. Thus, the subsidiary can connect and transmit electricity to a substation for a period of 26 years starting from the date specified in the agreement. The total value of the agreement is Australian Dollars 28.18 million.

On 27 October 2020, Collector Wind Farm Pty. Ltd., an indirect subsidiary, entered into a Dedicated Connection Agreement with a local company in Australia. The subsidiary can transmit electricity to substation for a period of 30 years starting from the date specified in the agreement. The total value of the agreement is Australian Dollars 43.49 million.

***Land lease agreement***

On 29 March 2019, Collector Wind Farm Pty. Ltd., an indirect subsidiary, entered into Land Lease Agreement for a period of 30 years. The agreement can be extended for a period of 10 years after the termination date. The monthly rental expense is stipulated in the agreement.

***Extension options***

The Group and the Company has extension options on property leases exercisable up to one year before the end of the contract period. The Group and the Company assesses at lease commencement date whether it is reasonably certain to exercise the extension options and will regularly reassess so.

<i>Year ended 31 December</i>	<b>Consolidated</b> <b>financial statements</b>		<b>Separate</b> <b>financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Depreciation of right-of-use assets:				
- Land	20,861	42,572	-	-
- Machines	1,770	-	-	-
- Vehicles	12,935	11,835	8,486	8,295
- Office equipment	8,655	8,655	8,403	8,403
- Transmission systems	60,184	28,571	-	-
Interest on lease liabilities	93,543	41,272	2,242	2,969
Expenses relating to short-term leases and leases of low-value assets	12,491	12,970	3,866	5,218

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In 2021, total cash outflow for leases of the Group and the Company were Baht 159.38 million and Baht 18.79 million, respectively (2020: Baht 62.81 million and Baht 18.50 million, respectively).

**14 Goodwill and intangible assets**

	<b>Consolidated financial statements</b>				
	Software licences	Licenses on project development	Goodwill from business acquisition (in thousand Baht)	Right to power purchase agreements	Total
<b>Cost</b>					
At 1 January 2020	141,077	603,080	628,827	5,666,579	7,039,563
Additions	3,858	-	-	-	3,858
Transfer	-	-	-	(170,875)	(170,875)
Effect of movements in exchange rates	4,588	(2,338)	(660)	402,084	403,674
<b>At 31 December 2020 and 1 January 2021</b>	<b>149,523</b>	<b>600,742</b>	<b>628,167</b>	<b>5,897,788</b>	<b>7,276,220</b>
Acquisition through business combination (see note 4)	26,186	-	1,430,473	9,211	1,465,870
Additions	845	-	-	342	1,187
Effect of movements in exchange rates	3,059	67,656	19,191	256,617	346,523
<b>At 31 December 2021</b>	<b>179,613</b>	<b>668,398</b>	<b>2,077,831</b>	<b>6,163,958</b>	<b>9,089,800</b>
<b>Amortisation and impairment losses</b>					
At 1 January 2020	104,927	100,978	458,512	2,578,253	3,242,670
Amortisation charge for the year	10,301	25,034	-	292,890	328,225
Effect of movements in exchange rates	4,278	(1,396)	-	248,914	251,796
<b>At 31 December 2020 and at 1 January 2021</b>	<b>119,506</b>	<b>124,616</b>	<b>458,512</b>	<b>3,120,057</b>	<b>3,822,691</b>
Acquisition through business combination (see note 4)	19,776	-	-	182	19,958
Amortisation charge for the year	8,538	25,581	-	300,587	334,706
Impairment losses	-	-	19,602	-	19,602
Effect of movements in exchange rates	2,822	15,188	-	166,854	184,864
<b>At 31 December 2021</b>	<b>150,642</b>	<b>165,385</b>	<b>478,114</b>	<b>3,587,680</b>	<b>4,381,821</b>
<b>Net book value</b>					
<b>At 31 December 2020</b>	<b>30,017</b>	<b>476,126</b>	<b>169,655</b>	<b>2,777,731</b>	<b>3,453,529</b>
<b>At 31 December 2021</b>	<b>28,971</b>	<b>503,013</b>	<b>1,599,717</b>	<b>2,576,278</b>	<b>4,707,979</b>

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	<b>Separate financial statements</b>
	Software licences (in thousand Baht)
<b>Cost</b>	
At 1 January 2020	32,529
Additions	-
<b>At 31 December 2020 and 1 January 2021</b>	<b>32,529</b>
Additions	-
<b>At 31 December 2021</b>	<b>32,529</b>
<b>Amortisation</b>	
At 1 January 2020	28,195
Amortisation charge for the year	2,577
<b>At 31 December 2020 and at 1 January 2021</b>	<b>30,772</b>
Amortisation charge for the year	1,299
<b>At 31 December 2021</b>	<b>32,071</b>
<b>Net book value</b>	
<b>At 31 December 2020</b>	<b>1,757</b>
<b>At 31 December 2021</b>	<b>458</b>

*Impairment testing for CGUs containing goodwill*

For the purposes of impairment testing, goodwill has been allocated to the Group's CGUs. The balance of goodwill as at 31 December 2021 and 2020 mainly came from Wind Farm in Australia.

The recoverable amounts of goodwill, right to power purchase agreements and property, plant and equipment in Australia (CGU) were based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the power plants in Australia.

The key assumptions used in the estimation of value in use included the discount rates which was a post-tax measure based on the rate of 10-year historic of average 10-year government bonds from Reserve Bank Australia (RBA) defined as a risk free rate, in line with the principle underlying the Capital Asset Pricing Model (CAPM) theory with debt leveraging of 60% for Thermal power plants and 50% for Renewable Energy power plants and the future cash flows were prepared using the external information, which included sales volumes, prices, operating costs, inflation rate and long-term growth rates based on estimate throughout the remaining period of the power purchase agreements.

The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

	<b>Consolidated financial statements</b>
	2021                      2020
	(%)
Discount rate - Thermal power plants	6.19                      6.25
Discount rate - Renewable energy power plants	5.72                      5.78

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The discount rates were a post-tax measure based on the rate of 10-year government bonds issued by the government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in general equity securities and the systematic risk of the specific CGU.

*Revenue projection*

The total revenue projections for the power plant assets have been determined in accordance with the power purchase agreements applying the revenue projections from external information for the post power purchase agreement periods. The assumptions included tariff from Thermal power plants and Renewable Energy power plants, carbon credit prices, nature gas prices, electricity demands, exchange rates, inflation rates and other related factors.

The impairment testing has been prepared by the management of RATCH-Australia Corporation Limited (“RAC”) from the information as specified in the power purchase agreements with the counterparties while estimating revenue and expenses from the external source and other related factors and conservative approach are used when preparing the testing. The RAC’s management have also conducted many sensitivity tests from the most conservative approach to more aggressive assumptions. There were no impairment loss recognised for any RAC’s assets. However, at initial recognition the goodwill in foreign currency is recognised in Thai Baht. As a result of currency fluctuations, the headroom in the impairment test translated to Thai Baht is lower than the carrying value of the goodwill by Baht 19.60 million. Consequently, the Group recognised an impairment loss on goodwill for the same amount including in administrative expense during 2021 (2020: nil).

**15 Other non-current assets**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Deferred expenses under contractual service agreements	1,247,235	1,271,924	-	-
Revenue department receivable	459,072	472,912	-	-
Deferred financing fees	258,450	-	-	-
Development costs of power generating projects	128,078	73,605	-	-
Deposits and guarantee	59,574	14,314	4,526	4,517
Deferred expenses for generator connection and access services	44,218	46,849	-	-
Others	42,233	-	-	-
<b>Total</b>	<b><u>2,238,860</u></b>	<b><u>1,879,604</u></b>	<b><u>4,526</u></b>	<b><u>4,517</u></b>

*Renewable energy projects*

The Group is developing projects to generate and sell electricity from renewable energy in Australia.

The Group has capitalised project development costs related to renewable energy projects in Australia as other non-current assets. Such projects have received the development approval from local authorities and the management has determined that these projects are technically and commercially feasible, future economic benefits are probable and total present value of the estimated future cash flows will not be lower than the carrying amount.

**RATCH Group Public Company Limited and its subsidiaries**  
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**16 Interest-bearing liabilities**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b><i>Current</i></b>				
Short-term loans from financial institutions				
-unsecured	5,364,896	60,074	2,536,000	-
Short-term loan from related party	-	-	5,140,000	3,465,000
Current portion of long-term loans				
from financial institutions-secured	2,670,533	1,486,205	-	-
Current portion of lease liabilities	161,512	118,092	15,420	16,290
Current portion of debenture -unsecured	1,999,948	-	-	-
<b>Total current interest-bearing liabilities</b>	<b><u>10,196,889</u></b>	<b><u>1,664,371</u></b>	<b><u>7,691,420</u></b>	<b><u>3,481,290</u></b>
<b><i>Non-current</i></b>				
Long-term loans from financial institutions				
-secured	26,745,189	16,768,088	5,000,000	-
Long-term loan	320,000	-	-	-
Lease liabilities	1,505,423	1,362,556	15,922	26,594
Debentures-unsecured	22,351,744	23,338,357	7,989,734	7,987,986
<b>Total non-current interest-bearing liabilities</b>	<b><u>50,922,356</u></b>	<b><u>41,469,001</u></b>	<b><u>13,005,656</u></b>	<b><u>8,014,580</u></b>

Balances of interest-bearing liabilities net of deferred financing fees, excluding lease liabilities as at 31 December 2021 were as follows:

	<b>Consolidated financial statements</b>			
	Total facilities	Amount	Interest rate	Repayment term
		<i>(in million Baht)</i>	<i>(% per annum)</i>	
<b><i>Short-term</i></b>				
<b>Loans from financial institutions</b>				
RATCH Group Public Company Limited	As stipulated in the agreement	2,536	Fixed rate	Within 1 year during January to March 2022 and at call
RH International (Singapore) Corporation Pte. Ltd	As stipulated in the agreement	1,504	Fixed rate	Within January 2022
Sahacogen (Chonburi) Public Company Limited	As stipulated in the agreement	1,325	Fixed rate	At call

