

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

Financial statements for the year ended
31 December 2023
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 2023, 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 2023 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 Financial Statements* section of my report. I am independent of the Company in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Profession (Code of Ethics for Professional Accountants) that is relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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.

Impairment testing of goodwill	
Refer to Notes 3m and 11	
The key audit matter	How the matter was addressed in the audit
<p>Business risk arising from internal and external factors causes the management to pay more attention to impairment testing of goodwill arising from business acquisition, especially from the acquisition of overseas business. Besides this, according to the financial reporting standards, the Group performs an impairment testing on goodwill derived from business combination on an annual basis or whenever an indication of impairment exists. This requires management's judgments and estimates in determining the recoverable amount of cash generating unit. Therefore, this is an area of focus in my audit.</p>	<p>My audit procedures included, among others:</p> <ul style="list-style-type: none"> - obtaining understanding of the relevant business plan, the management's identification of cash generating unit, impairment testing procedures and the calculation of the recoverable amount; - evaluating the appropriateness of cash generating unit to which goodwill belongs identified by management, assessing the reasonableness of the key assumptions which supported discounted cash flows projection, including evaluating the reasonableness of the forecasting of financial performances by comparing historical estimation to the actual operating results; - evaluating the appropriateness of the valuation methodology used by management and testing the mathematical accuracy of the recoverable amount and impairment calculations; - considering the adequacy of the disclosures in accordance with the financial reporting standard.

Business acquisition	
Refer to Notes 3a and 9	
The key audit matter	How the matter was addressed in the audit
<p>On 20 December 2022, the indirect subsidiary acquired the ordinary shares of the group of an international company to jointly operate the projects in Southeast Asia and Australia energy business. The Group appointed an independent appraiser to determine the fair value of the identifiable assets acquired and liabilities assumed from the business acquisition. In fourth quarter of 2023, the assessment of the fair value of assets acquired and liabilities assumed has been completed. Therefore, the fair value of such transaction have been adjusted.</p> <p>The acquisition method of accounting for business combinations is complex and requires the Group to determine the fair value of assets and liabilities acquired, and consideration transferred with any resulting differences recognised as goodwill.</p> <p>I considered this to be key audit matter as the business combination is material and identification and determination of fair value of the assets acquired and liabilities assumed involved significant judgment.</p>	<p>My audit procedures included, among others:</p> <ul style="list-style-type: none"> - reading the sale and purchase agreement and inquiring of management to understand key terms and conditions; - evaluating the appropriateness of the identification of the assets acquired, liabilities assumed and consideration transferred which prepared by the independent appraiser; - evaluating the independence and competency of independent appraiser; - involving KPMG specialist in assessing the valuation methodology and financial parameters applied to the discount rate of the intangible assets; - evaluating significant assumptions in determining fair values with reference to internal and external information and mathematical accuracy; - evaluating the adequacy of the disclosures in accordance with the relevant Thai Financial Reporting Standards.

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, action taken to eliminate threats or safeguards applied.

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.

(Natthaphong Tantichattanont)
 Certified Public Accountant
 Registration No. 8829

KPMG Phoomchai Audit Ltd.
 Bangkok
 27 February 2024

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

Assets	Notes	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2023	2022	2023	2022
(in Baht)					
Current assets					
Cash and cash equivalents	5	23,563,040,852	34,341,174,186	1,386,406,992	936,197,625
Trade accounts receivables	6	5,324,217,324	12,582,355,119	-	-
Other current receivables		1,389,506,416	1,112,041,003	95,375,852	69,802,548
Advances to and other current receivables from related parties	4	98,247,184	59,817,878	173,029,847	123,392,421
Short-term loans to related parties	4	-	-	147,831,777	143,642,411
Current portion of lease receivables	4	1,872,965,281	1,983,048,700	-	-
Spare parts and supplies	7	2,513,445,454	1,945,796,919	-	-
Other current financial assets	22	6,505,495,490	3,158,373,423	2,424,902,567	2,601,633,412
Current portion of derivative assets	22	41,906,113	41,601,486	-	-
Other current assets		309,313,173	259,954,615	7,318,969	7,163,607
Total current assets		41,618,137,287	55,484,163,329	4,234,866,004	3,881,832,024
Non-current assets					
Other non-current financial assets	22	2,933,673,587	4,032,524,854	2,033,170,429	2,584,604,592
Investments in associates	8	10,841,850,100	10,972,941,780	6,506,741,625	6,431,741,625
Investments in subsidiaries	9	-	-	85,817,833,715	89,383,333,715
Investments in joint ventures	8	52,919,083,084	50,391,978,936	8,325,357,990	6,549,294,884
Other non-current receivables from related parties	4	187,654,314	118,108,302	399,709,670	211,868,043
Derivative assets	22	898,352,162	1,405,439,809	-	-
Long-term loans to related parties	4, 22	1,088,772,323	770,633,721	4,371,059,468	3,854,448,777
Long-term loans to other parties	22	4,423,580,228	4,467,775,558	-	-
Investment properties		125,649,844	127,980,094	-	-
Land for future development projects		358,097,641	355,767,391	305,389,850	305,389,850
Property, plant and equipment	10	51,491,701,261	52,337,819,832	476,733,281	490,225,499
Right-of-use assets		3,791,567,732	3,775,386,378	40,667,024	23,422,383
Goodwill	11	9,734,343,314	9,940,393,701	-	-
Other intangible assets		9,532,804,145	9,574,909,109	137,750	157,803
Lease receivables	4	21,546,692,326	23,690,813,005	-	-
Deferred tax assets	18	-	-	24,985,684	-
Other non-current assets		1,986,988,555	2,131,645,392	4,972,130	4,530,126
Total non-current assets		171,860,810,616	174,094,117,862	108,306,758,616	109,839,017,297
Total assets		213,478,947,903	229,578,281,191	112,541,624,620	113,720,849,321

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	Notes	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2023	2022	2023	2022
<i>(in Baht)</i>					
Current liabilities					
Short-term loans from financial institutions	12	1,557,000,000	8,684,886,812	-	-
Short-term loans from related parties	4, 12	387,600,000	-	6,682,600,000	5,090,000,000
Trade payables and other current payables		6,392,776,352	11,577,103,291	445,533,890	386,853,973
Derivative liabilities	22	331,783,644	656,596,472	-	-
Current portion of long-term loans from financial institutions	12, 22	24,130,656,259	6,579,960,664	21,494,937,269	-
Current portion of debentures	12	-	999,575,007	-	999,575,007
Current portion of lease liabilities	12, 22	153,115,843	171,562,707	16,099,568	14,029,261
Current tax payable		80,196,493	21,555,863	-	-
Other current liabilities		94,042,837	482,064,444	22,815,982	22,276,223
Total current liabilities		33,127,171,428	29,173,305,260	28,661,986,709	6,512,734,464
Non-current liabilities					
Long-term loans from financial institutions	12, 22	35,496,629,134	55,080,165,147	-	21,484,188,397
Long-term loans	12, 22	320,000,000	346,958,672	-	-
Lease liabilities	12, 22	3,398,269,860	3,192,980,578	25,412,337	10,635,897
Derivative liabilities	22	2,389,528,350	3,075,156,685	-	-
Debentures	12, 22	24,526,631,989	23,919,047,563	7,991,638,076	6,991,871,300
Deferred tax liabilities	18	5,501,643,732	5,607,300,605	-	77,066,081
Non-current provisions for employee benefits		325,901,044	293,028,459	211,745,912	193,537,619
Other long-term provisions		1,223,487,217	1,388,774,687	-	-
Other non-current liabilities		36,231,725	98,294,590	-	-
Total non-current liabilities		73,218,323,051	93,001,706,986	8,228,796,325	28,757,299,294
Total liabilities		106,345,494,479	122,175,012,246	36,890,783,034	35,270,033,758
Equity					
Share capital:	13				
Authorised share capital (2,219,230,770 ordinary shares, par value at Baht 10 per share)		22,192,307,700	22,192,307,700	22,192,307,700	22,192,307,700
Issued and paid-up share capital (2,174,999,985 ordinary shares, par value at Baht 10 per share)		21,749,999,850	21,749,999,850	21,749,999,850	21,749,999,850
Share premium on ordinary shares	14	19,279,777,633	19,279,777,633	19,279,777,633	19,279,777,633
Difference arising from common control transaction		-	-	221,308,748	221,308,748
Retained earnings					
Appropriated					
Legal reserve	14	2,219,230,770	1,638,780,000	2,219,230,770	1,638,780,000
Unappropriated		60,927,822,828	59,821,028,087	32,083,870,316	35,071,141,316
Other components of equity		(6,179,449,481)	(4,460,976,921)	96,654,269	489,808,016
Equity attributable to owners of the Company		97,997,381,600	98,028,608,649	75,650,841,586	78,450,815,563
Non-controlling interests		9,136,071,824	9,374,660,296	-	-
Total equity		107,133,453,424	107,403,268,945	75,650,841,586	78,450,815,563
Total liabilities and equity		213,478,947,903	229,578,281,191	112,541,624,620	113,720,849,321

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	
	Notes	2023	2022	2023	2022
		(in Baht)			
Revenue from sales and rendering of services	4, 15	41,238,526,835	71,882,029,519	-	-
Revenue from lease contracts	4	2,436,622,679	2,843,190,606	-	-
Cost of sales and rendering of services	4, 17	(37,754,853,493)	(69,286,595,909)	-	-
Gross profit		5,920,296,021	5,438,624,216	-	-
Management service income	4	300,954,131	275,444,865	462,940,898	503,615,559
Interest income	4	1,830,732,915	499,612,544	276,022,195	235,467,126
Dividend income	4, 8	17,352,269	26,513,791	2,171,830,423	2,484,409,404
Other income	4, 16	1,008,741,633	209,055,021	23,198,083	19,875,186
Administrative expenses	4, 17	(3,037,429,146)	(2,778,700,632)	(922,182,136)	(1,078,091,785)
Gain from change in proportion of investment in joint ventures		-	661,079,766	-	-
Net foreign exchange gain (loss)		133,450,269	(30,132,370)	(18,452,909)	79,070,896
Gain (loss) on fair value adjustment of derivatives		792,661,750	(102,457,722)	-	-
Finance costs	4	(4,442,618,930)	(2,976,667,556)	(923,940,136)	(347,775,305)
Share of profit of joint ventures and associates accounted for using equity method	8	3,815,195,091	5,391,157,218	-	-
Profit before income tax expense		6,339,336,003	6,613,529,141	1,069,416,418	1,896,571,081
Tax (expense) income	18	(860,308,901)	(937,344,240)	3,763,328	6,888,458
Profit for the year		5,479,027,102	5,676,184,901	1,073,179,746	1,903,459,539
Other comprehensive income (expense)					
Items that will be reclassified subsequently to profit or loss					
Exchange differences on translating financial statements		(455,388,454)	(222,097,212)	-	-
Loss on cash flow hedges		(175,643,647)	(210,511,392)	-	-
Share of other comprehensive income (expense) of joint ventures and associates accounted for using equity method	8	(1,091,708,281)	1,765,371,505	-	-
Income tax relating to items that will be reclassified	18	513,443,756	(207,018,824)	-	-
Total items that will be reclassified subsequently to profit or loss		(1,209,296,626)	1,125,744,077	-	-
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	22	(634,863,303)	(32,327,860)	(491,442,183)	401,871,652
Gain (loss) on remeasurements of defined benefit plans		(19,877,613)	3,489,816	-	-
Share of other comprehensive income (expense) of joint ventures and associates accounted for using equity method	8	(7,578,149)	11,933,147	-	-
Income tax relating to items that will not be reclassified	18	97,546,731	(80,886,768)	98,288,436	(80,374,330)
Total items that will not be reclassified to profit or loss		(564,772,334)	(97,791,665)	(393,153,747)	321,497,322
Other comprehensive income for the year, net of tax		(1,774,068,960)	1,027,952,412	(393,153,747)	321,497,322
Total comprehensive income for the year		3,704,958,142	6,704,137,313	680,025,999	2,224,956,861
Profit (loss) attributable to:					
Owners of the Company		5,167,245,487	5,782,072,318	1,073,179,746	1,903,459,539
Non-controlling interests		311,781,615	(105,887,417)	-	-
Profit for the year		5,479,027,102	5,676,184,901	1,073,179,746	1,903,459,539
Total comprehensive income attributable to:					
Owners of the Company		3,448,772,927	6,390,832,511	680,025,999	2,224,956,861
Non-controlling interests		256,185,215	313,304,802	-	-
Total comprehensive income for the year		3,704,958,142	6,704,137,313	680,025,999	2,224,956,861
Basic earnings per share (in Baht)	20	2.38	3.15	0.49	1.04