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	<b>Consolidated financial statements</b>			
	Total facilities	Amount (in million Baht)	Interest rate (% per annum)	Repayment term
<b>Long-term</b>				
<b>Loans from financial institutions</b>				
RATCH Group Public Company Limited	Baht 5,000 million	5,000	Fixed rate	Within March 2024
RATCH Cogeneration Company Limited	Baht 4,632 million	3,267	3-Month floating rate plus a fixed margin	Within 12 years during November 2020 to November 2032
Sahacogen (Chonburi) Public Company Limited	Baht 2,205 million	958	Fixed rate and floating rate plus a fixed margin	Within 7 years during June 2017 to December 2024
Sahagreen Forest Company Limited	Baht 324 million	130	MLR, minus a fixed margin	Within 8 years during June 2017 to December 2025
RATCH-Australia Corporation Pty. Ltd.	Australian Dollars 312 million	5,388	BBSY, plus a fixed margin	Within 5 years during October 2018 to May 2023
Mount Emerald Wind Farm Pty. Ltd. (subsidiary of RATCH-Australia Corporation Pty. Ltd.)	Australian Dollars 252 million	4,587	BBSY, plus a fixed margin	Within 5 years during December 2018 to October 2023
RATCH-Australia Collinsville Solar PV Pty. Ltd. (subsidiary of RATCH-Australia Corporation Pty. Ltd.)	Australian Dollars 60 million	1,013	BBSY, plus a fixed margin	Within 5 years during March 2020 to April 2024
Collector Wind Farm Pty. Ltd. (subsidiary of RATCH-Australia Corporation Pty. Ltd.)	Australian Dollars 175 million	4,091	BBSY, plus a fixed margin	Within 5 years during June 2021 to May 2024
PT Bajradaya Sentranusa (subsidiary of Fareast Renewable Development Pte. Ltd.)	US Dollars 267 million	5,251	LIBOR, plus a fixed margin	By quarterly within 13-15 years during December 2014 to September 2029
<b>Total</b>		<b>29,685</b>		
Less deferred financing fees		(269)		
<b>Net</b>		<b>29,416</b>		
Less current portion due within one year		(2,671)		
<b>Total non-current - net</b>		<b>26,745</b>		

**RATCH Group Public Company Limited and its subsidiaries**  
**Notes to the financial statements**  
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<b>Consolidated financial statements</b>				
	Total facilities	Amount (in million Baht)	Interest rate (% per annum)	Repayment term
<b>Long-term</b>				
<b>Loan from related party</b>				
Sahacogen (Chonburi) Public Company Limited	As stipulated in the agreement	320	Fixed rate	Within 2026 and 2027
<b>Current portion due within one year</b>				
<b>Debenture</b>				
Ratchaburi Electricity Generating Company Limited	Baht 2,000 million	2,000	3.50	Repayment period of 7 years and will be due for redemption in 2022
<b>Long-term Debentures</b>				
RATCH Group Public Company Limited	Baht 8,000 million	8,000	1.32 - 2.94	Repayment period of 3, 5, 10, 15 years and will be due for redemption in 2023, 2025, 2030, 2035, respectively
RH International (Singapore) Corporation Pte. Ltd.	US Dollars 300 million	10,026	4.50	Repayment period of 10 years and will be due for redemption in 2028
RH International (Singapore) Corporation Pte. Ltd.	Japanese Yen 15,000 million	4,356	2.72	Repayment period of 15 years and will be due for redemption in 2026
<b>Total</b>		<b>22,382</b>		
Less deferred financing fees		(30)		
<b>Net</b>		<b>22,352</b>		

**RATCH Group Public Company Limited and its subsidiaries**  
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	Total facilities	<b>Separate financial statements</b>		
		Amount (in million Baht)	Interest rate (% per annum)	Repayment term
<b>Short-term</b>				
<b>Loans from financial institutions</b>				
RATCH Group Public Company Limited	As stipulated in the agreement	2,536	Fixed rate	Within March 2022 and at call
<b>Loan from related party</b>				
RATCH Group Public Company Limited	Baht 10,000 million	5,140	0.78 - 0.80	Within 6 months during March 2022 to June 2022
<b>Long-term</b>				
<b>Loan from financial institution</b>				
RATCH Group Public Company Limited	Baht 5,000 million	5,000	Fixed rate	Within March 2024
<b>Debentures</b>				
RATCH Group Public Company Limited	Baht 8,000 million	8,000	1.32 - 2.94	Repayment period of 3,5,10,15 years and will be due for redemption in 2023, 2025, 2030, 2035, respectively
Less deferred financing fees		(10)		
<b>Net</b>		<b>7,990</b>		

As at 31 December 2021, the Group had unutilised credit facilities totalling Baht 50,226.00 million, US Dollars 855.00 million and Australian Dollars 100.00 million. (2020: Baht 30,413.59 million, US Dollars 350.00 million and Australian Dollars 260.31 million).

The Group must comply with certain conditions in those agreements including maintaining certain key financial ratios for all long-term loans agreement from financial institutions and long-term debenture of RH International (Singapore) Corporation Pte. Ltd.



**RATCH Group Public Company Limited and its subsidiaries**  
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*Changes in liabilities arising from financing activities*

	<b>Consolidated financial statements</b>			
	Loans	Debentures	Lease liabilities	Total
	<i>(in thousand Baht)</i>			
<b>2021</b>				
At 1 January	18,314,367	23,338,357	1,480,648	43,133,372
Changes from financing cash flows	7,739,646	-	(159,382)	7,580,264
Changes arising from obtaining control of subsidiaries (see note 4)	8,062,230	-	144,336	8,206,566
The effect of changes in foreign exchange rates	1,229,583	1,475,609	78,113	2,783,305
Increase in lease liabilities	-	-	119,180	119,180
Other changes	(245,208)	(462,274)	4,040	(703,442)
<b>At 31 December</b>	<b>35,100,618</b>	<b>24,351,692</b>	<b>1,666,935</b>	<b>61,119,245</b>
<b>2020</b>				
At 1 January	16,967,525	15,167,591	1,156	32,136,272
Changes from financing cash flows	148,772	8,000,000	(62,811)	8,085,961
The effect of changes in foreign exchange rates	1,166,067	(61,300)	56,026	1,160,793
Increase in lease liabilities	-	-	1,482,072	1,482,072
Other changes	32,003	232,066	4,205	268,274
<b>At 31 December</b>	<b>18,314,367</b>	<b>23,338,357</b>	<b>1,480,648</b>	<b>43,133,372</b>
	<b>Separate financial statements</b>			
	Loans	Debentures	Lease liabilities	Total
	<i>(in thousand Baht)</i>			
<b>2021</b>				
At 1 January	3,465,000	7,987,986	42,884	11,495,870
Changes from financing cash flows	9,211,000	-	(18,792)	9,192,208
Increase in lease liabilities	-	-	5,008	5,008
Other changes	-	1,748	2,242	3,990
<b>At 31 December</b>	<b>12,676,000</b>	<b>7,989,734</b>	<b>31,342</b>	<b>20,697,076</b>
<b>2020</b>				
At 1 January	-	-	-	-
Changes from financing cash flows	3,465,000	8,000,000	(18,500)	11,446,500
Increase in lease liabilities	-	-	65,288	65,288
Other changes	-	(12,014)	(3,904)	(15,918)
<b>At 31 December</b>	<b>3,465,000</b>	<b>7,987,986</b>	<b>42,884</b>	<b>11,495,870</b>

**17 Non-current provisions for employee benefits**

*Defined benefit plan*

The Group and the Company operate a defined benefit plan based on the requirement of Thai Labor Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

**RATCH Group Public Company Limited and its subsidiaries**  
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<i>Present value of the defined benefit obligations</i>	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
At 1 January		225,498	203,821	178,408	166,232
<b>Recognised in profit or loss:</b>					
Current service cost and interest on obligation		23,371	24,738	17,432	19,034
Acquisition through business combination	4	46,484	-	-	-
Transfer		-	-	1,433	-
<b>Recognised in other comprehensive income:</b>					
Actuarial (gain) loss					
- Demographic assumption		14,552	-	11,791	-
- Financial assumption		(34,403)	28,913	(27,998)	23,736
- Experience assumption		13,729	-	12,889	-
Effect of movements in exchange rates		581	73	-	-
		<b>(5,541)</b>	<b>28,986</b>	<b>(3,318)</b>	<b>23,736</b>
Benefit paid		(23,126)	(32,047)	(14,652)	(30,594)
<b>At 31 December</b>		<b>266,686</b>	<b>225,498</b>	<b>179,303</b>	<b>178,408</b>

<i>Principal actuarial assumptions</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(%)</i>			
Discount rate	0.51 to 8	1.69 to 4.5	2.46	1.69
Future salary growth	4 to 8	4 to 8	6 to 8	6.5 to 8
Employee turnover	0 to 10	0 to 15	0 to 7	0 to 10

Assumptions regarding future mortality have been based on published statistics and mortality tables.

As at 31 December 2021, the weighted-average durations of the defined benefit obligation were 14.50 and 28.70 years (2020: 15.90 and 30.20 years).

*Sensitivity analysis*

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

<i>Effect to the defined benefit obligation</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	Increase	Decrease	Increase	Decrease
	<i>(in thousand Baht)</i>			
<b>At 31 December 2021</b>				
Discount rate (1% movement)	(22,913)	26,838	(18,459)	21,446
Future salary growth (1% movement)	25,624	(22,333)	20,410	(17,936)
Employee turnover (20% movement)	(5,414)	5,754	(3,968)	4,161
Improving mortality rate (1% movement)	939	(1,069)	725	(817)

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<i>Effect to the defined benefit obligation</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	Increase	Decrease	Increase	Decrease
	<i>(in thousand Baht)</i>			
<b>At 31 December 2020</b>				
Discount rate (1% movement)	(19,975)	23,565	(15,680)	18,333
Future salary growth (1% movement)	26,312	(22,555)	20,522	(17,756)
Employee turnover (20% movement)	(9,395)	10,351	(6,953)	7,503
Improving mortality rate (1% movement)	817	(924)	603	(674)

## **18 Share premium and legal reserves**

### *Share premium*

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account (“share premium”). Share premium is not available for dividend distribution.

### *Legal reserve*

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

## **19 Segment information and disaggregation of revenue**

Management determined that the Group has 4 reportable segments which are the Group’s strategic divisions for different products and services, and are managed separately. The following summary describes the operations in each of the Group’s reportable segments.

Segment 1	Domestic Electricity Generating
Segment 2	Renewable Energy
Segment 3	International Power Projects
Segment 4	Related business and Infrastructure

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*Information about reportable segments*

Consolidated financial statements										
	Domestic Electricity Generating		Renewable Energy		International Power Projects		Related business and Infrastructure		Total	
For the year ended 31 December	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	(in thousand Baht)									
Revenue from sales and rendering of services	31,451,164	28,905,683	-	-	3,780,316	2,746,853	-	-	35,231,480	31,652,536
Revenue from lease contracts	1,953,582	2,553,209	-	-	141,715	-	-	-	2,095,297	2,553,209
Cost of sales and rendering of services	(30,908,059)	(28,389,993)	-	-	(2,208,439)	(1,838,696)	-	-	(33,116,498)	(30,228,689)
Gross profit	2,496,687	3,068,899	-	-	1,713,592	908,157	-	-	4,210,279	3,977,056
Management service income	-	-	-	-	1,453	1,057	222,852	275,250	224,305	276,307
Interest income	46,114	52,318	52	545	114,060	60,765	45,128	45,784	205,354	159,412
Dividend income	-	-	-	-	56,323	60,172	2,507	1,012	58,830	61,184
Net gain on bargain purchase arising from the acquisition	-	-	-	-	177,667	-	-	-	177,667	-
Other income	264,302	167,002	68	176	119,753	46,815	13,829	5,010	397,952	219,003
Administrative expenses	(226,470)	(233,011)	(75)	(78)	(605,620)	(455,027)	(869,676)	(912,981)	(1,701,841)	(1,601,097)
Net foreign exchange gain	6,584	4,218	-	-	105,470	290,475	94,236	9,760	206,290	304,453
Gain (loss) on fair value adjustment of derivatives	22,239	9,758	-	-	121,267	(139,997)	-	-	143,506	(130,239)
Finance costs	(169,747)	(184,854)	-	-	(1,470,767)	(1,304,417)	(227,555)	(62,081)	(1,868,069)	(1,551,352)
Share of profit (loss) of joint ventures and associates accounted for using equity method	640,139	570,751	337,259	374,847	5,004,872	3,429,291	(79,869)	225,454	5,902,401	4,600,343
Profit (loss) before income tax expense	3,079,848	3,455,081	337,304	375,490	5,338,070	2,897,291	(798,548)	(412,792)	7,956,674	6,315,070
Tax (expense) income	(94,764)	(42,337)	-	(83)	(82,246)	18,288	(1,045)	(4,226)	(178,055)	(28,358)
Profit (loss) for the year	2,985,084	3,412,744	337,304	375,407	5,255,824	2,915,579	(799,593)	(417,018)	7,778,619	6,286,712

**RATCH Group Public Company Limited and its subsidiaries**  
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<i>For the year ended 31 December</i>	Consolidated financial statements									
	Domestic Electricity Generating		Renewable Energy		International Power Projects		Related business and Infrastructure		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	<i>(in thousand Baht)</i>									
<b>Disaggregation of revenue</b>										
<b>Primary geographical markets</b>										
Thailand	31,451,164	28,905,683	-	-	-	-	-	-	31,451,164	28,905,683
Australia	-	-	-	-	3,711,055	2,684,828	-	-	3,711,055	2,684,828
Other countries	-	-	-	-	69,261	62,025	-	-	69,261	62,025
<b>Total</b>	<b>31,451,164</b>	<b>28,905,683</b>	<b>-</b>	<b>-</b>	<b>3,780,316</b>	<b>2,746,853</b>	<b>-</b>	<b>-</b>	<b>35,231,480</b>	<b>31,652,536</b>
<b>Major products and service lines</b>										
Products	31,447,918	28,902,064	-	-	3,711,055	2,684,828	-	-	35,158,973	31,586,892
Services	3,246	3,619	-	-	69,261	62,025	-	-	72,507	65,644
<b>Total</b>	<b>31,451,164</b>	<b>28,905,683</b>	<b>-</b>	<b>-</b>	<b>3,780,316</b>	<b>2,746,853</b>	<b>-</b>	<b>-</b>	<b>35,231,480</b>	<b>31,652,536</b>
<b>Timing of revenue recognition</b>										
At a point in time	31,447,918	28,902,064	-	-	3,711,055	2,684,828	-	-	35,158,973	31,586,892
Over time	3,246	3,619	-	-	69,261	62,025	-	-	72,507	65,644
<b>Total</b>	<b>31,451,164</b>	<b>28,905,683</b>	<b>-</b>	<b>-</b>	<b>3,780,316</b>	<b>2,746,853</b>	<b>-</b>	<b>-</b>	<b>35,231,480</b>	<b>31,652,536</b>

**RATCH Group Public Company Limited and its subsidiaries**  
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(a) *Geographical segments*

Segment assets are based on the geographical location of the assets.

***Geographical information***

	<b>Assets</b>	
	2021	2020
	<i>(in thousand Baht)</i>	
Thailand	68,461,536	52,772,952
Australia	34,072,151	31,848,820
Republic of Indonesia	19,142,599	-
Other countries	33,179,020	27,510,480
<b>Total</b>	<b><u>154,855,306</u></b>	<b><u>112,132,252</u></b>

(b) *Major customer*

Revenues from one customer of the Group's segment 1 represent approximately Baht 31,015 million (2020: Baht 28,906 million) of the Group's total revenue.

**20 Expenses by nature**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Fuel costs	26,892,610	24,475,388	-	-
Depreciation and amortisation	2,104,479	1,972,586	36,734	38,330
Operation and maintenance service fees	1,675,259	1,665,286	-	-
Repair expenses and spare parts used	1,354,976	1,270,917	-	-
Employee benefit expenses	707,117	705,010	453,565	495,398
General administrative expenses	407,769	508,777	167,964	204,420
Insurance premium for power plants	440,098	377,823	-	-
Consultant fees	297,706	216,299	197,218	169,924
Impairment losses of assets	82,181	-	-	-
Public relation expenses	44,855	38,865	23,138	22,144
Others	811,289	598,835	-	-
<b>Total cost of sales and rendering of services and administrative expenses</b>	<b><u>34,818,339</u></b>	<b><u>31,829,786</u></b>	<b><u>878,619</u></b>	<b><u>930,216</u></b>

**21 Income tax**

<i>Income tax recognised in profit or loss</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b>Current tax expense</b>				
Current year	211,328	19,287	-	-
Over provided in prior years	(52)	(1,911)	-	-
	<b><u>211,276</u></b>	<b><u>17,376</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Deferred tax expense</b>				
Movements in temporary differences	(33,221)	10,982	(751)	(2,515)
<b>Total income tax expense (income)</b>	<b><u>178,055</u></b>	<b><u>28,358</u></b>	<b><u>(751)</u></b>	<b><u>(2,515)</u></b>

**RATCH Group Public Company Limited and its subsidiaries**  
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<b>Consolidated financial statements</b>						
	Before tax	2021 Tax expense	Net of tax (in thousand Baht)	Before tax	2020 Tax benefit	Net of tax
<b>Income tax</b>						
<b>Recognised in other comprehensive income</b>						
Financial assets measured at fair value through other comprehensive income	123,540	(52,963)	70,577	-	-	-
Derivatives	613,256	(11,614)	601,642	-	-	-
Defined benefit plan actuarial gain (loss)	6,123	(1,224)	4,899	(28,913)	5,783	(23,130)
<b>Total</b>	<b>742,919</b>	<b>(65,801)</b>	<b>677,118</b>	<b>(28,913)</b>	<b>5,783</b>	<b>(23,130)</b>

<b>Separate financial statements</b>						
	Before tax	2021 Tax expense	Net of tax (in thousand Baht)	Before tax	2020 Tax benefit	Net of tax
<b>Income tax</b>						
<b>Recognised in other comprehensive income</b>						
Financial assets measured at fair value through other comprehensive income	264,813	(52,963)	211,850	-	-	-
Defined benefit plan actuarial gain (loss)	3,318	(663)	2,655	(23,736)	4,747	(18,989)
<b>Total</b>	<b>268,131</b>	<b>(53,626)</b>	<b>214,505</b>	<b>(23,736)</b>	<b>4,747</b>	<b>(18,989)</b>

**Reconciliation of effective tax rate**

<b>Consolidated financial statements</b>			
	2021	2020	
	Rate (%)	(in thousand Baht)	Rate (%)
Profit before income tax expense		7,956,675	
Share of profit of joint ventures and associates		(5,902,401)	
		<u>2,054,274</u>	
Income tax using the Thai corporation tax rate	20	410,855	20
Effect of different tax rates in foreign jurisdictions		200,291	
Income not subject to tax		(344,378)	
Recognition of previously unrecognised tax losses		(109,313)	
Current year losses for which no deferred tax asset was recognised		85,768	
Expenses deductible at a greater amount		(213,649)	
Expenses not deductible for tax purposes		173,710	
Over provided in prior years		(52)	
Others		(25,177)	
<b>Income tax expense</b>	<b>2.24</b>	<b>178,055</b>	<b>0.45</b>