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	Cash flow hedge reserve	Share of other comprehensive income (expense) of joint ventures and associates using equity method	Gain (loss) on remeasurements of defined benefit plans	Total other components of equity	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
	Notes													
(Baht)														
Year ended 31 December 2022														
Balance at 1 January 2022		14,500,000,000	1,531,778,000	1,450,000,000	57,924,446,923	(2,327,603,523)	(1,959,670,731)	(335,855,197)	(405,859,053)	(40,748,610)	(5,069,737,114)	70,336,487,809	8,941,454,328	79,277,942,137
Transactions with owners, recorded directly in equity														
Contributions by and distributions to owners of the parent														
Issue of ordinary shares	13	7,249,999,850	17,747,999,633	-	-	-	-	-	-	-	-	24,997,999,483	-	24,997,999,483
Dividends	21	-	-	-	(3,697,499,988)	-	-	-	-	-	-	(3,697,499,988)	(364,367,624)	(4,061,867,612)
Total contributions by and distributions to owners of the parent		7,249,999,850	17,747,999,633	-	(3,697,499,988)	-	-	-	-	-	-	21,300,499,495	(364,367,624)	20,936,131,871
Changes in ownership interests in subsidiaries														
Acquisition of non-controlling interastrs with a change in control		-	-	-	-	-	-	-	-	-	-	-	530,435,199	530,435,199
Acquisition of non-controlling interastrs without a change in control		-	-	-	788,834	-	-	-	-	-	-	788,834	(46,166,409)	(45,377,575)
Total changes in ownership interests in subsidiaries		-	-	-	788,834	-	-	-	-	-	-	788,834	484,268,790	485,057,624
Total transactions with owners, recorded directly in equity		7,249,999,850	17,747,999,633	-	(3,696,711,154)	-	-	-	-	-	-	21,301,288,329	119,901,166	21,421,189,495
Comprehensive income (expense) for the year														
Profit (loss)		-	-	-	5,782,072,318	-	-	-	-	-	-	5,782,072,318	(105,887,417)	5,676,184,901
Other comprehensive income (expense)		-	-	-	-	(223,815,187)	(113,057,130)	(834,128,297)	1,777,304,652	2,456,155	608,760,193	608,760,193	419,192,219	1,027,952,412
Total comprehensive income (expense) for the year		-	-	-	5,782,072,318	(223,815,187)	(113,057,130)	(834,128,297)	1,777,304,652	2,456,155	608,760,193	6,390,832,511	313,304,802	6,704,137,313
Transfer to legal reserve	14	-	-	188,780,000	(188,780,000)	-	-	-	-	-	-	-	-	-
Balance at 31 December 2022		21,749,999,850	19,279,777,633	1,638,780,000	59,821,028,087	(2,551,418,710)	(2,072,727,861)	(1,169,983,494)	1,371,445,599	(38,292,455)	(4,460,976,921)	98,028,608,649	9,374,660,296	107,403,268,945

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	Cash flow hedge reserve	Share of other comprehensive income (expense) of joint ventures and associates using equity method	Loss on remeasurements of defined benefit plans	Total other components of equity	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
Notes														
		(Baht)												
Year ended 31 December 2023														
Balance at 1 January 2023		21,749,999,850	19,279,777,633	1,638,780,000	59,821,028,087	(2,551,418,710)	(2,072,727,861)	(1,169,983,494)	1,371,445,599	(38,292,455)	(4,460,976,921)	98,028,608,649	9,374,660,296	107,403,268,945
Transactions with owners, recorded directly in equity														
Distributions to owners of the parent														
Dividends	21	-	-	-	(3,479,999,976)	-	-	-	-	-	-	(3,479,999,976)	(570,013,282)	(4,050,013,258)
Total distributions to owners of the parent		-	-	-	(3,479,999,976)	-	-	-	-	-	-	(3,479,999,976)	(570,013,282)	(4,050,013,258)
Changes in ownership interests in subsidiaries														
Acquisition of non-controlling interests without a change in control		-	-	-	-	-	-	-	-	-	-	-	75,239,595	75,239,595
Total changes in ownership interests in subsidiaries		-	-	-	-	-	-	-	-	-	-	-	75,239,595	75,239,595
Total transactions with owners, recorded directly in equity		-	-	-	(3,479,999,976)	-	-	-	-	-	-	(3,479,999,976)	(494,773,687)	(3,974,773,663)
Comprehensive income (expense) for the year														
Profit		-	-	-	5,167,245,487	-	-	-	-	-	-	5,167,245,487	311,781,615	5,479,027,102
Other comprehensive income (expense)		-	-	-	-	(440,906,267)	(538,804,099)	380,350,305	(1,099,286,430)	(19,826,069)	(1,718,472,560)	(1,718,472,560)	(55,596,400)	(1,774,068,960)
Total comprehensive income (expense) for the year		-	-	-	5,167,245,487	(440,906,267)	(538,804,099)	380,350,305	(1,099,286,430)	(19,826,069)	(1,718,472,560)	3,448,772,927	256,185,215	3,704,958,142
Transfer to legal reserve	14	-	-	580,450,770	(580,450,770)	-	-	-	-	-	-	-	-	-
Balance at 31 December 2023		21,749,999,850	19,279,777,633	2,219,230,770	60,927,822,828	(2,992,324,977)	(2,611,531,960)	(789,633,189)	272,159,169	(58,118,524)	(6,179,449,481)	97,997,381,600	9,136,071,824	107,133,453,424

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 <i>(in Baht)</i>	Fair value reserve	Loss on remeasurements of defined benefit plans	Total other components of equity	Total equity
Notes										
Year ended 31 December 2022										
Balance at 1 January 2022		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
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners of the parent										
Issue of ordinary shares	13	7,249,999,850	17,747,999,633	-	-	-	-	-	-	24,997,999,483
Dividends	21	-	-	-	-	(3,697,499,988)	-	-	-	(3,697,499,988)
Total contributions by and distributions to owners of the parent		7,249,999,850	17,747,999,633	-	-	(3,697,499,988)	-	-	-	21,300,499,495
Total transactions with owners, recorded directly in equity		7,249,999,850	17,747,999,633	-	-	(3,697,499,988)	-	-	-	21,300,499,495
Comprehensive income for the year										
Profit		-	-	-	-	1,903,459,539	-	-	-	1,903,459,539
Other comprehensive income		-	-	-	-	-	321,497,322	-	321,497,322	321,497,322
Total comprehensive income for the year		-	-	-	-	1,903,459,539	321,497,322	-	321,497,322	2,224,956,861
Transfer to legal reserve	14	-	-	-	188,780,000	(188,780,000)	-	-	-	-
Balance at 31 December 2022		21,749,999,850	19,279,777,633	221,308,748	1,638,780,000	35,071,141,316	533,347,743	(43,539,727)	489,808,016	78,450,815,563

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

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

	Notes	Separate financial statements								
		Issued and paid-up share capital	Share premium	Difference arising from common control transaction	Retained earnings		Other components of equity			Total equity
					Legal reserve	Unappropriated (in Baht)	Fair value reserve	Loss on remeasurements of defined benefit plans	Total other components of equity	
Year ended 31 December 2023										
Balance at 1 January 2023		21,749,999,850	19,279,777,633	221,308,748	1,638,780,000	35,071,141,316	533,347,743	(43,539,727)	489,808,016	78,450,815,563
Transactions with owners, recorded directly in equity										
Distributions to owners of the parent										
Dividends	21	-	-	-	-	(3,479,999,976)	-	-	-	(3,479,999,976)
Total distributions to owners of the parent		-	-	-	-	(3,479,999,976)	-	-	-	(3,479,999,976)
Total transactions with owners, recorded directly in equity		-	-	-	-	(3,479,999,976)	-	-	-	(3,479,999,976)
Comprehensive income for the year										
Profit		-	-	-	-	1,073,179,746	-	-	-	1,073,179,746
Other comprehensive income (expense)		-	-	-	-	-	(393,153,747)	-	(393,153,747)	(393,153,747)
Total comprehensive income for the year		-	-	-	-	1,073,179,746	(393,153,747)	-	(393,153,747)	680,025,999
Transfer to legal reserve	14	-	-	-	580,450,770	(580,450,770)	-	-	-	-
Balance at 31 December 2023		21,749,999,850	19,279,777,633	221,308,748	2,219,230,770	32,083,870,316	140,193,996	(43,539,727)	96,654,269	75,650,841,586

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

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

	<i>Notes</i>	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
		2023	2022	2023	2022
<i>(in Baht)</i>					
<i>Cash flows from operating activities</i>					
Profit for the year		5,479,027,102	5,676,184,901	1,073,179,746	1,903,459,539
<i>Adjustments to reconcile profit to cash receipts (payments)</i>					
Tax expense (income)	18	860,308,901	937,344,240	(3,763,328)	(6,888,458)
Finance costs		4,442,618,930	2,976,667,556	923,940,136	347,775,305
Depreciation and amortisation		4,065,393,625	3,036,649,441	33,068,448	33,696,497
(Reverse of) impairment losses recognised in profit or loss		(2,715,905)	4,937,353	(343,723)	18,183,054
Impairment losses on assets		196,654,560	-	-	-
Unrealised (gain) loss on foreign exchange		(234,570,512)	(271,676,596)	38,451,129	(42,478,545)
(Gain) loss on fair value adjustment of derivatives		(792,661,750)	102,457,722	-	-
(Gain) loss on fair value adjustment of other financial assets		8,502,177	(3,826,923)	8,070,798	(10,912,360)
(Gain) loss on disposal of other financial assets		(2,832,150)	1,920,420	(2,645,118)	2,155,596
Fair value adjustment of lease receivables and lease adjustment		130,482,567	125,320,338	-	-
Share of profit of joint ventures and associates accounted for using equity method, net of tax	8	(3,815,195,091)	(5,391,157,218)	-	-
(Reversal of) loss on allowance for obsolescence of spare parts and supplies devaluation		(48,847,393)	50,452,593	-	-
Loss on fuel oil devaluation		15,629,377	2,161,601	-	-
Loss on disposal of spare parts and supplies		-	13,212,983	-	-
(Gain) loss on write-off and disposal of property, plant and equipment		(17,933,232)	6,691,942	25	(1,837)
Dividend income		(17,352,269)	(26,513,791)	(2,171,830,423)	(2,484,409,404)
Interest income		(1,830,732,915)	(499,612,544)	(276,022,195)	(235,467,126)
Gain from change in proportion of investment in joint ventures		-	(661,079,766)	-	-
Write-off withholding tax deducted at source and others		3,251	2,425,702	-	2,421,138
		8,435,779,273	6,082,559,954	(377,894,505)	(472,466,601)
<i>Changes in operating assets and liabilities</i>					
Trade accounts receivables		7,511,933,657	(2,701,004,792)	-	-
Other current receivables		(447,755,752)	195,481,035	(25,080,002)	(1,007,223)
Advances to and other current receivables from related parties		(301,122,390)	(26,867,332)	(51,225,090)	(9,562,049)
Lease receivables		1,947,902,170	3,052,728,531	-	-
Spare parts and supplies		(535,974,703)	227,574,180	-	-
Other current assets and other non-current assets		(17,407,419)	(324,052,351)	(602,701)	(510,460)
Trade payable and other current payables		(5,168,241,498)	1,680,532,977	33,540,949	45,914,548
Other current liabilities		(351,742,917)	180,002,422	240,915	1,090,474
Non-current provisions for employee benefits		29,323,665	13,818,931	20,163,292	14,234,568
Long-term provisions		(213,786,030)	17,103,150	-	-
Net cash generated from (used in) operating		10,888,908,056	8,397,876,705	(400,857,142)	(422,306,743)
Taxes received (paid)		(144,218,219)	(893,109,173)	894,779	(12,372,274)
Net cash from (used in) operating activities		10,744,689,837	7,504,767,532	(399,962,363)	(434,679,017)