**RATCH Group Public Company Limited and its subsidiaries**  
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	Rate (%)	Separate financial statements	
		2021 (in thousand Baht)	2020 (in thousand Baht)
Profit before income tax expense		3,139,342	2,996,180
Income tax using the Thai corporation tax rate	20	627,868	599,236
Income not subject to tax-dividend income		(705,865)	(692,726)
Effect from expense not deductible for tax purposes and income and expenses recognised in the different periods between accounting and tax		(67)	9,198
Current year losses for which no deferred tax asset was recognised		77,313	81,777
<b>Total</b>	<b>(0.02)</b>	<b>(751)</b>	<b>(2,515)</b>

<i>Deferred tax</i> <i>At 31 December</i>	Consolidated financial statements			
	Assets		Liabilities	
	2021	2020 (in thousand Baht)	2021	2020
Total	4,713,869	3,700,531	(8,812,798)	(5,489,880)
Set off of tax	(4,673,374)	(3,658,474)	4,673,374	3,658,474
<b>Net deferred tax assets (liabilities)</b>	<b>40,495</b>	<b>42,057</b>	<b>(4,139,424)</b>	<b>(1,831,406)</b>

<i>Deferred tax</i> <i>At 31 December</i>	Separate financial statements			
	Assets		Liabilities	
	2021	2020 (in thousand Baht)	2021	2020
Total	55,350	57,639	(58,930)	-
Set off of tax	(55,350)	(8,344)	55,350	-
<b>Net deferred tax assets (liabilities)</b>	<b>-</b>	<b>49,295</b>	<b>(3,580)</b>	<b>-</b>

Consolidated financial statements						
(Charged) / Credited to:						
<i>Deferred tax</i>	At 1 January	Profit or loss	Other comprehensive income (in thousand Baht)	Exchange differences	Acquire through business combination	At 31 December
<b>2021</b>						
<i>Deferred tax assets</i>						
Property, plant and equipment	2,922,668	(406,968)	-	70,182	1,252,667	3,838,549
Lease receivable	-	-	-	689	27,991	28,680
Allowance for expected credit loss for financial assets	3,854	(1,938)	-	-	-	1,916
Allowance of spare parts and supplies	229,926	(7,500)	-	2,036	-	224,462
Leases liabilities	13,847	(2,900)	-	70	2,890	13,907
Derivatives	8,343	-	(11,614)	815	39,857	37,401
Provisions for employee benefits	45,979	58	(1,224)	-	6,101	50,914
Loss carry forward	373,558	(142,266)	-	18,603	-	249,895
Others	102,356	3,116	-	9,265	153,408	268,145
<b>Total</b>	<b>3,700,531</b>	<b>(558,398)</b>	<b>(12,838)</b>	<b>101,660</b>	<b>1,482,914</b>	<b>4,713,869</b>



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<b>Consolidated financial statements</b>						
<b>(Charged) / Credited to:</b>						
<b>Deferred tax</b>	<b>At 1 January</b>	<b>Profit or loss</b>	<b>Other comprehensive income (in thousand Baht)</b>	<b>Exchange differences</b>	<b>Acquire through business combination</b>	<b>At 31 December</b>
<b>Deferred tax liabilities</b>						
Property, plant and equipment	(2,222,546)	27,766	-	(119,028)	-	(2,313,808)
Right-of use assets	(9,119)	2,949	-	165	(2,872)	(8,877)
Intangible assets	(196,221)	11,005	-	-	-	(185,216)
Lease receivable	(2,627,864)	518,772	-	(89,246)	(3,627,614)	(5,825,952)
Derivatives	(1,164)	997	-	-	-	(167)
Financial assets measured at fair value through other comprehensive income	-	-	(52,963)	-	-	(52,963)
Others	(432,966)	30,130	-	(22,979)	-	(425,815)
<b>Total</b>	<b>(5,489,880)</b>	<b>591,619</b>	<b>(52,963)</b>	<b>(231,088)</b>	<b>(3,630,486)</b>	<b>(8,812,798)</b>
<b>Net</b>	<b>(1,789,349)</b>	<b>33,221</b>	<b>(65,801)</b>	<b>(129,428)</b>	<b>(2,147,572)</b>	<b>(4,098,929)</b>

<b>Consolidated financial statements</b>						
<b>(Charged) / Credited to:</b>						
<b>Deferred tax</b>	<b>At 1 January</b>	<b>Retained earnings</b>	<b>Profit or loss (in thousand Baht)</b>	<b>Other comprehen sive income</b>	<b>Exchange differences</b>	<b>At 31 December</b>
<b>2020</b>						
<b>Deferred tax assets</b>						
Property, plant and equipment	3,492,981	-	(623,323)	-	53,010	2,922,668
Allowance for expected credit loss for financial assets	-	3,099	755	-	-	3,854
Allowance for spare parts and supplies	288,294	-	(62,118)	-	3,750	229,926
Leases liabilities	119	4,005	9,723	-	-	13,847
Derivatives	8,343	-	-	-	-	8,343
Provisions for employee benefits	44,975	-	(4,779)	5,783	-	45,979
Loss carry forward	337,409	-	2,905	-	33,244	373,558
Others	98,972	-	(2,857)	-	6,241	102,356
<b>Total</b>	<b>4,271,093</b>	<b>7,104</b>	<b>(679,694)</b>	<b>5,783</b>	<b>96,245</b>	<b>3,700,531</b>
<b>Deferred tax liabilities</b>						
Property, plant and equipment	(2,115,736)	-	50,389	-	(157,199)	(2,222,546)
Right-of use assets	-	-	(9,484)	-	365	(9,119)
Intangible assets	(209,999)	-	13,778	-	-	(196,221)
Lease receivable	(3,281,538)	-	653,674	-	-	(2,627,864)
Derivatives	(2,136)	-	972	-	-	(1,164)
Others	(333,023)	-	(40,617)	-	(59,326)	(432,966)
<b>Total</b>	<b>(5,942,432)</b>	<b>-</b>	<b>668,712</b>	<b>-</b>	<b>(216,160)</b>	<b>(5,489,880)</b>
<b>Net</b>	<b>(1,671,339)</b>	<b>7,104</b>	<b>(10,982)</b>	<b>5,783</b>	<b>(119,915)</b>	<b>(1,789,349)</b>

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		Separate financial statements (Charged) / Credited to:			At 31 December
		Retained earnings	Profit or loss (in thousand Baht)	Other comprehensive income	
<b>Deferred tax</b>	<b>At 1 January</b>				
<b>2021</b>					
<b>Deferred tax assets</b>					
Allowance for expected credit loss for financial assets	10,501	-	(7)	-	10,494
Lease liabilities	8,577	-	(2,308)	-	6,269
Provisions for employee benefits	38,561	-	689	(663)	38,587
<b>Total</b>	<b>57,639</b>	<b>-</b>	<b>(1,626)</b>	<b>(663)</b>	<b>55,350</b>
<b>Deferred tax liabilities</b>					
Right-of use assets	(8,344)	-	2,377	-	(5,967)
Financial assets measured at fair value through other comprehensive income	-	-	-	(52,963)	(52,963)
<b>Total</b>	<b>(8,344)</b>	<b>-</b>	<b>2,377</b>	<b>(52,963)</b>	<b>(58,930)</b>
<b>Net</b>	<b>49,295</b>	<b>-</b>	<b>751</b>	<b>(53,626)</b>	<b>(3,580)</b>
<b>2020</b>					
<b>Deferred tax assets</b>					
Allowance for expected credit loss for financial assets	-	3,136	7,365	-	10,501
Lease liabilities	-	-	8,577	-	8,577
Provisions for employee benefits	38,897	-	(5,083)	4,747	38,561
<b>Total</b>	<b>38,897</b>	<b>3,136</b>	<b>10,859</b>	<b>4,747</b>	<b>57,639</b>
<b>Deferred tax liabilities</b>					
Right-of use assets	-	-	(8,344)	-	(8,344)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>(8,344)</b>	<b>-</b>	<b>(8,344)</b>
<b>Net</b>	<b>38,897</b>	<b>3,136</b>	<b>2,515</b>	<b>4,747</b>	<b>49,295</b>

<b>Unrecognised deferred tax assets</b>	Consolidated financial statements		Separate financial Statements	
	2021	2020	2021	2020
	(in thousand Baht)			
Losses carry forward	<b>720,793</b>	<b>776,430</b>	<b>443,250</b>	<b>399,492</b>

As at 31 December 2021, the Group has outstanding balance of deferred tax assets of Baht 249.90 million from cumulative tax losses of an indirect subsidiary in overseas. The Group's management has estimated future taxable profits and they considered it probable that future taxable profits would be available against which such losses can be used. The tax losses in such country has unlimited and no expiration date, therefore, the related deferred tax assets are recognised.

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**22 Promotional privileges**

The two subsidiaries have been granted promotional certificates by the Office of the Board of Investment for electricity and steam for the several privileges including exemption and/or reduction from payment of income tax on the net profit derived from promoted operations with certain terms and conditions prescribed in the promotional certificates.

As a promoted company, the Company must comply with certain terms and conditions prescribed in the promotional certificates.

**23 Basic earnings per share**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht/ thousand shares)</i>			
<b>Profit for the year attributable to ordinary shareholders of the Company (basic)</b>	<b><u>7,772,022</u></b>	<b><u>6,286,678</u></b>	<b><u>3,140,092</u></b>	<b><u>2,998,694</u></b>
<b>Number of ordinary shares outstanding</b>	<b><u>1,450,000</u></b>	<b><u>1,450,000</u></b>	<b><u>1,450,000</u></b>	<b><u>1,450,000</u></b>
<b>Earnings per share (basic) <i>(in Baht)</i></b>	<b><u>5.36</u></b>	<b><u>4.34</u></b>	<b><u>2.17</u></b>	<b><u>2.07</u></b>

**24 Dividends**

	Approval date	Payment schedule	Dividend rate per share <i>(Baht)</i>	Amount <i>(in million Baht)</i>
<b>2021</b>				
Annual dividend for the year 2020	5 April 2021	April 2021	2.40	3,480
Interim dividend for the year 2020	24 August 2020	September 2020	<u>(1.15)</u>	<u>(1,667)</u>
Additional dividend			1.25	1,813
Interim dividend for the year 2021	24 August 2021	September 2021	1.15	<u>1,667</u>
<b>Total dividend</b>				<b><u>3,480</u></b>
<b>2020</b>				
Interim dividend for the year 2019			2.40	3,480
1 <sup>st</sup> Interim dividend for the year 2019	23 August 2019	September 2019	<u>(1.15)</u>	<u>(1,667)</u>
2 <sup>nd</sup> Interim dividend for the year 2019	20 March 2020	April 2020	1.25	1,813
Interim dividend for the year 2020	24 August 2020	September 2020	1.15	<u>1,667</u>
<b>Total dividend</b>				<b><u>3,480</u></b>

**RATCH Group Public Company Limited and its subsidiaries**  
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**25 Financial instruments**

*(a) Carrying amounts and fair values*

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

**RATCH Group Public Company Limited and its subsidiaries**  
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	Consolidated financial statement					Fair value			
	Carrying amount								
<i>At 31 December</i>	Hedging instruments	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Financial instruments measured at amortised cost	Total	Level 1	Level 2	Level 3	Total
					(in thousand Baht)				
<b>2021</b>									
<b>Financial assets</b>									
Other current financial assets:									
Investment in debt instruments	-	857,234	-	29,995	887,229	-	887,388	-	887,388
Other non-current financial assets:									
Investment in equity instruments	-	-	3,478,209	-	3,478,209	3,023,653	-	454,556	3,478,209
Investment in debt instruments	-	-	-	535,939	535,939	-	554,821	-	554,821
Derivatives assets	-	834	-	-	834	-	834	-	834
<b>Financial liabilities</b>									
Long-term loans from financial institutions	-	-	-	(29,415,722)	(29,415,722)	-	(29,452,622)	-	(29,452,622)
Long-term loans	-	-	-	(320,000)	(320,000)	-	-	(340,784)	(340,784)
Debentures	-	-	-	(24,351,692)	(24,351,692)	-	(26,802,264)	-	(26,802,264)
Interest rate swaps used for hedging	(667,451)	-	-	-	(667,451)	-	(667,451)	-	(667,451)
Foreign currency forward used for hedging	(1,793)	-	-	-	(1,793)	-	(1,793)	-	(1,793)
Other derivatives liabilities	-	(137,826)	-	-	(137,826)	-	(137,826)	-	(137,826)
<b>2020</b>									
<b>Financial assets</b>									
Other current financial assets:									
Investment in debt instruments	-	842,546	-	2,022,385	2,864,931	-	2,865,289	-	2,865,289
Other non-current financial assets:									
Investment in equity instruments	-	-	1,286,190	-	1,286,190	1,286,190	-	-	1,286,190
Investment in debt instruments	-	-	-	542,595	542,595	-	558,282	-	558,282
Derivatives assets	-	5,821	-	-	5,821	-	5,821	-	5,821
<b>Financial liabilities</b>									
Long-term loans from financial institutions	-	-	-	(18,254,294)	(18,254,294)	-	(18,254,294)	-	(18,254,294)
Debentures	-	-	-	(23,338,357)	(23,338,357)	-	(27,738,853)	-	(27,738,853)
Interest rate swaps used for hedging	(1,008,679)	-	-	-	(1,008,679)	-	(1,008,679)	-	(1,008,679)
Other derivatives liabilities	-	(268,852)	-	-	(268,852)	-	(268,852)	-	(268,852)

**RATCH Group Public Company Limited and its subsidiaries**  
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	Separate financial statement					Fair value			
	Carrying amount								
<i>At 31 December</i>	Hedging instruments	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Financial instruments measured at amortised cost (in thousand Baht)	Total	Level 1	Level 2	Level 3	Total
<b>2021</b>									
<b>Financial assets</b>									
Other current financial assets:									
Investment in debt instruments	-	305,669	-	29,995	335,664	-	335,823	-	335,823
Other non-current financial assets									
Investment in equity instruments	-	-	2,069,818	-	2,069,818	1,805,262	-	264,556	2,069,818
Investment in debt instruments	-	-	-	82,937	82,937	-	86,444	-	86,444
<b>Financial liabilities</b>									
Long-term loan from financial institutions	-	-	-	(5,000,000)	(5,000,000)	-	(5,029,453)	-	(5,029,453)
Debentures	-	-	-	(7,989,734)	(7,989,734)	-	(7,976,149)	-	(7,976,149)
<b>2020</b>									
<b>Financial assets</b>									
Other current financial assets:									
Investment in debt instruments	-	305,056	-	22,987	328,043	-	328,402	-	328,402
Other non-current financial assets:									
Investment in equity instruments	-	-	247,300	-	247,300	-	-	247,300	247,300
Investment in debt instruments	-	-	-	89,932	89,932	-	93,331	-	93,331
<b>Financial liabilities</b>									
Debentures	-	-	-	(7,987,986)	(7,987,986)	-	(8,162,577)	-	(8,162,577)

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***Investment in equity instrument - share capital of Principal Capital Public Company Limited***

On 25 May 2021, the Company invested in existing and newly issued ordinary shares of Principal Capital Public Company Limited ("PRINC"), which is listed on the Stock Exchange of Thailand, in proportion of 10% of PRINC's issued and paid-up shares, total of 380.86 million shares at Baht 4.09 per share in amounting to Baht 1,557.71 million to invest in a private hospital business. The fair value on initial recognition was Baht 1,713.86 million. The investment is classified as marketable equity securities measured at fair value to other comprehensive income.

As at 31 December 2021, Principal Capital Public Company Limited has published closing price at Baht 4.74 per share, the fair value of investment was Baht 1,805.26 million.

***Investment in equity instrument - share capital of Bangkok Chain International (Lao) Co., Ltd. ("BCIL")***

On 30 July 2021, RATCH-Lao Services Company Limited ("RL"), a direct subsidiary, has signed a capital increase share purchase agreement of Bangkok Chain International (Lao) Company Limited ("BCIL") at 9.91% totalling Bath 190 million. The purpose of transaction is to invest in Kasemrad International Hospital in Vientiane, Lao PDR. After the purchase of such capital increase shares was completed, BCIL shareholders would comprise Bangkok Chain Hospital Public Company Limited ("BCH") at 68.47%, RATCH-Lao Services Company Limited at 9.91% and minority shareholders in Lao PDR and Thailand at 21.62%. It has started the commercial service on 19 August 2021. Subsequently on 26 August 2021, RL paid for increase in share capital in proportion of 9.91% totalling Baht 190 million.

The following tables present valuation technique of financial instruments measured at fair value in the statements of financial position:

<b>Type</b>	<b>Valuation technique</b>
Corporate debt securities	<i>Market price comparison technique/discounted cash flow:</i> The fair value is estimated considering (i) current or recent quoted prices for identical securities in markets that are not active and (ii) a net present value calculated using discount rates derived from quoted prices of securities with similar maturity and credit rating that are traded in active markets, adjusted by an illiquidity factor.
Investments in marketable unit trusts classified as financial assets measured at FVTPL or FVOCI	The net asset value as of the reporting date.
Forward exchange contracts	<i>Forward pricing:</i> The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.
Interest rate swap contracts	<i>Swap models:</i> The present value of estimated future cash flows, using an observable yield curve.
Cross currency swap contracts	<i>Black-Scholes model/ discounted cash flows</i>
Debt securities and other financial liabilities	Discounted cash flows

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*(b) Financial risk management policies*

*Risk management framework*

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

*(b.1) Credit risk*

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and investments in debt securities.

*(b.1.1) Trade accounts receivables*

The management has established a credit policy to control the credit risk on a regular basis by analysing the financial status of every customers who requested a certain amount of credit. As of the reporting date, there were no significant credit risk exposure. The maximum credit risk is stated in the book value of each financial asset in the statement of financial position. However, as the major customers of the Group are government agencies, state of enterprises and large corporations with low credit risk. Management does not expect any material losses incurred from debt collection.

The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of one month. Outstanding trade receivables are regularly monitored by the Group. An impairment analysis is performed by the Group at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables to reflect differences between economic conditions in the past, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Information relevant to trade accounts receivables is disclosed in note 7



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(b.1.2) Investment in debt securities

The Group limits its exposure to credit risk by investing only in liquid debt securities and only with counterparties that have consider a credit rating by international credit rating institutions.

The Group monitors changes in credit risk by tracking published external credit ratings. To determine whether published ratings remain up to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in published ratings.

The following table presents the exposure to credit risk and expected credit losses.

<i>At 31 December</i>	<b>Consolidated financial statements</b>			
	12-months ECL	Lifetime ECL	Lifetime ECL	Total
		- not credit- impaired	- credit- impaired	
		<i>(in thousand Baht)</i>		
<b>2021</b>				
Debt instruments measured at amortised cost	563,000	-	-	563,000
Loans to	3,377,179	-	-	3,377,179
Lease receivable	28,170,235	-	-	28,170,235
	<b>32,110,414</b>	<b>-</b>	<b>-</b>	<b>32,110,414</b>
Less allowance for expected credit loss	(160,804)	-	-	(160,804)
<b>Net</b>	<b>31,949,610</b>	<b>-</b>	<b>-</b>	<b>31,949,610</b>
<b>2020</b>				
Debt instruments measured at amortised cost	2,566,004	-	-	2,566,004
Loans to	2,941,864	-	-	2,941,864
Lease receivable	13,139,323	-	-	13,139,323
	<b>18,647,191</b>	<b>-</b>	<b>-</b>	<b>18,647,191</b>
Less allowance for expected credit loss	(37,291)	-	-	(37,291)
<b>Net</b>	<b>18,609,900</b>	<b>-</b>	<b>-</b>	<b>18,609,900</b>