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

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

	<i>Notes</i>	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
		2023	2022	2023	2022
<i>(in Baht)</i>					
<i>Cash flows from investing activities</i>					
Payments for investments in joint ventures	8	(2,160,206,293)	(6,034,762,606)	(1,776,063,106)	(720,030,000)
Payments for investments in associates	8	(75,000,000)	(75,000,000)	(75,000,000)	(75,000,000)
Proceeds from reduction of ordinary shares of subsidiary		-	-	3,613,500,000	-
Acquisition of subsidiaries, net of cash acquired		-	(14,759,909,647)	-	-
Payments for investment in subsidiaries		-	-	(48,000,000)	(32,690,377,575)
Net cash inflow (outflow) in other current financial assets		(2,835,740,243)	(301,799,199)	211,523,115	(2,300,152,153)
Net cash outflow in other non-current financial assets		(47,762,297)	-	-	-
Proceeds from repayment of short-term loans to related parties		-	-	-	99,500,000
Short-term loans to related parties		-	-	-	(54,500,000)
Long-term loans to related parties		(321,456,700)	(101,199,860)	(533,076,700)	(1,013,149,860)
Long-term loan to other party		-	(1,736,180,680)	-	-
Proceeds from sale of property, plant and equipment		57,653,610	47,120,158	-	1,860
Payment for acquisition of plant and equipment		(3,045,390,557)	(2,375,498,089)	(2,925,250)	(945,207)
Payment for acquisition of intangible assets		(20,051,999)	(10,510,916)	(109,500)	-
Dividends received		2,142,363,545	2,810,195,022	2,171,830,423	2,484,409,404
Interest received		1,553,669,178	318,560,068	82,116,400	96,461,536
Net cash from (used in) investing activities		(4,751,921,756)	(22,218,985,749)	3,643,795,382	(34,173,781,995)
<i>Cash flows from financing activities</i>					
Proceeds from short-term loans from financial institutions	12	19,168,551,574	23,194,886,361	6,090,000,000	6,103,000,000
Repayment for short-term loans from financial institutions	12	(26,213,662,065)	(20,069,166,010)	(6,090,000,000)	(8,639,000,000)
Proceeds from long-term loans from financial institutions	12	4,824,676,872	35,155,139,755	-	16,500,000,000
Repayment for long-term loans from financial institutions	12	(6,739,995,342)	(13,309,118,633)	-	-
Proceeds from short-term loans from related party	12	402,900,000	-	1,632,900,000	-
Repayment for short-term loans from related party	12	(15,300,000)	-	(40,300,000)	(50,000,000)
Proceeds (repayment) for long-term loans	12	(26,712,348)	26,958,672	-	-
Payment of lease liabilities		(270,823,108)	(187,271,710)	(18,584,792)	(17,761,990)
Proceeds from issue of debentures		1,000,000,000	2,650,000,000	1,000,000,000	-
Repayment of debenture		(1,000,000,000)	(2,000,000,000)	(1,000,000,000)	-
Dividend paid to owners of the Company	21	(3,479,701,132)	(3,697,016,172)	(3,479,701,132)	(3,697,016,172)
Dividend paid to non-controlling interests		(581,196,890)	(364,367,624)	-	-
Finance costs paid		(3,961,292,525)	(3,199,982,482)	(887,937,728)	(345,113,576)
Proceeds from the issuance of shares		8,398,007	24,997,999,483	-	24,997,999,483
Net cash from (used in) financing activities		(16,884,156,957)	43,198,061,640	(2,793,623,652)	34,852,107,745
Net increase (decrease) in cash and cash equivalents,					
before effect of exchange rates		(10,891,388,876)	28,483,843,423	450,209,367	243,646,733
Effect of exchange rate changes on cash and cash equivalents		113,255,542	(1,104,163,704)	-	-
Net increase (decrease) in cash and cash equivalents		(10,778,133,334)	27,379,679,719	450,209,367	243,646,733
Cash and cash equivalents at 1 January		34,341,174,186	6,961,494,467	936,197,625	692,550,892
Cash and cash equivalents at 31 December	5	23,563,040,852	34,341,174,186	1,386,406,992	936,197,625

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 2023

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RATCH Group Public Company Limited and its subsidiaries
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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 27 February 2024.

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, 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, with objectives to generate and sell electricity, develop power energy project and infrastructure project. Details of the Company’s subsidiaries, associates and joint ventures are given in note 8 and 9.

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. The accounting policies, described in note 3, have been applied consistently to all periods presented in these financial statements.

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions that are described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3 Significant accounting policies

(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 does 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 is accounted for as other surplus/deficit in shareholders’ equity.

RATCH Group Public Company Limited and its subsidiaries
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For the year ended 31 December 2023

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 on consolidation. 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. 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 estimates 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 recognised as would be required 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 2023

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 off 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 each entities in the Group 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

Debenture issued by the Group is initially recognized when it is issued. 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 plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or 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.

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

RATCH Group Public Company Limited and its subsidiaries
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Interest rate benchmark reform

When the basis of determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changed as a result of interest rate benchmark reform (IBOR reform), the Group first updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by IBOR reform.

(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, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged.

(d.4) Energy derivatives

Energy derivatives are recognised at fair value which determined as the present value of future contracted cash flows. The future cash flows are discounted using standard valuation techniques at applicable market yield having regard to timing of cash flows. The effective portion of changes in the fair value of the energy derivatives is recognised in OCI. Any ineffective portion of changes in the fair value of the energy derivatives is recognised immediately in profit or loss.

(d.5) 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.

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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.

(d.6) 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 takes action such as realising security (if any is held); or
- the financial asset is over the payment specified in the contract

(d.7) 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 comprise cash balances, call deposits and highly liquid short-term investments which have maturities of three months or less from the date of acquisition.

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(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 the ECLs rates. 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.

(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 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.

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.

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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 - 42	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

(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 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
Right to use transmission systems	6 - 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.

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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 are recognised as expenses on a straight-line basis over the respective lease terms.

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 prepaid lease payment, plus any initial direct costs incurred. 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.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the Group's incremental borrowing rate to discount the lease payments to the present value. 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 lease modification. 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, the Group allocates the consideration in the contract to each component on the basis of their relative standalone selling prices.

At lease inception, the Group considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

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 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 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.

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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.

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.

An impairment loss of asset 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.

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(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.

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 an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

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 lease contracts

Revenue from 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 it relates 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, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the separate financial statements.

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. 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) Earnings per share

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.

4 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 is under common control or under the same significant influence as the Group; or a person or entity over which the Group has direct or indirect control or has significant influence over the financial and managerial decision-making.

Relationships with parent, subsidiaries, associates and joint ventures are described in notes 8 and 9. Other related parties which the Group had significant transactions with during the year were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
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

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Name of entities	Country of incorporation/ nationality	Nature of relationships
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
Nexif Energy Holding B.V. and its subsidiaries	Netherlands	Indirect subsidiary, 100% shareholding by an indirect subsidiary
RATCH China Power Limited (In process of liquidation)*	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
Ratch Energy Rayong Company Limited (<i>Formerly named Nexif Ratch Energy Rayong Co., Ltd.</i>)	Thailand	Indirect subsidiary, 99.99% shareholding by an indirect subsidiary
Nam Ngum 2 Power Company Limited	Lao PDR	Subsidiary of a direct joint venture, 75% shareholding by a direct joint venture
Ecwin Energy Corporation	Vietnam	Subsidiary of an indirect joint venture, 80% shareholding by an indirect joint venture
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.

**Complete liquidation on 2 February 2024*

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<i>Significant transactions with related parties</i> <i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Major shareholder				
Revenue from sales of electricity	30,916,603	63,688,441	-	-
Operation and maintenance service income	84,910	72,016	-	-
Revenue from lease contracts	1,169,451	1,536,339	-	-
Other income	13,087	4,726	13,087	4,726
Purchase of electricity	209,902	200,193	-	-
Operation and maintenance service fee	1,353,146	1,271,186	-	-
Management service of fuel	1,095	2,177	-	-
Other service fees	3,614	6,735	1,149	4,051
Subsidiaries				
Management service income	-	-	195,757	230,966
Interest income	-	-	122,977	104,121
Dividend income	-	-	2,026,613	2,333,901
Interest expense	-	-	101,930	46,996
Associates				
Management service income	2,333	2,276	2,333	2,276
Interest income	10,206	2,259	10,206	2,259
Dividend income	-	-	37,115	32,600
Joint ventures				
Operation and maintenance service income	1,430	1,729	-	-
Management service income	314,126	273,044	264,693	270,249
Interest income	61,780	43,444	61,780	43,444
Dividend income	-	-	108,090	115,590
Rental income	54,857	54,235	-	-
Other income	13,056	15,416	-	-
Management service fee	27,292	-	-	-
Interest expense	3,737	-	3,737	-
Other related parties				
Dividend income	12	2,318	12	2,318
Other service fee	-	6,518	-	6,518
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	219,669	177,406	109,213	84,305
Defined contribution plan	11,274	8,797	4,856	2,648
Defined benefit plan	7,877	4,487	2,197	2,402
Total key management personnel compensation	238,820	190,690	116,266	89,355

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<i>Balances with related parties</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<i>Trade accounts receivables</i>				
Major shareholder	4,172,090	11,515,948	-	-
Associate	1,940	1,597	-	-
Joint venture	114	133	-	-
Total	4,174,144	11,517,678	-	-
Less allowance for expected credit loss	-	-	-	-
Net	4,174,144	11,517,678	-	-
<i>Advances to and other current receivables</i>				
Major shareholder	474	6,592	-	5,057
Subsidiaries	-	-	100,047	82,787
Associates	208	203	208	203
Joint ventures	97,565	53,023	72,775	35,345
Total	98,247	59,818	173,030	123,392
<i>Short-term loans to</i>				
Subsidiaries	-	-	148,484	144,269
Total	-	-	148,484	144,269
Less allowance for expected credit loss	-	-	(652)	(627)
Net	-	-	147,832	143,642
<i>Other non-current receivables</i>				
Subsidiaries	-	-	212,056	93,760
Associates	12,619	2,413	12,619	2,413
Joint ventures	175,035	115,695	175,035	115,695
Total	187,654	118,108	399,710	211,868
<i>Long-term loans to</i>				
Subsidiaries	-	-	3,342,593	3,141,604
Associates	393,178	81,921	393,178	81,921
Joint ventures	704,867	700,863	704,867	700,863
Total	1,098,045	782,784	4,440,638	3,924,388
Less allowance for expected credit loss	(9,273)	(12,150)	(69,579)	(69,939)
Net	1,088,772	770,634	4,371,059	3,854,449

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<i>Receivable under lease contracts</i>	Consolidated financial statements					
	Portion due within one year		Portion due after one year		Total	
	2023	2022	2023	2022	2023	2022
	<i>(in thousand Baht)</i>					
Major shareholder						
Receivables under lease contracts	2,436,843	2,832,826	5,455,020	7,891,863	7,891,863	10,724,689
Less unearned interest income	(865,120)	(1,121,903)	(982,358)	(1,847,478)	(1,847,478)	(2,969,381)
	1,571,723	1,710,923	4,472,662	6,044,385	6,044,385	7,755,308
Less allowance for expected credit loss	-	-	(1,644)	(1,644)	(1,644)	(1,644)
Receivable under lease contracts-net	1,571,723	1,710,923	4,471,018	6,042,741	6,042,741	7,753,664

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

	Consolidated financial statements			
	Receivable and interest under lease contracts 2023	Receivable under lease contracts - net (in thousand Baht)	Receivable and interest under lease contracts 2022	Receivable under lease contracts - net
Portion due within one year	2,436,843	1,571,723	2,832,826	1,710,923
Portion due after one year but within five years	5,455,020	4,472,662	7,891,863	6,044,385
	7,891,863	6,044,385	10,724,689	7,755,308
Less unearned interest income	(1,847,478)	-	(2,969,381)	-
Less allowance for expected credit loss	(1,644)	(1,644)	(1,644)	(1,644)
Receivable under lease contracts-net	6,042,741	6,042,741	7,753,664	7,753,664

<i>(Reversal of) expected credit losses Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Short-term loans to	-	-	25	(29)
Long-term loans to	(2,877)	4,919	(360)	18,194

<i>Balances with related parties At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Short term loan from				
Subsidiary	-	-	6,295,000	5,090,000
Joint venture	387,600	-	387,600	-
Total	387,600	-	6,682,600	5,090,000

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<i>Balances with related parties</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<i>Trade payable</i>				
Major shareholder	5,048	4,383	-	-
Joint ventures	-	28	-	-
Total	5,048	4,411	-	-
<i>Other current payable</i>				
Major shareholder	73,258	117,255	-	540
Subsidiaries	-	-	43,830	18,794
Joint ventures	16,405	16,776	14,887	15,258
Total	89,663	134,031	58,717	34,592

Significant agreements with related parties

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.

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.

On 26 November 2021, the subsidiary entered into a Power Purchase Agreement with EGAT for a period of 25 years as from the scheduled commercial operation date ("SCOD"). The SCOD specified in the agreement will be 19 April 2024 and the agreement will end in April 2049. This Power Purchase Agreement obliged the subsidiary to construct new cogeneration power plant which has a maximum capacity of 73 Megawatts for electricity and 75 tons per hour for steam.

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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. Subsequently on 29 December 2022, the Company sent a letter for canceling the contract effective 1 July 2023.

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 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 direct joint venture, for a period of 28 years and 6 months which effective from 1 July 2021 onwards.

RATCH Group Public Company Limited and its subsidiaries
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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 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 2023, 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, 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 2023, the Company has not yet provided any loans or guarantees under the agreement with Eastern Bangkok Monorail Company Limited.

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 and Hin Kong Power Company Limited, direct joint ventures. 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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5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Cash on hand	1,272	1,839	30	449
Cash at banks	21,410,055	10,773,556	161,377	181,749
Highly liquid short-term investments	2,151,714	23,565,779	1,225,000	754,000
Cash and cash equivalents	23,563,041	34,341,174	1,386,407	936,198

6 Trade accounts receivables

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Within credit terms	5,323,083	12,579,400	-	-
Overdue:				
Less than 3 months	1,134	2,955	-	-
Total	5,324,217	12,582,355	-	-
<i>Less</i> allowance for expected credit loss	-	-	-	-
Net	5,324,217	12,582,355	-	-

7 Spare parts and supplies

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Fuel oil	1,516,470	808,005	-	-
Spare parts and supplies	1,950,195	2,110,940	-	-
Spare parts and supplies in transit	18,901	32,191	-	-
Total	3,485,566	2,951,136	-	-
<i>Less</i> allowance for obsolescence of spare parts and supplies	(954,330)	(1,003,177)	-	-
allowance for decline in value of fuel oil	(17,791)	(2,162)	-	-
Net	2,513,445	1,945,797	-	-
Spare parts and supplies recognised in 'cost of sales':				
- Cost	2,042,555	6,159,700	-	-
- (Reversal of) write-down to obsolescence of spare parts and supplies	(48,847)	46,925	-	-
- Decline in value of fuel oil to net realisable value	15,629	2,162	-	-
Net	2,009,337	6,208,787	-	-

RATCH Group Public Company Limited and its subsidiaries
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8 Investments in associates and joint ventures

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
At 1 January	61,364,921	51,067,028	12,981,037	13,170,815
Share of profits of joint ventures and associates accounted for using equity method	3,815,195	5,391,157	-	-
Share of other comprehensive income (expense) of joint ventures and associates accounted for using equity method	(1,099,286)	1,777,305	-	-
Increase in investments	2,235,205	6,205,777	1,851,063	795,031
Transfer to investment in subsidiaries	-	(1,130,418)	-	(984,809)
Dividend income	(2,125,011)	(2,784,385)	-	-
Exchange rate adjustment	(430,091)	812,767	-	-
Others	-	25,690	-	-
At 31 December	<u>63,760,933</u>	<u>61,364,921</u>	<u>14,832,100</u>	<u>12,981,037</u>

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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		Cost	At equity method		
			2023	2022	2023	2022	2023	2022
			(%)		(in thousand Baht)			
Direct associates								
First Korat Wind Company Limited	Generating and selling electricity	Thailand	20	20	399,204	399,204	430,373	435,605
K.R. TWO Company Limited	Generating and selling electricity	Thailand	20	20	365,400	365,400	398,598	406,488
Northern Bangkok Monorail Company Limited	Mass transit system	Thailand	10	10	1,440,000	1,440,000	1,600,777	1,564,868
Eastern Bangkok Monorail Company Limited	Mass transit system	Thailand	10	10	1,440,000	1,440,000	1,522,721	1,579,180
Bangkok Aviation Fuel Services Public Company Limited	Aviation fuel services	Thailand	15.53	15.53	2,712,138	2,712,138	2,534,597	2,561,635
Principal Healthcare - Sakonnakhon Company Limited	Private hospital business	Thailand	25	25	75,000	75,000	52,854	73,783
Principal Healthcare - Mukdahan Company Limited	Private hospital business	Thailand	25	-	75,000	-	75,000	-
					6,506,742	6,431,742	6,614,920	6,621,559
Indirect associates								
Solar Power (Korat 3) Company Limited	Generating and selling electricity	Thailand	40	40	75,500	75,500	175,773	181,984
Solar Power (Korat 4) Company Limited	Generating and selling electricity	Thailand	40	40	79,700	79,700	192,406	199,011
Solar Power (Korat 7) Company Limited	Generating and selling electricity	Thailand	40	40	75,500	75,500	178,735	184,484
Impact Solar Company Limited	Generating and providing rooftop solar power systems	Thailand	10.85	10.85	118,230	118,230	129,851	116,789
Perth Power Partnership (Kwinana)	Generating and selling electricity	Australia	30	30	618,531	618,531	-	-
Yandin WF Holdings Pty Ltd	Generating and selling electricity	Australia	70	70	3,077,978	3,077,978	3,550,165	3,669,115
					4,045,439	4,045,439	4,226,930	4,351,383
Total					10,552,181	10,477,181	10,841,850	10,972,942

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					Consolidated financial statements			
	Type of business	Country of incorporation	Ownership interest		Cost	At equity method		
			2023	2022	2023	2022	2023	2022
			(%)		(in thousand Baht)			
Direct joint ventures								
Chubu Ratchaburi Electric Services Company Limited	Providing operation and maintenance services	Thailand	50	50	10,000	10,000	94,029	90,863
SouthEast Asia Energy Limited	Investing in the power energy business	Thailand	33.33	33.33	2,202,250	2,202,250	3,107,751	2,936,270
Smart Infranet Company Limited	Investing in Underground Optic Fiber Network Project	Thailand	51	51	280,500	280,500	175,784	206,282
Things on Net Company Limited	Investing in installation and development of telecommunication networks	Thailand	35	35	180,018	180,018	100,511	118,841
Hin Kong Power Holding Company Limited	Importing and selling LNG	Thailand	51	51	467,772	467,772	384,303	407,607
Hin Kong Power Company Limited	Generating and selling electricity	Thailand	51	51	1,739,314	463,590	1,262,399	544,940
R E N Korat Energy Company Limited	Generating and selling electricity and steam	Thailand	40	40	328,800	240,000	282,450	217,860
Innopower Company Limited	Investing in innovation and commercial inventions including future energy business	Thailand	30	30	570,000	180,000	547,649	170,762
RATCHTEX Company Limited	Investing in Solar PV Floating Systems	Thailand	60	-	600	-	564	-
Xe-Pian Xe-Namnoy Power Company Limited	Generating and selling electricity	Lao PDR	25	25	2,523,725	2,523,725	3,123,961	3,169,815
Sekong Investment Advisory Co., Ltd.	Supporting the investment of power plant project	Lao PDR	60	60	1,440	1,440	-	-
Xekong 4 Power Co., Ltd.	Generating and selling electricity	Lao PDR	60	-	20,939	-	20,364	-
					8,325,358	6,549,295	9,099,765	7,863,240

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					Consolidated financial statements			
	Type of business	Country of incorporation	Ownership interest 2023	2022	2023	Cost 2022	At equity method 2023	2022
			(%)		(in thousand Baht)			
Indirect joint ventures								
Ratchaburi Power Company Limited	Generating and selling electricity	Thailand	25	25	1,831,250	1,831,250	2,497,789	2,678,171
Nava Nakorn Electricity Generating Company Limited	Generating and selling electricity and steam	Thailand	40	40	820,000	820,000	988,817	817,768
Ratchaburi World Cogeneration Company Limited	Generating and selling electricity and steam	Thailand	40	40	1,000,000	1,000,000	1,328,836	1,466,117
Berkprai Cogeneration Company Limited	Generating and selling electricity and steam	Thailand	35	35	465,850	465,850	710,650	679,907
Solarta Company Limited	Generating and selling electricity	Thailand	49	49	545,960	545,960	1,408,844	1,520,679
Songkhla Biomass Company Limited	Generating and selling electricity	Thailand	40	40	98,400	98,400	208,492	185,575
Songkhla Biofuel Company Limited	Providing material of biofuel	Thailand	40	40	400	400	319	321
An Binh Energy and Infrastructure Fund	Investing in the power energy business and infrastructure	Vietnam	49	49	2,504,686	2,504,686	2,776,749	2,966,325
Hongsa Power Company Limited	Generating and selling electricity	Lao PDR	40	40	12,929,886	12,929,886	25,112,194	23,750,686
Phu Fai Mining Company Limited	Coal mining and trading	Lao PDR	37.50	37.50	630	630	166,775	55,571
Asia Water Co., Ltd.	Generating and selling water	Lao PDR	40	40	179,113	179,113	185,332	185,257
SIPHANDONE-RATCH LAO CO., LTD.	Generating and selling wood pellet	Lao PDR	25	25	57,906	57,906	7,641	29,327
PT Medco Ratch Power Riau	Generating and selling electricity	Republic of Indonesia	49	49	1,083,116	1,083,116	2,489,204	2,379,662
PT TAPANULI HYDRO ENERGY	Generating and selling electricity	Republic of Indonesia	50	50	700,916	577,294	695,358	577,294
RATCH & AIDC Wind Energy Pte. Ltd.	Investing in the power energy business internationally	Singapore	63.80	63.80	318,192	295,427	252,951	292,895
NEXIF ENERGY BT PTE. LTD.	Investing in the power energy business internationally	Singapore	74.50	74.50	245,879	227,538	237,691	246,792
Nexif Ratch Energy Investments Pte. Ltd.	Investing in the power energy business internationally	Singapore	49	49	4,696,392	4,696,392	4,532,262	4,696,392
Marulan Solar Farm Pty Ltd.	Generating and selling electricity	Australia	50	-	182,735	-	182,735	-
Singleton Solar Farm Pty Ltd.	Generating and selling electricity	Australia	50	-	36,679	-	36,679	-
					27,697,990	27,313,848	43,819,318	42,528,739
Total					36,023,348	33,863,143	52,919,083	50,391,979