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<i>At 31 December</i>	12-months ECL	<b>Separate financial statements</b>		Total
		Lifetime ECL - not credit- impaired (in thousand Baht)	Lifetime ECL - credit- impaired	
<b>2021</b>				
Debt instruments measured at amortised cost	113,000	-	-	113,000
Loans to	3,042,116	-	-	3,042,116
	<b>3,155,116</b>	<b>-</b>	<b>-</b>	<b>3,155,116</b>
<i>Less</i> allowance for expected credit loss	(52,469)	-	-	(52,469)
<b>Net</b>	<b>3,102,647</b>	<b>-</b>	<b>-</b>	<b>3,102,647</b>
<b>2020</b>				
Debt instruments measured at amortised cost	113,000	-	-	113,000
Loans to	1,865,888	-	-	1,865,888
	<b>1,978,888</b>	<b>-</b>	<b>-</b>	<b>1,978,888</b>
<i>Less</i> allowance for expected credit loss	(52,504)	-	-	(52,504)
<b>Net</b>	<b>1,926,384</b>	<b>-</b>	<b>-</b>	<b>1,926,384</b>
<b>Consolidated financial statements</b>				
<i>Movement of allowance for expected credit loss</i>	12-months ECL	<b>Consolidated financial statements</b>		Total
		Lifetime ECL - not credit- impaired (in thousand Baht)	Lifetime ECL - credit- impaired	
<b>2021</b>				
At 1 January	37,290	-	-	37,290
Net remeasurement of loss allowance	(6,698)	-	-	(6,698)
Financial assets repaid	(615)	-	-	(615)
New financial assets acquired	463	-	-	463
Acquisition through business combination	130,364	-	-	130,364
<b>At 31 December</b>	<b>160,804</b>	<b>-</b>	<b>-</b>	<b>160,804</b>
<b>2020</b>				
At 1 January	15,498	-	-	15,498
Net remeasurement of loss allowance	2,648	-	-	2,648
Financial assets repaid	(37)	-	-	(37)
New financial assets acquired	19,182	-	-	19,182
<b>At 31 December</b>	<b>37,291</b>	<b>-</b>	<b>-</b>	<b>37,291</b>

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<i>Movement of allowance for expected credit loss</i>	12-months ECL	<b>Separate financial statements</b>		Total
		Lifetime ECL - not credit- impaired	Lifetime ECL - credit- impaired	
		<i>(in thousand Baht)</i>		
<b>2021</b>				
At 1 January	52,504	-	-	52,504
Net remeasurement of loss allowance	(11,553)	-	-	(11,553)
Financial assets repaid	(345)	-	-	(345)
New financial assets acquired	11,862	-	-	11,862
<b>At 31 December</b>	<b>52,468</b>	<b>-</b>	<b>-</b>	<b>52,468</b>
<b>2020</b>				
At 1 January	15,683	-	-	15,683
Net remeasurement of loss allowance	36,442	-	-	36,442
Financial assets repaid	(1,781)	-	-	(1,781)
New financial assets acquired	2,160	-	-	2,160
<b>At 31 December</b>	<b>52,504</b>	<b>-</b>	<b>-</b>	<b>52,504</b>

(b.1.3) Cash and cash equivalent and derivatives

The Group's exposure to credit risk arising from cash and cash equivalents and derivative assets is limited because the counterparties are banks and financial institutions which the Group considers to have low credit risk.

(b.1.4) Guarantees

The Group's policy is to provide the guarantees only for the financial facilities of subsidiaries. At 31 December 2021, the Group has provided a guarantee to certain banks in respect of credit facilities granted to a subsidiary (see note 5, 16).

(b.2) Liquidity risk

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

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The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

		Consolidated financial statements			
		Contractual cash flows			
<i>At 31 December</i>	Carrying amount	1 year or less	More than 1 years but less than 5 years <i>(in thousand Baht)</i>	More than 5 years	Total
<i>2021</i>					
<i>Non-derivative financial liabilities</i>					
Trade payables	7,676,876	7,676,876	-	-	7,676,876
Loans from financial institutions	34,780,618	9,047,822	24,222,784	4,265,275	37,535,881
Loans from other related parties	320,000	11,200	44,831	329,574	385,605
Lease liabilities	1,666,936	166,819	504,962	2,719,502	3,391,283
Debentures	24,351,692	2,231,062	3,213,107	24,446,251	29,890,420
	<b>68,796,122</b>	<b>19,133,779</b>	<b>27,985,684</b>	<b>31,760,602</b>	<b>78,880,065</b>
<i>Derivative financial liabilities</i>					
Interest rate swaps	667,451	173,612	294,805	199,034	667,451
Cross currency swap contract	137,764	-	137,764	-	137,764
Forward exchange contracts					
- Cash outflow	(168,697)	(168,697)	-	-	(168,697)
- Cash inflow	170,552	170,552	-	-	170,552
	<b>807,070</b>	<b>175,467</b>	<b>432,569</b>	<b>199,034</b>	<b>870,070</b>
<i>2020</i>					
<i>Non-derivative financial liabilities</i>					
Trade payables	3,643,030	3,643,030	-	-	3,643,030
Loans from financial institutions	18,314,367	1,621,940	15,924,409	2,503,322	20,049,671
Lease liabilities	1,480,648	122,610	430,674	2,557,589	3,110,873
Debentures	23,338,357	261,350	5,268,957	23,831,515	29,361,822
	<b>46,776,402</b>	<b>5,648,930</b>	<b>21,624,040</b>	<b>28,892,426</b>	<b>56,165,396</b>
<i>Derivative financial liabilities</i>					
Interest rate swaps	1,032,284	222,240	299,071	510,973	1,032,284
Cross currency swap contract	241,564	-	-	241,564	241,564
Forward exchange contracts					
- Cash outflow	(50,544)	(50,544)	-	-	(50,544)
- Cash inflow	54,227	54,227	-	-	54,227
	<b>1,277,531</b>	<b>225,923</b>	<b>299,071</b>	<b>752,537</b>	<b>1,277,531</b>

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		Separate financial statements			
		Contractual cash flows			
<i>At 31 December</i>	Carrying amount	1 year or less	More than 1 years but less than 5 years <i>(in thousand Baht)</i>	More than 5 years	Total
<i>2021</i>					
<i>Non-derivative financial liabilities</i>					
Loans from	12,676,000	7,751,497	5,096,088	-	12,847,585
Lease liabilities	31,342	16,884	16,667	-	33,551
Debentures	7,989,734	196,350	3,213,107	6,690,092	10,099,549
	<u>20,697,076</u>	<u>7,964,731</u>	<u>8,325,862</u>	<u>6,690,092</u>	<u>22,980,685</u>
<i>2020</i>					
<i>Non-derivative financial liabilities</i>					
Loans from	3,465,000	3,483,813	-	-	3,483,813
Lease liabilities	42,884	18,476	28,312	-	46,788
Debentures	7,987,986	196,350	3,252,707	6,846,842	10,295,899
	<u>11,495,870</u>	<u>3,698,639</u>	<u>3,281,019</u>	<u>6,846,842</u>	<u>13,826,500</u>

The cash inflows and cash outflows disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

*(b.3) Market risk*

The Group is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

*(b.3.1) Foreign currency risk*

The Group is exposed to foreign currency risk relating to purchases which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases, denominated in foreign currencies, for the subsequent period.

At 31 December, the Group and the Company were exposed to foreign currency risk in respect of significant financial assets and liabilities denominated in the foreign currencies as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in thousand Baht)			
<b>United States Dollars</b>				
Other current receivables	3,006	-	65,055	-
Long-term loans to related parties	600,042	538,896	1,680,839	1,509,558
Other current payables	(76,279)	(236,681)	(17,284)	(13,354)

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	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b><i>Lao Kip</i></b>				
Other non-current financial assets	1,209,441	1,286,190	-	-
Other current payables	(5,133)	(5,296)	-	-
<b><i>Australian Dollars</i></b>				
Other current payables	(37,337)	(37,132)	(3,757)	(3,343)
<b><i>Japanese Yen</i></b>				
Other current receivables	5,615	-	5,615	-
Other current payables	(367,940)	(41,426)	(1,230)	-
Debentures	(4,351,652)	(4,356,755)	-	-
<b><i>Others</i></b>				
Other current payables	(620)	(3,000)	(27)	(190)
<b>Gross balance sheet exposure</b>	<b>(3,020,857)</b>	<b>(2,855,204)</b>	<b>1,729,211</b>	<b>1,492,671</b>
Estimated forecast purchases	(3,664)	(1,813)	-	-
<b>Gross exposure</b>	<b>(3,024,521)</b>	<b>(2,857,017)</b>	<b>1,729,211</b>	<b>1,492,671</b>
Foreign currency forward contracts	168,697	50,544	-	-
Cross currency swap contracts	4,356,284	4,361,387	-	-
<b>Net exposure</b>	<b>1,500,460</b>	<b>1,554,914</b>	<b>1,729,211</b>	<b>1,492,671</b>

***Sensitivity analysis***

A reasonably possible strengthening (weakening) of Thai Baht against all other foreign currencies at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency. This analysis assumes that all other variables, in particular interest rates, remain constant.

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
<b><i>Impact to profit or loss</i></b>	<b>Movement</b>	<b>Strengthening</b>	<b>Weakening</b>	<b>Strengthening</b>	<b>Weakening</b>
	<b>(%)</b>		<b>(in thousand Baht)</b>		
<b><i>At 31 December 2021</i></b>					
United States Dollars	5	27,725	(27,725)	90,979	(90,979)
Lao Kip	5	63,385	(63,385)	-	-
Australian Dollars	5	(1,965)	1,965	(198)	198
Japanese Yen	5	(248,104)	248,104	231	(231)
<b><i>At 31 December 2020</i></b>					
United States Dollars	5	15,906	(15,906)	78,748	(78,748)
Lao Kip	5	67,415	(67,415)	-	-
Australian Dollars	5	(1,954)	1,954	(176)	176
Japanese Yen	5	(231,484)	231,484	-	-

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(b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because debt securities and loan interest rates financial liabilities are mainly variable. So the Group is primarily exposed to interest rate risk. The Group mitigates this risk by ensuring that the majority of its debt securities and borrowings are at fixed interest rates and uses derivatives, principally interest rate swaps, to manage exposure to fluctuations in interest rates on specific debt securities and borrowings.