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			Separate financial statements							
	Type of business	Country of incorporation	Ownership interest		Cost		Impairment		At cost-net	
			2023	2022	2023	2022	2023	2022	2023	2022
			(%)				(in thousand Baht)			
Direct associates										
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	1,440,000	-	-	1,440,000	1,440,000
Eastern Bangkok Monorail Company Limited	Mass transit system	Thailand	10	10	1,440,000	1,440,000	-	-	1,440,000	1,440,000
Bangkok Aviation Fuel Services Public Company Limited	Aviation fuel services	Thailand	15.53	15.53	2,712,138	2,712,138	-	-	2,712,138	2,712,138
Principal Healthcare - Sakonnakhon Company Limited	Private hospital business	Thailand	25	25	75,000	75,000	-	-	75,000	75,000
Principal Healthcare - Mukdahan Company Limited	Private hospital business	Thailand	25	-	75,000	-	-	-	75,000	-
Total					<u>6,506,742</u>	<u>6,431,742</u>	<u>-</u>	<u>-</u>	<u>6,506,742</u>	<u>6,431,742</u>
Direct joint ventures										
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	Importing and selling LNG	Thailand	51	51	467,772	467,772	-	-	467,772	467,772
Hin Kong Power Company Limited	Generating and selling electricity	Thailand	51	51	1,739,314	463,590	-	-	1,739,314	463,590
R E N Korat Energy Company Limited	Generating and selling electricity and steam	Thailand	40	40	328,800	240,000	-	-	328,800	240,000

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	Type of business	Country of incorporation	Ownership interest		Separate financial statements				At cost-net	
			2023	2022	Cost	Impairment		2023	2022	
			(%)		2023	2022	2023	2022	2023	2022
<i>(in thousand Baht)</i>										
Direct joint ventures										
Innopower Company Limited	Investing in innovation and commercial inventions including energy business future	Thailand	30	30	570,000	180,000	-	-	570,000	180,000
RATCHTEX Company Limited	Investing in Solar PV Floating Systems	Thailand	60	-	600	-	-	-	600	-
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
Sekong Investment Advisory Co., Ltd.	Supporting the investment of power plant project	Lao PDR	60	60	1,440	1,440	-	-	1,440	1,440
Xekong 4 Power Co., Ltd.	Generating and selling electricity	Lao PDR	60	-	20,939	-	-	-	20,939	-
Total					8,325,358	6,549,295	-	-	8,325,358	6,549,295

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 23.90 per share at 31 December 2023, the fair value of the investment was Baht 2,365.70 million.

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Paid-up share capital

During 2023, associate and joint ventures called for paid-up share capital. The Group had paid for the share capital in proportion of investments as follows:

Name of entities	Description	Amount <i>(in million Baht)</i>
<i>Direct associate</i>		
Principal Healthcare – Mukdahan Company Limited	Paid for share capital	75.00
<i>Direct joint ventures</i>		
Hin Kong Power Company Limited	Additional paid-up share capital	1,275.72
R E N Korat Energy Company Limited	Additional paid-up share capital	40.00
R E N Korat Energy Company Limited	Paid for increase in share capital	48.80
Innopower Company Limited	Additional paid-up share capital	195.00
Innopower Company Limited	Paid for increase in share capital	195.00
RATCHTEX Company Limited	Paid for share capital	0.60
Xekong 4 Power Co., Ltd.	Paid for share capital	20.94
<i>Indirect joint ventures</i>		
PT TAPANULI HYDRO ENERGY	Paid for increase in share capital	123.62
Nexif Energy BT Pte. Ltd.	Paid for increase in share capital	18.34
RATCH & AIDC Wind Energy Pte. Ltd.	Paid for increase in share capital	22.77

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.

On 15 February 2023, RHIS has reached an arrangement. RHIS will be acquiring 36.26% of PT Paiton Energy and in Minejesa Capital B.V. and will be acquiring 65% in IPM Asia Pte. Ltd. This arrangement is in line with the Company’s commercial objectives and this investment will likely deliver consistent returns to the Company. Subsequently on 3 July 2023, RHIS has achieved all conditions precedent under the Sale and Purchase Agreement.

Investment in Nexif Ratch Energy Investments Pte. Ltd. (“NREI”)

On 20 December 2022, RH International (Singapore) Corporation Pte. Ltd. (“RHIS”), an indirect subsidiary of the Company, acquired shares in NXF Holdings 2 Limited (“NXF2”) and restructured by establishing Nexif Ratch Energy Investments Pte. Ltd. (“NREI”) with Nexif Energy Invest Pte. Ltd. (“Nexif Energy”). RHIS hold 49% shares of NREI for investing in renewable energy power plants project in the Socialist Republic of Vietnam and the Public of the Philippines and seeking new projects in Southeast Asia and the Commonwealth of Australia. The above acquisition has a total investment value of US Dollars 135.88 million or equivalent to Baht 4,696 million and loans to Nexif Energy amounting to US Dollars 49.90 million or equivalent to Baht 1,725 million.

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Progress of Saddle Dam D collapse

On 23 July 2018, the Saddle Dam D of Xe-Pian Xe-Namnoy Hydroelectric Power Project, located in Lao PDR, of Xe-Pian 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. In 2019, the National Investigation Committee announced the result of investigation is not force majeure as stipulated in the Concession Agreement. In 2020, the joint venture has received the document of claiming on compensation from the Government of Lao PDR and the compensation is partially paid. Currently, the joint venture is during the process of claiming the compensation and related damages from the EPC contractor. 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.

	Hongsa Power Company Limited		Nexif Ratch Energy Investment Pte. Ltd.	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Revenue	21,721,868	22,188,470	602,327	-
Profit (loss) from continuing operations	7,020,156 ^a	8,692,233 ^a	(209,608)	-
Other comprehensive income (expense)	(579,603)	1,176,807	(36,998)	-
Total comprehensive income (expense) (100%)	6,440,553	9,869,040	(246,606)	-
Group's interest (%)	40	40	49	-
Group's share of total comprehensive income (expense)	2,576,221	3,947,616	(120,837)	-
Dividend income from joint ventures for the year	938,124	1,019,700	-	-
Current assets	22,835,471 ^b	22,763,524 ^b	1,014,707 ^b	1,957,418 ^b
Non-current assets	85,288,147	89,317,762	10,678,236	8,581,450
Current liabilities	(11,777,304) ^c	(11,047,335) ^c	(347,408) ^c	(282,217) ^c
Non-current liabilities	(34,375,440) ^d	(43,154,680) ^d	(2,912,055) ^d	(1,398,235) ^d
Net assets (100%)	61,970,874	57,879,271	8,433,480	8,858,416
Group's share of net assets	24,788,350	23,151,708	4,132,406	4,340,624
Exchange differences on translating in the consolidated financial statements and others	323,844	598,977	399,856	355,768
Carrying amount of interest in joint ventures	25,112,194	23,750,685	4,532,262	4,696,392
Remark:				
a. Includes:				
- depreciation and amortisation	303,237	334,972	139,257	-
- finance costs	3,313,687	3,372,699	64,132	-
- tax expense	1,081,985	721,058	14,290	-
b. Includes cash and cash equivalents	5,217,771	5,856,210	588,636	1,692,422
c. Includes current financial liabilities (excluding trade and other payables and provisions)	(9,313,511)	(8,577,014)	(85,369)	(87,882)
d. Includes non-current financial liabilities (excluding trade and other payables and provisions)	(33,239,299)	(42,146,169)	(2,709,070)	(1,191,759)

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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	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Carrying amount of interests in immaterial associates and joint ventures	<u>10,841,850</u>	<u>10,972,942</u>	<u>23,274,627</u>	<u>23,963,123</u>
Group's share of:				
- Profit from continuing operations	81,434	100,346	1,028,407	1,593,365
- Other comprehensive income (expense)	<u>(203,746)</u>	<u>773,310</u>	<u>(645,570)</u>	<u>578,633</u>
- Total comprehensive income (expense)	<u>(122,312)</u>	<u>873,656</u>	<u>382,837</u>	<u>2,171,998</u>

9 Investments in subsidiaries

	Separate financial statements	
	2023	2022
	<i>(in thousand Baht)</i>	
At 1 January	89,383,334	55,708,147
Acquisitions / Additions (Reductions)	(3,565,500)	32,690,378
Reclassify investment	-	984,809
At 31 December	<u>85,817,834</u>	<u>89,383,334</u>

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		Separate financial statements								
	Type of business	Country of operation	Ownership interest		2023	Cost 2023	Impairment		At cost - net	
			2023	2022			2023	2022	2023	2022
			(%)				(in thousand Baht)			
Direct subsidiaries										
Ratchaburi Electricity Generating Company Limited	Generating and selling electricity and investing in the power energy business	Thailand	99.99	99.99	18,286,500	21,900,000	-	-	18,286,500	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	59,775,000	59,775,000	-	-	59,775,000	59,775,000
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	99.99	99.99	1,866,602	1,866,602	-	-	1,866,602	1,866,602
Sahacogen (Chonburi) Public Company Limited	Generating and selling electricity and steam	Thailand	51.67	51.67	3,457,365	3,457,365	-	-	3,457,365	3,457,365
RATCH-Lao Services Company Limited	Providing operation and maintenance services and investing in the power energy and fundamental utility business	Lao PDR	99.99	99.99	384,858	336,858	-	-	384,858	336,858
Nexif Ratch Energy Singapore Pte. Ltd.	Investing in the power energy business	Singapore	49	49	984,809	984,809	-	-	984,809	984,809
Total					85,817,834	89,383,334	-	-	85,817,834	89,383,334

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Acquiring shares to invest in Nexif Energy Holding B.V. (“NEHBV”)

On 20 December 2022, RH International (Singapore) Corporation Pte. Ltd. (“RHIS”), an indirect subsidiary of the Company, acquired shares in Nexif Energy Holding B.V. (“NEHBV”) which hold the asset of renewable energy power plants, gas turbine power plant, combined cycle power plant and battery energy storage system in Thailand, the Commonwealth of Australia and the Socialist Republic of Vietnam in proportion of investment of 100% amounting to US Dollars 480.78 million or equivalent to Baht 16,617 million.

The Group incurred acquisition-related costs of Baht 369 million which have been included in administrative expenses in the consolidated statement of comprehensive income.

TFRS required Management to make preliminary assessment of the fair values of the assets, liabilities and contingent liabilities specified at the acquisition date. The Group hired an independent appraiser to determine the fair value of assets and liabilities acquired during the measurement period, which must not exceed one year from the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date. This information affects the measurement of the value of various amounts that were previously recognized at the acquisition date.

In the fourth quarter of 2023, the fair value measurements of assets and liabilities acquired have been completed by an independent appraiser. The Group recorded the fair value of the assets acquired and liabilities assumed accordingly. The fair value after adjustments of net assets acquired are as follows:

	Fair value <i>(in thousand Baht)</i>
<i>Assets acquired and liabilities assumed</i>	
Cash and cash equivalents	1,902,217
Trade and other receivables	443,726
Inventories	344,176
Property, plant and equipment	17,470,356
Intangible assets	3,687,551
Deferred tax assets and other assets	2,267,578
Trade and other payables	(776,901)
Loans	(11,377,931)
Lease liabilities	(1,710,978)
Deferred tax liabilities	(754,514)
Other liabilities	(2,025,515)
Total identifiable net assets	9,469,765
<i>Less Non-controlling interests</i>	<i>(597,277)</i>
Total identifiable net assets received	8,872,488
Fair value of an existing interest	(1,911,505)
Goodwill arising from the acquisition	9,655,766
Purchase consideration transferred	16,616,749
Net cash acquired from the acquisition	(1,902,217)
Net cash outflows	14,714,532

The goodwill is attribute mainly to the benefits of business integration to the Group which can apply the knowledge and expertise in fostering collaboration for the development of power plant projects in the Commonwealth of Australia.

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

On 8 September 2023, RATCH-Lao Services Company Limited, a direct subsidiary, called for 2nd paid-up share capital at 12%. The Company paid for increase in share capital totalling Baht 48 million, in proportion of investment of 99.99.

Decrease in share capital of Ratchaburi Electricity Generating Company Limited

At the Extraordinary General Meeting of the shareholders of Ratchaburi Electricity Generating Company Limited, a direct subsidiary, held on 25 October 2023, the shareholders approved to decrease the authorised share capital by reducing the value of shares at the rate of Baht 1.65 per share, the totalling of registered capital decreased by Baht 3,613.50 million. The registered capital after the capital reduction will remain at Baht 8.35 per share, divided into 2,190 million shares amounting to Baht 18,286.50 million.

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10 Property, plant and equipment

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
<i>Cost</i>							
At 1 January 2022	2,540,533	814,899	50,118,580	582,179	21,685	1,503,359	55,581,235
Additions	2,142	1,847	56,955	4,763	2,717	2,099,519	2,167,943
Acquisition through business combination	28,497	-	17,222,490	5,217	627	213,525	17,470,356
Transfers	-	(73,702)	1,954,412	509	-	(1,967,817)	(86,598)
Disposals	(1,531)	(16,382)	(172,251)	(9,320)	(1,923)	-	(201,407)
Effect of movements in exchange rates	(6,862)	(6,974)	(1,301,821)	350	285	(8,626)	(1,323,648)
At 31 December 2022 and 1 January 2023	2,562,779	719,688	67,878,365	583,698	23,391	1,839,960	73,607,881
Additions	8,675	4,519	620,585	10,111	7,524	2,394,296	3,045,710
Transfers	4,615	55,488	489,403	14,767	4,783	(752,571)	(183,515)
Disposals	-	(14,138)	(366,283)	(12,435)	(598)	-	(393,454)
Effect of movements in exchange rates	(1,187)	(3,344)	(395,047)	(1,255)	(5,110)	12,230	(393,713)
At 31 December 2023	2,574,882	762,213	68,227,023	594,886	29,990	3,493,915	75,682,909

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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
<i>Depreciation and impairment losses</i>							
At 1 January 2022	-	261,605	18,788,845	550,894	16,012	-	19,617,356
Depreciation charge for the year	-	41,749	2,351,138	12,837	2,113	-	2,407,837
Transfer	-	1,260	(1,257)	(4)	1	-	-
Disposals	-	(14,379)	(123,115)	(9,284)	(1,620)	-	(148,398)
Effect of movements in exchange rates	-	(3,635)	(603,663)	201	363	-	(606,734)
At 31 December 2022 and 1 January 2023	-	286,600	20,411,948	554,644	16,869	-	21,270,061
Depreciation charge for the year	-	45,478	3,123,707	14,010	6,990	-	3,190,185
Disposals	-	(14,119)	(327,145)	(11,401)	(598)	-	(353,263)
Loss from impairment	-	-	196,655	-	-	-	196,655
Effect of movements in exchange rates	-	(916)	(111,060)	(222)	(232)	-	(112,430)
At 31 December 2023	-	317,043	23,294,105	557,031	23,029	-	24,191,208
<i>Net book value</i>							
At 31 December 2022	2,562,779	433,088	47,466,417	29,054	6,522	1,839,960	52,337,820
At 31 December 2023	2,574,882	445,170	44,932,918	37,855	6,961	3,493,915	51,491,701

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	Separate financial statements				
	Land	Buildings, other constructions and building improvements	Furniture, fixtures and office equipment (in thousand Baht)	Vehicles	Total
<i>Cost</i>					
At 1 January 2022	295,993	309,636	442,387	960	1,048,976
Additions	-	-	542	-	542
Disposals	-	-	(4,355)	-	(4,355)
At 31 December 2022 and 1 January 2023	295,993	309,636	438,574	960	1,045,163
Additions	-	-	2,925	-	2,925
Disposals	-	-	(6,837)	-	(6,837)
At 31 December 2023	295,993	309,636	434,662	960	1,041,251
<i>Depreciation</i>					
At 1 January 2022	-	111,828	429,018	960	541,806
Depreciation charge for the year	-	12,385	5,101	-	17,486
Disposals	-	-	(4,354)	-	(4,354)
At 31 December 2022 and 1 January 2023	-	124,213	429,765	960	554,938
Depreciation charge for the year	-	12,385	4,032	-	16,417
Disposals	-	-	(6,837)	-	(6,837)
At 31 December 2023	-	136,598	426,960	960	564,518
<i>Net book value</i>					
At 31 December 2022	295,993	185,423	8,809	-	490,225
At 31 December 2023	295,993	173,038	7,702	-	476,733

Capitalised borrowing costs relating to the acquisition of the land and the construction of the new factory for the Group amounted to Baht 42.74 million (2022: Baht 44.90 million).

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11 Goodwill

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 2023 and 2022 came from Electricity Generating business unit in Australia.

The recoverable amounts of goodwill in Australia (CGU) were based on its value in use, determined by discounting the future cash flows to be generated from the Electricity Generating business unit in Australia.

The key assumptions used in the estimation of value in use included the discount rates based on the average interest rate of government bonds defined as a risk free rate 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.

	Consolidated financial statements	
	2023	2022
	(%)	
Discount rate - Thermal power plant	7.3 - 7.5	6.7 - 7.5
Discount rate - Renewable energy power plant	6.3 - 7.5	6.3 - 7.5

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 test has been prepared by the management with conservative approaches and no impairment charges are required for goodwill. The management believes that any reasonable change in the key assumptions used to estimate the recoverable amount would not cause the carrying amount to exceed its recoverable amount.

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12 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
<i>Current</i>				
Short-term loans from financial institutions				
-unsecured	1,557,000	8,542,976	-	-
-secured	-	141,911	-	-
Short-term loan from related parties	387,600	-	6,682,600	5,090,000
Current portion of long-term loans from financial institutions				
-unsecured	21,814,287	265,600	21,494,937	-
-secured	2,316,369	6,314,360	-	-
Current portion of lease liabilities	153,116	171,563	16,100	14,029
Current portion of debenture-unsecured	-	999,575	-	999,575
Total current interest-bearing liabilities	<u>26,228,372</u>	<u>16,435,985</u>	<u>28,193,637</u>	<u>6,103,604</u>
<i>Non-current</i>				
Long-term loans from financial institutions				
-unsecured	4,571,416	26,234,553	-	21,484,188
-secured	30,925,213	28,845,611	-	-
Long-term loan-unsecured	320,000	346,959	-	-
Lease liabilities	3,398,270	3,192,981	25,412	10,636
Debentures-unsecured	<u>24,526,632</u>	<u>23,919,048</u>	<u>7,991,638</u>	<u>6,991,871</u>
Total non-current interest-bearing liabilities	<u>63,741,531</u>	<u>82,539,152</u>	<u>8,017,050</u>	<u>28,486,695</u>

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Balances of interest-bearing liabilities net of deferred financing fees, excluding lease liabilities as at 31 December 2023 were as follows:

		Consolidated financial statements		
	Total facilities	Amount (in million Baht)	Interest rate (% per annum)	Repayment term
Short-term				
Loans from financial institutions				
Sahacogen (Chonburi) Public Company Limited	Baht 2,100 million	1,415	Fixed rate	At call
Sahacogen Green Company Limited	Baht 115 million	35	Fixed rate	At call
Sahagreen Forest Company Limited	Baht 150 million	107	Fixed rate	At call
Total		1,557		
Loans from related party				
RATCH Group Public Company Limited	Baht 403 million	388	Fixed rate	Within February 2024
Long-term				
Loans from financial institutions				
RATCH Group Public Company Limited	Baht 21,500 million	21,500	Fixed rate and THOR plus a fixed margin	Within March and June 2024
RATCH Cogeneration Company Limited	Baht 4,632 million	2,746	3-Month floating rate plus a fixed margin	Within 12 years during November 2020 to November 2032
Sahacogen (Chonburi) Public Company Limited	Baht 1,905 million	492	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	65	MLR, minus a fixed margin	Within 8 years during June 2017 to December 2025
RATCH-Australia Gas (Holdings) Pty. Ltd. (subsidiary of RATCH-Australia Corporation Pty. Ltd.)	Australian Dollars 197 million	4,259	BBSY, plus a fixed margin	Within 2 years and 7 years during April 2023 to February 2025 and June 2030
RATCH-Australia Renewables (Holdings) Pty. Ltd. (subsidiary of RATCH-Australia Corporation Pty. Ltd.)	Australian Dollars 477 million	10,473	BBSY, plus a fixed margin	Within 5 years and 7 years during September 2022 to September 2027 and September 2029
RH International (Singapore) Corporation Limited	US Dollars 150 million	4,449	Fixed rate	Within 7 years April 2029

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		Consolidated financial statements		
	Total facilities	Amount (in million Baht)	Interest rate (% per annum)	Repayment term
Long-term				
Loans from financial institutions				
LGWF (Finco) Pty. Ltd. (subsidiary of Nexif Energy Holding B.V.)	Australian Dollars 359 million	7,351	BBSY, plus a fixed margin	Within 5 years within April 2027
Lao Cai Renewable Energy Joint Stock Company (subsidiary of Nexif Energy Holding B.V.)	US Dollars 23 million	248	Floating rate	Within 10 years December 2026
Ratch Energy Rayong Company Limited (Formerly named Nexif Ratch Energy Rayong Co., Ltd.) (subsidiary of RH International (Singapore) Corporation Limited)	Baht 3,307 million	3,142	BIBOR and Fallback Rate (THBFIX)	By quarterly within 20 years March 2040
PT Bajradaya Sentranusa (subsidiary of Fareast Renewable Development Pte. Ltd.)	US Dollars 188 million	5,765	SOFR , plus a fixed margin	By quarterly within 15 years during March 2022 to December 2036
Total		60,490		
Less deferred financing fees		(863)		
Net		59,627		
Less current portion due within one year		(24,130)		
Total non-current - net		35,497		
Loans from other parties				
Sahacogen (Chonburi) Public Company Limited	Baht 320 million	320	Fixed rate	Within 2026 and 2027
Debentures				
RATCH Group Public Company Limited	Baht 8,000 million	8,000	1.76 - 3.08	Repayment period of 2, 5,10 and 15 years and will be due for redemption in 2025, 2030, 2035, respectively
RH International (Singapore) Corporation Pte. Ltd.	US Dollars 300 million	10,267	4.50	Repayment period of 10 years and will be due for redemption in 2028

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Consolidated financial statements				
	Total facilities	Amount (in million Baht)	Interest rate (% per annum)	Repayment term
Long-term				
Debentures				
RH International (Singapore) Corporation Pte. Ltd.	Japanese Yen 15,000 million	3,635	2.72	Repayment period of 15 years and will be due for redemption in 2026
Sahacogen (Chonburi) Public Company Limited	Baht 2,650 million	2,650	3.00 - 4.26	Repayment period of 3, 7 and 10 years and will be due for redemption in 2025, 2029, 2032, respectively
Total		24,552		
<i>Less</i> deferred financing fees		(25)		
Total non-current - net		24,527		
Separate financial statements				
	Total facilities	Amount (in million Baht)	Interest rate (% per annum)	Repayment term
Short-term				
Loan from related parties				
RATCH Group Public Company Limited	Baht 10,403 million	6,683	Fixed rate	Whitin February 2024 and at call
Long-term				
Loan from financial institution				
RATCH Group Public Company Limited	Baht 21,500 million	21,500	Fixed rate and THOR plus a fixed margin	Within March and June 2024
<i>Less</i> deferred financing fees		(5)		
Net		21,495		
<i>Less</i> current portion due within one year		(21,495)		
Total non-current - net		-		
Debentures				
RATCH Group Public Company Limited	Baht 8,000 million	8,000	1.76 - 3.08	Repayment period of 2,5,10 and 15 years and will be due for redemption in 2025, 2030, 2035, respectively
<i>Less</i> deferred financing fees		(8)		
Total non-current - net		7,992		

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As at 31 December 2023, the Group had mortgaged land with partial buildings on land, buildings, power plants and machines and pledged power plant equipment with totalling net book value of Australian Dollars 906.27 million, Baht 5,318.56 million and Vietnam Dong 660,426.46 million as collateral for long-term loans from financial institutions.

As at 31 December 2023, the Group had unutilised credit facilities totalling Baht 32,500 million and US Dollars 720 million. (2022: Baht 32,212 million, US Dollars 180 million and Australian Dollars 114.43 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 debenture of RH International (Singapore) Corporation Pte. Ltd.