<i>Exposure to interest rate risk at 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b><i>Financial instruments with variable interest rates</i></b>				
Financial assets	4,102,926	3,749,983	1,084,543	827,718
Financial liabilities	(23,879,172)	(18,254,293)	-	-
<b>Net statement of financial position exposure</b>	<b>(19,776,246)</b>	<b>(14,504,310)</b>	<b>1,084,543</b>	<b>827,718</b>
Interest rate swaps	16,476,327	(1,032,284)	-	-
<b>Net exposure</b>	<b>(3,299,919)</b>	<b>(15,536,594)</b>	<b>1,084,543</b>	<b>827,718</b>

*Foreign currency forward contracts*

As at 31 December 2021, the Group entered into various foreign currency forward contracts with financial institutions to manage exposure of fluctuations in foreign currency risk relate to purchases. The Group had outstanding foreign currency forward contracts to buy US Dollars 3.14 million with Baht 105.15 million, Swedish Krona 17.07 million with Baht 63.54 million. The contracts will mature in January 2022 (2020: buy US Dollars 1.56 million with Baht 50.54 million).

*Interest rate swap and cross currency swap contracts*

The Group entered into various interest rate swap and cross currency swap contracts with financial institutions to manage exposure of fluctuations in interest rates and foreign currency risk on borrowings. The notional amounts of the outstanding interest rate swap and cross currency swap contracts as at 31 December 2021 comprises Baht currency totalling Baht 1,421.40 million, Japanese Yen currency totalling Japanese Yen 15,000.00 million, Australian Dollars currency totalling Australian Dollars 445.29 million and USD currency totalling US Dollars 157.12 million. All counterparties agreed to pay the interest and the principal amount in accordance with the terms and conditions specified in the contracts (2020: Baht currency totalling Baht 2,823.45 million, Japanese Yen currency totalling Japanese Yen 15,000 million and Australian Dollars currency totalling Australian Dollars 490.24 million).

*Cash flow sensitivity analysis for variable-rate instruments*

A reasonable possible change of 1% in interest rates at the reporting date, this analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

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<i>Impact to profit or loss</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	1% increase in interest rate	1% decrease in interest rate	1% increase in interest rate	1% decrease in interest rate
	<i>(in thousand Baht)</i>			
<b>2021</b>				
Financial instruments with variable interest rate	(197,762)	197,762	10,845	(10,845)
Interest rate swaps	542	(542)	-	-
<b>2020</b>				
Financial instruments with variable interest rate	(145,043)	145,043	8,277	(8,277)
Interest rate swaps	236	(236)	-	-

(c) *Hedge accounting*

(c.1) *Cash flow hedges*

At 31 December 2021, the Group held the following financial instruments to hedge exposures to changes in interest rates.

<i>At 31 December</i>	<b>Consolidated financial statements</b>					
	Within 1 year	2021 Maturity After 1 year but within 5 years	After 5 years	Within 1 year	2020 Maturity After 1 year but within 5 years	After 5 years
<b>Interest rate risk</b>						
<i>Interest rate swaps</i>						
Net exposure ( <i>in thousand Baht</i> )	173,612	294,805	199,034	198,636	299,071	510,973
Average fixed interest rate (%)	2.70	4.55	2.94	2.70	2.72	2.94

The amounts at the reporting date relating to items designated as hedged items were as follows.

<i>At 31 December</i>	<b>Consolidated financial statements</b>	
	2021	2020
<b>Interest rate risk</b>		
Variable-rate instruments	Cash flow hedge reserve	Cash flow hedge reserve
	<i>(in thousand Baht)</i>	<i>(in thousand Baht)</i>
	<b>335,855</b>	<b>937,497</b>

The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting.

<i>Cash flow hedges</i>	<b>Consolidated financial statements</b>	
	2021	2020
<b>Balance at 1 January</b>	Hedging reserve	Hedging reserve
<b>Cash flow hedges</b>	<i>(in thousand Baht)</i>	<i>(in thousand Baht)</i>
Changes in fair value Interest rate risk	937,497	796,264
<b>Balance at 31 December</b>	(601,642)	141,233
	<b>335,855</b>	<b>937,497</b>



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**26 Capital management**

The Board of Director's Policy is to support the Group's growth and sustain liquidity at an optimal level so such capitals generate maximum value to the shareholders and maintain creditability for lenders and the capital markets. The Board of Directors has regulated the return on investment which includes returns from operating activities on total equity, excluding non-controlling interests and supervising the payment of dividends to the shareholders.

**27 Commitments with non-related parties**

***Operation and Maintenance Agreement***

On 9 December 2019, RATCH Cogeneration Company Limited, a direct subsidiary, entered into an Operation and Maintenance Agreement with a service provider for a period of 19 years from the date specified in the agreement. Under the terms of the agreement, such service provider will operate and provide maintenance services to the subsidiary. The operation and maintenance service fee is stipulated in the agreement.

***Fuel Purchase Agreements***

On 27 October 2000, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, entered into a Gas Sales Agreement with PTT Public Company Limited ("PTT") for a period of 25 years. PTT will distribute natural gas to such subsidiary at the agreed quantity and price.

On 1 June 2004, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, entered into a Diesel Purchase Agreement with PTT for a period of 3 years. PTT will distribute diesel to such subsidiary at the agreed quantity and price. The agreement is automatically extended for a period of 1 year unless written notice at least 6 months before the agreement automatically extended. On 8 March 2018, PTT Public Company Limited and the Company entered into an amendment of the agreement, which modified a party to the contract from PTT Public Company Limited to PTT Oil and Retail Business Public Company Limited ("PTTOR").

On 11 October 2021, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, entered into a Fuel Purchase Agreement with PTT Oil and Retail Business Public Company Limited ("PTTOR") and Esso (Thailand) Public Company Limited to reserve the Fuel oil and generate electric of Combine Cycle power plant.

On 31 March 2011, RATCH Cogeneration Company Limited, a direct subsidiary, entered into a Gas Sales Agreement with PTT for a period of 25 years from the date of commercial gas usage. PTT will distribute natural gas to such subsidiary at the agreed quantity and price.

Sahacogen (Chonburi) Public Company Limited, a direct subsidiary, is committed to purchase natural gas from PTT Public Company Limited ("PTT") in a specified quantity and at a stipulated price as defined in the agreement for a period of 21 years. The agreement expired in March 2020, however it contains an option to renew for an additional period of 4 years. In July 2019, the subsidiary entered into an amendment of the agreement with PTT, which modified term of the agreement. The amendment agreement will expire in March 2024.

Sahacogen (Chonburi) Public Company Limited, a direct subsidiary, is committed to purchase raw water with a private entity in a specified quantity and at a stipulated price as defined in the agreement for a period of 25 years. The agreement will expire in March 2024. In June 2020, the subsidiary entered into an amendment of the agreement with that private entity, which modified the price and terms of the

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agreement. This amended the term of the agreement to 10 years, ending in June 2030, with automatic renewal every 5 years throughout the term of the electricity sales agreements with the Electricity Generating Authority of Thailand (EGAT).

***Contractual Service Agreement***

On 29 December 2005, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, entered into a Contractual Service Agreement for the Combined Cycle power plants with the Consortium of General Electric International Operations Company Inc. and GE Energy Parts, Inc. The agreement is effective from the agreement date until the end of the operation of gas turbine according to the Power Purchase Agreement in 2027 with a total value of the existing agreement in US Dollars 428.60 million. Subsequently on 19 November 2019, all parties agreed to amend the conditions of the agreement effective from November 2019. The total value of the agreement is US Dollars 433.25 million. As at 31 December 2021, the subsidiary had outstanding commitments amounting to US Dollars 75.60 million. (2020: US Dollars 97.17 million)

In addition, in accordance with the agreement, the subsidiary is required to open a letter of credit amounting to US Dollars 6 million. As at 31 December 2021, the subsidiary had an outstanding unused letter of credit amounting to US Dollars 6 million. (2020: US Dollars 6 million)

On 29 December 2019, RATCH Cogeneration Company Limited, a direct subsidiary, entered into a Contractual Service Agreement with a service provider for a period of 15 years from the date specified in the agreement. The total value of the agreement is US Dollars 28.43 million. As at 31 December 2021, the subsidiary had outstanding commitments amounting to US Dollars 15.43 million. (2020: US Dollars 18.79 million)

***Electricity and Steam Sales Agreements***

Sahacogen Green Company Limited, an indirect subsidiary, entered into an agreement with the Provincial Electricity Authority (PEA) in March 2009 to sell electricity in a specified quantity and at a stipulated price as defined in the agreement. The agreement is for a period of 5 years, and will automatically renew every 5 years until termination. In 2016, the subsidiary joined the program for producers of electricity from renewable energy sources to change from an Adder to a Feed-in Tariff (FiT), and as a result entered into an amendment to the sales and purchase of electricity agreement with PEA in September 2016, whereby it is required to comply with certain conditions and the period for purchase of electricity is reduced, with the agreement expiring in October 2027.

Sahagreen Forest Company Limited, an indirect subsidiary, entered into an agreement with the Provincial Electricity Authority (PEA) in September 2009 to sell electricity in a specified quantity and at a stipulated price as defined in the agreement. The agreement is for a period of 20 years. Since the subsidiary joined the program for producers of electricity from renewable energy sources to change from an Adder to a Feed-in Tariff (FiT) in September 2016, it entered into an amendment to the sales and purchase of electricity agreement with PEA, whereby it is required to comply with conditions regarding the sale and purchase of electricity and connection to the electricity grid and the period for purchase of electricity is reduced, with the agreement expiring in March 2029.

Sahacogen Green Company Limited, an indirect subsidiary, entered into an agreement with Thai President Foods Public Company Limited to sell steam in a specified quantity and at a stipulated price as defined in the agreement. The agreement is for a period of 10 years, starting from April 2011, and will renew every year until termination.