Changes in liabilities arising from financing activities

	Consolidated financial statements			
	Loans	Debentures	Lease liabilities	Total
	<i>(in thousand Baht)</i>			
2023				
At 1 January	70,691,971	24,918,623	3,364,543	98,975,137
Changes from financing cash flows	(8,599,542)	-	(270,823)	(8,870,365)
The effect of changes in foreign exchange rates	(265,564)	(136,281)	(36,592)	(438,437)
Increase in lease liabilities	-	-	419,528	419,528
Other changes	65,020	(255,710)	74,730	(115,960)
At 31 December	61,891,885	24,526,632	3,551,386	89,969,903
2022				
At 1 January	35,100,618	24,351,692	1,666,935	61,119,245
Changes from financing cash flows	24,998,700	650,000	(187,272)	25,461,428
Changes arising from obtaining control of subsidiaries (see note 9)	11,377,931	-	1,710,978	13,088,909
The effect of changes in foreign exchange rates	(355,548)	485,531	(140,860)	(10,877)
Increase in lease liabilities	-	-	310,673	310,673
Other changes	(429,730)	(568,600)	4,089	(994,241)
At 31 December	70,691,971	24,918,623	3,364,543	98,975,137

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	Loans	Separate financial statements		Total
		Debentures	Lease liabilities	
		<i>(in thousand Baht)</i>		
2023				
At 1 January	26,574,188	7,991,446	24,665	34,590,299
Changes from financing cash flows	1,592,600	-	(18,585)	1,574,015
Increase in lease liabilities	-	-	33,766	33,766
Other changes	10,749	192	1,666	12,607
At 31 December	<u>28,177,537</u>	<u>7,991,638</u>	<u>41,512</u>	<u>36,210,687</u>
2022				
At 1 January	12,676,000	7,989,734	31,342	20,697,076
Changes from financing cash flows	13,914,000	-	(17,762)	13,896,238
Increase in lease liabilities	-	-	9,496	9,496
Other changes	(15,812)	1,712	1,589	(12,511)
At 31 December	<u>26,574,188</u>	<u>7,991,446</u>	<u>24,665</u>	<u>34,590,299</u>

13 Share capital

	Par value per share (in Baht)	2023		2022	
		Number	Baht	Number	Baht
		<i>(thousand shares /in thousand Baht)</i>			
Authorised shares					
At 1 January					
- ordinary shares	10	2,219,231	22,192,308	1,450,000	14,500,000
Issue of new shares	10	-	-	769,231	7,692,308
At 31 December					
- ordinary shares	10	<u>2,219,231</u>	<u>22,192,308</u>	<u>2,219,231</u>	<u>22,192,308</u>
Issued and paid-up shares					
At 1 January					
- ordinary shares	10	2,175,000	21,750,000	1,450,000	14,500,000
Increase of new shares	10	-	-	725,000	7,250,000
At 31 December					
- ordinary shares	10	<u>2,175,000</u>	<u>21,750,000</u>	<u>2,175,000</u>	<u>21,750,000</u>

At the Annual General Meeting of the shareholders of the Company held on 27 April 2022, the shareholders approved 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. On 12 May 2022, the Company considered and determined the final offering price at Baht 34.48 per share, number of the final offered shares of 725.00 million shares, and the final offering ratio per share at 2 existing ordinary shares to 1 new ordinary share. The Company registered the change in the paid-up capital increase from this issuance and offering of new ordinary shares with the Ministry of Commerce on 22 June 2022.

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14 Share premium and legal reserves

Share premium

Section 51 of the Public Limited Companies Act B.E. 2535 (1992) 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 Limited Companies Act B.E. 2535 (1992) 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.

15 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

<i>For the year ended 31 December</i>	Consolidated financial statements									
	Domestic Electricity Generating		Renewable Energy		International Power Projects		Related business and Infrastructure		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	<i>(in thousand Baht)</i>									
Revenue from sales and rendering of services	31,776,222	66,685,225	-	-	9,462,305	5,196,804	-	-	41,238,527	71,882,029
Revenue from lease contracts	1,170,085	1,536,339	-	-	1,266,538	1,306,852	-	-	2,436,623	2,843,191
Cost of sales and rendering of services	(31,217,606)	(66,775,782)	-	-	(6,537,248)	(2,510,814)	-	-	(37,754,854)	(69,286,596)
Gross profit	1,728,701	1,445,782	-	-	4,191,595	3,992,842	-	-	5,920,296	5,438,624
Management service income	-	-	-	-	49,433	2,795	251,521	272,650	300,954	275,445
Interest income	74,622	39,487	163	111	1,602,896	328,667	153,052	131,348	1,830,733	499,613
Dividend income	370	190	-	-	16,970	24,005	12	2,319	17,352	26,514
Other income	462,713	121,947	289	74	389,316	67,159	156,424	19,875	1,008,742	209,055
Gain on change in proportion of investment in joint venture	-	-	-	-	-	-	-	661,080	-	661,080
Administrative expenses	(672,572)	(457,221)	(216)	(222)	(1,460,625)	(1,256,375)	(904,016)	(1,064,883)	(3,037,429)	(2,778,701)
Net foreign exchange gain (loss)	(24,834)	8,166	-	-	172,105	(84,592)	(13,821)	46,294	133,450	(30,132)
Gain (loss) on fair value adjustment of derivatives	-	(773)	-	-	792,662	(101,685)	-	-	792,662	(102,458)
Finance costs	(249,523)	(198,334)	-	-	(3,371,086)	(2,477,555)	(822,010)	(300,779)	(4,442,619)	(2,976,668)
Share of profit (loss) of joint ventures and associates accounted for using equity method	649,904	489,149	84,409	222,353	3,193,290	4,722,415	(112,408)	(42,760)	3,815,195	5,391,157
Profit (loss) before income tax expense	1,969,381	1,448,393	84,645	222,316	5,576,556	5,217,676	(1,291,246)	(274,856)	6,339,336	6,613,529
Tax (expense) income	(268,531)	(163,760)	-	-	(595,308)	(777,824)	3,530	4,240	(860,309)	(937,344)
Profit (loss) for the year	1,700,850	1,284,633	84,645	222,316	4,981,248	4,439,852	(1,287,716)	(270,616)	5,479,027	5,676,185

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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	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	<i>(in thousand Baht)</i>									
Disaggregation of revenue										
Primary geographical markets										
Thailand	31,776,222	66,685,225	-	-	-	-	-	-	31,776,222	66,685,225
Australia	-	-	-	-	9,324,931	5,092,560	-	-	9,324,931	5,092,560
Other countries	-	-	-	-	137,374	104,244	-	-	137,374	104,244
Total	31,776,222	66,685,225	-	-	9,462,305	5,196,804	-	-	41,238,527	71,882,029
Major products and service lines										
Products	31,755,640	66,671,217	-	-	9,324,931	5,092,560	-	-	41,080,571	71,763,777
Services	20,582	14,008	-	-	137,374	104,244	-	-	157,956	118,252
Total	31,776,222	66,685,225	-	-	9,462,305	5,196,804	-	-	41,238,527	71,882,029
Timing of revenue recognition										
At a point in time	31,755,640	66,671,217	-	-	9,324,931	5,092,560	-	-	41,080,571	71,763,777
Over time	20,582	14,008	-	-	137,374	104,244	-	-	157,956	118,252
Total	31,776,222	66,685,225	-	-	9,462,305	5,196,804	-	-	41,238,527	71,882,029

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(a) *Geographical segments*

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

Geographical information

	Assets	
	2023	2022
	<i>(in thousand Baht)</i>	
Thailand	73,713,241	81,570,176
Australia	58,798,664	60,823,145
Singapore	28,750,783	36,443,443
Republic of Indonesia	19,778,042	20,586,871
Other countries	32,438,218	30,154,646
Total	<u>213,478,948</u>	<u>229,578,281</u>

(b) *Major customer*

Revenues from one customer of the Group's segment 1 represent approximately Baht 30,917 million (2022: Baht 63,688 million) of the Group's total revenue.

16 Other income

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Insurance compensation income	352,115	49,116	-	-
Contract compensation income	301,275	-	-	-
Others	355,352	159,939	23,198	19,875
Total	<u>1,008,742</u>	<u>209,055</u>	<u>23,198</u>	<u>19,875</u>

17 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Fuel costs	27,569,888	61,413,367	-	-
Depreciation and amortisation	4,065,394	3,036,320	33,068	33,696
Operation and maintenance service fees	2,159,123	2,040,369	-	-
Repair expenses and spare parts used	1,522,188	1,307,800	-	-
Employee benefit expenses	1,015,881	941,275	548,795	557,590
General administrative expenses	993,310	848,572	238,162	232,644
Insurance premium for power plants	694,088	592,228	-	-
Impairment losses of assets	196,655	-	-	-
Others	2,575,756	1,885,366	102,157	254,162
Total cost of sales and rendering of services and administrative expenses	<u>40,792,283</u>	<u>72,065,297</u>	<u>922,182</u>	<u>1,078,092</u>

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18 Income tax

<i>Income tax recognised in profit or loss</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Current tax expense				
Current year	506,306	661,757	-	-
Under (over) provided in prior years	<u>(8,757)</u>	<u>260</u>	<u>-</u>	<u>-</u>
	497,549	662,017	-	-
Deferred tax expense				
Movements in temporary differences	<u>362,760</u>	<u>275,327</u>	<u>(3,763)</u>	<u>(6,888)</u>
Total income tax expense (income)	860,309	937,344	(3,763)	(6,888)

Consolidated financial statements						
	Before tax	2023 Tax benefit	Net of tax	Before tax	2022 Tax expense	Net of tax
<i>Income tax</i>						
<i>(in thousand Baht)</i>						
<i>Recognised in other comprehensive income</i>						
Financial assets measured at fair value through other comprehensive income (expense)	(634,863)	97,529	(537,334)	(32,328)	(80,559)	(112,887)
Derivatives	(175,644)	513,444	337,800	(210,511)	(207,019)	(417,530)
Defined benefit plan actuarial gain (loss)	(19,878)	18	(19,860)	3,490	(328)	3,162
Total	(830,385)	610,991	(219,394)	(239,349)	(287,906)	(527,255)

Separate financial statements						
	2023			2022		
<i>Income tax</i>	Before tax	Tax benefit	Net of tax (in thousand Baht)	Before tax	Tax expense	Net of tax
<i>Recognised in other comprehensive income</i>						
Financial assets measured at fair value through other comprehensive income (expense)	(491,442)	98,288	(393,154)	401,871	(80,374)	321,497

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Reconciliation of effective tax rate

	Consolidated financial statements			
		2023		2022
	<i>Rate</i>	<i>(in thousand</i>	<i>Rate</i>	<i>(in thousand</i>
	<i>(%)</i>	<i>Baht)</i>	<i>(%)</i>	<i>Baht)</i>
Profit before income tax expense		6,339,336		6,613,529
Share of profit of joint ventures and associates				
		(3,815,195)		(5,391,157)
		<u>2,524,141</u>		<u>1,222,372</u>
Income tax using the Thai corporation tax rate	20	504,828	20	244,474
Effect of different tax rates in foreign jurisdictions		221,120		348,724
Income not subject to tax		(197,106)		(357,367)
Current year losses for which no deferred tax asset was recognised		242,990		119,706
Expenses deductible at a greater amount		(29,312)		(3,285)
Expenses not deductible for tax purposes		113,185		624,671
Under (over) provided in prior years		(8,757)		260
Others		13,361		(39,839)
Income tax expense	13.57	860,309	14.17	937,344

Separate financial statements

		2023		2022
	<i>Rate</i>	<i>(in thousand</i>	<i>Rate</i>	<i>(in thousand</i>
	<i>(%)</i>	<i>Baht)</i>	<i>(%)</i>	<i>Baht)</i>
Profit before income tax expense		1,069,416		1,896,571
Income tax using the Thai corporation tax rate	20	213,883	20	379,314
Income not subject to tax-dividend income		(434,366)		(496,881)
Effect from expense not deductible for tax purposes and income and expenses recognised in the different periods between accounting and tax		3,256		(1,457)
Current year losses for which no deferred tax asset was recognised		213,464		112,136
Total	-	(3,763)	-	(6,888)