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Sahacogen (Chonburi) Public Company Limited, a direct subsidiary, entered into agreements with Saha Pathana Inter-Holding Public Company Limited to sell electricity and steam in a specified quantity and at a stipulated price as defined in the agreements. The agreement is for a period of 15 years, starting from April 1999, and renewed for an additional period of 25 years. In May 2019, the subsidiary entered into an amendment of the agreement to sell electricity and steam with Saha Pathana Inter-Holding Public Company Limited, which extended the agreement to sell electricity and steam for an additional period of 37 years after April 2014.

***Maintenance and repair gas turbine engines Agreement***

Sahacogen (Chonburi) Public Company Limited, a direct subsidiary, entered into a long-term service agreement with an overseas company for the maintenance and repair the gas turbine engines, whereby the service charges are as stipulated in the agreement. The agreement terminates on 31 December 2023.

***Service agreement related to delivery of electricity generated from solar power***

Sahacogen (Chonburi) Public Company Limited, a direct subsidiary, entered into a service agreement to deliver electricity generated from solar power with Saha Pattana Inter-Holdings Public Company Limited, whereby the subsidiary is to deliver electricity generated from solar energy to the electricity delivery points. The agreement is for a period of 17 years, starting from March 2020, and can be renewed annually until termination.

***Biomass Fuel Purchase Agreement***

Sahagreen Forest Company Limited, an indirect subsidiary, entered into a biomass fuel purchase agreement with Siam Forestry Company Limited to purchase specified quantities at stipulated prices defined in the agreement. The agreement is effective from 21 August 2010 until termination.

***Operation and Maintenance Agreement***

Sahacogen (Chonburi) Public Company Limited, a direct subsidiary, entered into an agreement with Operational Energy Group Limited will provide management and assistance services for the operation and maintenance of the power plant, which the subsidiary is committed to pay for at prices as determined in the agreement. The agreement will be expired on 31 December 2023.

***Letters of guarantee***

As at 31 December 2021, the Group and its subsidiaries had commitments from letters of guarantee issued by financial institutions for the Group and its subsidiaries to comply with certain conditions in agreements in the amount of Baht 1,479.35 million, US Dollars 10.41 million and Australian Dollars 4.72 million. (2020: Baht 1,053.17 million, US Dollars 11.76 million and Australian Dollars 22.25 million)

***Standby Letters of Credit / Letter of Credit***

As at 31 December 2021, the Group and its subsidiaries had commitments from Standby Letters of Credit issued by financial institutions for Debt Service Reserve Guarantees and equity contributions in joint ventures in the amount of Baht 1,600 million, US Dollars 24.50 million and Japanese Yen 17.85 million. (2020: Baht 1,600 million, US Dollars 24.50 million and Australian Dollars 30.08 million)

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***Unused of credit facilities***

As at 31 December 2021, the Group and its subsidiaries had unused of credit facilities totalling Baht 4,828.05 million and US Dollars 1,302.87 million. (2020: Baht 7,231.90 million, US Dollars 1,066.18 million, Australian Dollars 210.12 million and Euro 182 million)

***Capital commitment***

As at 31 December 2021, RATCH Cogeneration Company Limited, a direct subsidiary, had outstanding capital commitments under expansion power plant construction agreement (Engineering Procurement & Construction Contracts 31.2 MW) and other construction and service agreements amounting to Baht 464.09 million, US Dollars 3.07 million and Japanese Yen 2,845.30 million.

As at 31 December 2021, RATCH-Australia Corporation Pty. Ltd. and its subsidiaries, an indirect subsidiary, had outstanding capital commitments under Engineering Procurement & Construction Contracts for Wind Farm and other service agreements amounting to Australian Dollars 1.46 million. (2020: Australian Dollars 26.84 million)

As at 31 December 2021, Sahacogen (Chonburi) Public Company Limited, a direct subsidiary, had outstanding capital commitments under the acquisition of equipment and maintenance cogeneration power plant and the acquisition of equipment and construction of building amounting to Baht 764.55 million, US Dollars 27.90 million and Swedish Krona 153.61 million.

***Pledge of share certificate agreements***

The Company has pledged all share certificates of RATCH Cogeneration Company Limited, a direct subsidiary, as collateral for loans to the lender of the subsidiary.

The Company has pledged all share certificates of First Korat Wind Company Limited and K.R. TWO Company Limited, direct associates, as collateral for loans to the lender of those associates.

The Group has pledged all share certificates of Xe-Pian Xe-Namnoy Power Company Limited, Ratchaburi World Cogeneration Company Limited and Hongsa Power Company Limited, joint ventures, as collateral for loans to the lender of those joint ventures.

Fareast Renewable Development Pte. Ltd., an indirect subsidiary, has pledged partial share certificates of PT Bajradaya Sentranusa, a subsidiary of the subsidiary, as collateral for loans to the lender of PT Bajradaya Sentranusa.

The Company has pledged all share certificates of Northern Bangkok Monorail Company Limited and Eastern Bangkok Monorail Company Limited, direct associates, as collateral for loans to the lender of those companies.

NEXIF RATCH ENERGY SINGAPORE PTE. LTD., a direct joint venture, has pledged all share certificates of Nexif Ratch Energy Rayong Company Limited, a subsidiary of the joint venture, as collateral for loans to the lender of Nexif Ratch Energy Rayong Company Limited.

***Signing of Sustainable Loan Agreement***

On 30 June 2021, RH International (Singapore) Corporation Pte. Ltd. ("RHIS"), an indirect subsidiary (as the Borrower) and the Company (as the Guarantor) have executed US Dollars 150 million Sustainable Loan Agreement with International Finance Corporation Bank ("IFC") to fund and/or refinance the capital expenditures incurred or to be incurred to support renewable power projects and/or

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other green infrastructure projects and/or projects in other infrastructure sectors in Thailand, Socialist Republic of Vietnam, Republic of Indonesia and Lao PDR.

***Significant litigation***

In 2014, a plaintiff filed a lawsuit against the Company based on the allegations that the Company had breached the joint development agreement for bidding of the Power Plant Project. The plaintiff demanded the Company to pay damage. The management of the Company is confident that all of the Company's action have not been in accordance with the allegations of the plaintiff and has much more confidence in strong defences. Therefore, the Company did not recognise a contingent liability in respect of this case. On 25 October 2018, the Court of First Instance issued a judgement to dismiss the claim made by the plaintiff. Subsequently on 10 June 2020, the Court of Appeals issued a judgement to dismiss the claim made by the Plaintiff upheld the Court of First Instance.

In 2019, the Company was the defendant in a civil case where the plaintiff requested the Company to pay Baht 5,271.10 million for compensation. The plaintiff claimed that the Company infringement of their trade secrets by used and made the profitability from their trade secrets information without their consent. The action reportedly caused damage to the plaintiff and preventing them from receiving lost the right, income or benefits from their trade secrets information. Subsequently on 30 September 2020, the Central Intellectual Property and International Trade Court issued a judgement to dismiss the claim since the trade secrets information claimed by the plaintiff has ceased. Therefore, the Company did not recognise a contingent liability in respect of this case.

**28 Other matters**

***Capital increase and issuing and offering new ordinary shares in proportion to the shareholding of existing shareholders***

At the Board of Directors' meeting of the Company held on 22 June 2021, the Board of Directors agreed to propose the shareholders at the Extraordinary Annual General Meeting of the Shareholders to consider and approve the increase of the registered capital of the Company from Baht 14,500.00 million to Baht 22,192.31 million by issuing new ordinary shares in the amount of 769.23 million shares at par value of Baht 10 each, totalling Baht 7,692.31 million for issuing and offering the shares in proportion to the shareholding of existing shareholders, exclude shareholders whose holding would subject the Company to obligations under the law of other jurisdictions and consider to approve the allocation of new ordinary shares. However, the completion of the transaction is subject to the approval of the Extraordinary Annual General Meeting.

***Approval of the Purchase of Agreement in respect of Investment in Thermal Power Plant in the Republic of Indonesia***

At the Extraordinary Meeting of the Shareholders of the Company held on 21 October 2021, the shareholders approved RH International (Singapore) Corporation Pte. Ltd. ("RHIS"), an indirect subsidiary to enter into transaction of purchase of ordinary shares of PT Paiton Energy and Minejesa Capital B.V. of 45.52% and purchase of ordinary shares of IPM Asia Pte. Ltd. of 65% and approved the Company and/or RHIS to allocate the proportion of investment at the share transferring date in accordance with the condition of the share purchase agreement.

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**29 Events after the reporting period**

***Call for paid up increase share capital of RATCH & AIDC Wind Energy Pte. Ltd. (“RATCH & AIDC”)***

On 14 February 2022, RH International (Singapore) Corporation Pte. Ltd. (“RHIS”), an indirect subsidiary, paid for increase share capital in the amount of 0.61 million shares at par value of US Dollar 1 each, totalling Baht 0.61 million or equivalent to Baht 19.96 million to RATCH & AIDC in proportion of investment of 63.80%

***Investment in Hin Kong Power Company Limited***

On 14 February 2022, the Company has entered into Share Purchase Agreement to purchase ordinary shares transaction of Hin Kong Power Company Limited (“HKP”) from Hin Kong Power Holding Company Limited (“HKH”), an existing shareholder, for jointly operating in Combined-cycle Power Plant Hin Kong Project in Ratchaburi. The Company already paid for share capital totalling Baht 463.59 million, in investment proportion of 51% (*Fully paid 0.20 million shares totalling Baht 2.04 million and paid-up of 25%, in the total amount of 184.62 million shares totalling Baht 461.55 million*) which resulted in HKP becoming a direct joint venture of the Company.

After the transaction was completed, the shareholding structure in HKP will be the Company with 51% and Gulf Energy Development Public Company Limited with 49%.

Combined-cycle Power Plant Hin Kong Project in Ratchaburi are 2 power plants with total contracted capacity of 1,400 Megawatts which is scheduled for commercial operation in 2024 and 2025 respectively.