Consolidated financial statements

Deferred tax At 31 December	Assets		Liabilities	
	2023	2022	2023	2022
		<i>(in thousand Baht)</i>		
Total	4,170,932	4,459,448	(9,672,576)	(10,066,749)
Set off of tax	(4,170,932)	(4,459,448)	4,170,932	4,459,448
Net deferred tax liabilities	-	-	(5,501,644)	(5,607,301)

Separate financial statements

Deferred tax At 31 December	Assets		Liabilities	
	2023	2022	2023	2022
		<i>(in thousand Baht)</i>		
Total	68,167	60,955	(43,182)	(138,021)
Set off of tax	(43,182)	(60,955)	43,182	60,955
Net deferred tax assets (liabilities)	24,985	-	-	(77,066)

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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
2023						
Deferred tax assets						
Property, plant and equipment	3,345,171	(502,532)	-	(11,356)	-	2,831,283
Impairment losses of assets	-	39,168	-	-	-	39,168
Lease receivables	29,660	-	-	(291)	-	29,369
Allowance for expected credit loss for financial assets	2,893	-	-	-	-	2,893
Allowance of spare parts and supplies	235,891	(6,942)	-	(146)	-	228,803
Leases liabilities	46,422	(28,829)	-	(651)	-	16,942
Derivatives	260,799	(228,255)	496,444	(1,085)	37,038	564,941
Provisions for employee benefits	54,261	5,305	-	-	-	59,566
Loss carry forward	325,202	(91,541)	-	6,593	-	240,254
Others	159,149	1,831	18	(3,285)	-	157,713
Total	4,459,448	(811,795)	496,462	(10,221)	37,038	4,170,932
Deferred tax liabilities						
Property, plant and equipment	(2,407,538)	(22,298)	-	12,741	4,359	(2,412,736)
Right-of use assets	(8,308)	(3,852)	-	2	-	(12,158)
Intangible assets	(1,192,338)	45,232	-	4,576	(105,052)	(1,247,582)
Lease receivables	(5,523,166)	425,605	-	36,998	-	(5,060,563)
Derivatives	(51,621)	-	17,000	58	-	(34,563)
Financial assets measured at fair value through other comprehensive income (expense)	(133,337)	-	97,529	-	-	(35,808)
Others	(750,441)	4,348	-	7,223	(130,296)	(869,166)
Total	(10,066,749)	449,035	114,529	61,598	(230,989)	(9,672,576)
Net	(5,607,301)	(362,760)	610,991	51,377	(193,951)	(5,501,644)

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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
2022						
Deferred tax assets						
Property, plant and equipment	3,895,726	(564,666)	-	14,111	-	3,345,171
Lease receivables	28,680	-	-	980	-	29,660
Allowance for expected credit loss for financial assets	1,916	977	-	-	-	2,893
Allowance of spare parts and supplies	224,462	12,814	-	(1,385)	-	235,891
Leases liabilities	13,907	(983)	-	101	33,397	46,422
Derivatives	37,401	-	(207,204)	2,181	428,421	260,799
Provisions for employee benefits	50,914	3,605	(258)	-	-	54,261
Loss carry forward	249,895	(49,863)	-	(4,879)	130,049	325,202
Others	268,145	(95,730)	(69)	4,333	(17,530)	159,149
Total	4,771,046	(693,846)	(207,531)	15,442	574,337	4,459,448
Deferred tax liabilities						
Property, plant and equipment	(2,367,245)	14,773	-	73,969	(129,035)	(2,407,538)
Right-of use assets	(8,877)	817	-	(248)	-	(8,308)
Intangible assets	(823,534)	11,005	-	-	(379,809)	(1,192,338)
Lease receivables	(5,825,952)	431,453	-	(128,667)	-	(5,523,166)
Derivatives	(167)	167	-	-	(51,621)	(51,621)
Financial assets measured at fair value through other comprehensive income (expense)	(52,963)	-	(80,374)	-	-	(133,337)
Others	(425,815)	(39,696)	-	15,192	(300,122)	(750,441)
Total	(9,504,553)	418,519	(80,374)	(39,754)	(860,587)	(10,066,749)
Net	(4,733,507)	(275,327)	(287,905)	(24,312)	(286,250)	(5,607,301)

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Separate financial statements				
		(Charged) / Credited to:		
<i>Deferred tax</i>	At 1 January	Profit or loss	Other comprehensive income	At 31 December
		(in thousand Baht)		
2023				
Deferred tax assets				
Allowance for expected credit loss for financial assets	14,130	(69)	-	14,061
Lease liabilities	4,934	3,369	-	8,303
Provisions for employee benefits	41,891	3,912	-	45,803
Total	60,955	7,212	-	68,167
Deferred tax liabilities				
Right-of use assets	(4,684)	(3,449)	-	(8,133)
Financial assets measured at fair value through other comprehensive income (expense)	(133,337)	-	98,288	(35,049)
Total	(138,021)	(3,449)	98,288	(43,182)
Net	(77,066)	3,763	98,288	24,985
2022				
Deferred tax assets				
Allowance for expected credit loss for financial assets	10,494	3,636	-	14,130
Lease liabilities	6,269	(1,335)	-	4,934
Provisions for employee benefits	38,587	3,304	-	41,891
Total	55,350	5,605	-	60,955
Deferred tax liabilities				
Right-of use assets	(5,967)	1,283	-	(4,684)
Financial assets measured at fair value through other comprehensive income (expense)	(52,963)	-	(80,374)	(133,337)
Total	(58,930)	1,283	(80,374)	(138,021)
Net	(3,580)	6,888	(80,374)	(77,066)
Unrecognised deferred tax assets				
	Consolidated financial statements		Separate financial Statements	
	2023	2022	2023	2022
	(in thousand Baht)			
Losses carry forward	394,333	827,478	138,867	555,386

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As at 31 December 2023, the Group has outstanding balance of deferred tax assets of Baht 240.25 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.

19 Promotional privileges

Some 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 promoted companies, the subsidiaries must comply with certain terms and conditions prescribed in the promotional certificates.

20 Basic earnings per share

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht/ thousand shares)</i>			
Profit for the year attributable to ordinary shareholders of the Company (basic)	<u>5,167,245</u>	<u>5,782,072</u>	<u>1,073,180</u>	<u>1,903,460</u>
Share capital as at 1 January	2,175,000	1,450,000	2,175,000	1,450,000
Effect from issued shares	-	383,356	-	383,356
Weighted average number of ordinary shares outstanding	<u>2,175,000</u>	<u>1,833,356</u>	<u>2,175,000</u>	<u>1,833,356</u>
Earnings per share (basic) (in Baht)	<u>2.38</u>	<u>3.15</u>	<u>0.49</u>	<u>1.04</u>

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21 Dividends

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in million Baht)
2023				
Annual dividend for the year 2022	24 April 2023	May 2023	1.60	3,480
Interim dividend for the year 2022	26 August 2022	September 2022	(0.80)	(1,740)
Additional dividend			0.80	1,740
Interim dividend for the year 2023	18 August 2023	September 2023	0.80	1,740
Total dividend				3,480
2022				
Annual dividend for the year 2021	27 April 2022	May 2022	2.50	3,625
Interim dividend for the year 2021	24 August 2021	September 2021	(1.15)	(1,667)
Additional dividend			1.35	1,958
Interim dividend for the year 2022	26 August 2022	September 2022	0.80	1,740
Total dividend				3,698

22 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.

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	Consolidated financial statements								
	Carrying amount					Fair value			
	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
<i>At 31 December</i>					(in thousand Baht)				
2023									
Financial assets									
Other current financial assets:									
Deposits at financial institutions	-	-	-	3,349,444	3,349,444	-	-	-	-
Investment in debt instruments	-	2,646,187	-	509,864	3,156,051	-	3,157,001	-	3,157,001
Other non-current financial assets:									
Investment in equity instruments	-	-	2,877,329	-	2,877,329	2,373,176	-	504,153	2,877,329
Investment in debt instruments	-	-	-	56,345	56,345	-	56,535	-	56,535
Long term loan to other related parties	-	-	-	4,423,580	4,423,580	-	4,317,488	-	4,317,488
Derivatives assets									
Interest rate swaps used for hedging	940,258	-	-	-	940,258	-	940,258	-	940,258
Financial liabilities									
Long-term loans from financial institutions	-	-	-	(59,627,285)	(59,627,285)	-	(59,474,744)	-	(59,474,744)
Long-term loans	-	-	-	(320,000)	(320,000)	-	(342,654)	-	(342,654)
Debentures	-	-	-	(24,526,632)	(24,526,632)	-	(26,214,193)	-	(26,214,193)
Derivative liabilities									
Interest rate swaps used for hedging	(76,115)	-	-	-	(76,115)	-	(76,115)	-	(76,115)
Energy derivatives	(1,751,629)	(765,263)	-	-	(2,516,892)	-	(2,516,892)	-	(2,516,892)
Other derivative liabilities	-	(128,305)	-	-	(128,305)	-	(128,305)	-	(128,305)

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	Consolidated financial statements								
	Carrying amount					Fair value			
<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
					<i>(in thousand Baht)</i>				
2022									
Financial assets									
Other current financial assets:									
Deposit at financial institutions	-	-	-	274,357	274,357				
Investment in debt instruments	-	2,884,016	-	-	2,884,016	-	2,884,016	-	2,884,016
Other non-current financial assets:									
Investment in equity instruments	-	-	3,466,495	-	3,466,495	3,013,776	-	452,719	3,466,495
Investment in debt instruments	-	-	-	566,030	566,030	-	568,405	-	568,405
Long term loan to other related parties	-	-	-	4,467,776	4,467,776	-	4,362,205	-	4,362,205
Derivative assets									
Interest rate swaps used for hedging	1,140,507	-	-	-	1,140,507	-	1,140,507	-	1,140,507
Other derivatives assets	-	306,534	-	-	306,534	-	306,534	-	306,534
Financial liabilities									
Long-term loans from financial institutions	-	-	-	(61,660,126)	(61,660,126)	-	(61,452,576)	-	(61,452,576)
Long-term loans	-	-	-	(346,959)	(346,959)	-	(341,383)	(26,959)	(368,342)
Debentures	-	-	-	(24,918,623)	(24,918,623)	-	(26,075,350)	-	(26,075,350)
Derivative liabilities									
Interest rate swaps used for hedging	(7,268)	-	-	-	(7,268)	-	(7,268)	-	(7,268)
Energy derivatives	(2,232,471)	(1,492,014)	-	-	(3,724,485)	-	(3,724,485)	-	(3,724,485)

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	Separate financial statement								
	Carrying amount					Fair value			
<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
2023									
Financial assets									
Other current financial assets:									
Deposits financial institutions	-	-	-	288,732	288,732				
Investment in debt instruments	-	2,076,171	-	60,000	2,136,171	-	2,136,361	-	2,136,361
Other non-current financial assets:									
Investment in equity instruments	-	-	1,980,248	-	1,980,248	1,713,857	-	266,391	1,980,248
Investment in debt instruments	-	-	-	52,922	52,922	-	53,113	-	53,113
Financial liabilities									
Long-term loan from financial institution	-	-	-	(21,494,937)	(21,494,937)	-	(21,512,431)	-	(21,512,431)
Debentures	-	-	-	(7,991,638)	(7,991,638)	-	(7,654,304)	-	(7,654,304)
2022									
Financial assets									
Other current financial assets:									
Deposit at financial institutions	-	-	-	274,357	274,357				
Investment in debt instruments	-	2,327,276	-	-	2,327,276	-	2,327,276	-	2,327,276
Other non-current financial assets:									
Investment in equity instruments	-	-	2,471,690	-	2,471,690	2,208,971	-	262,719	2,471,690
Investment in debt instruments	-	-	-	112,915	112,915	-	114,106	-	114,106
Financial liabilities									
Long-term loan from financial institution	-	-	-	(21,484,188)	(21,484,188)	-	(21,510,850)	-	(21,510,850)
Debentures	-	-	-	(7,991,446)	(7,991,446)	-	(7,555,370)	-	(7,555,370)

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

Type	Valuation technique
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, Debt securities, Energy derivatives and other financial liabilities	<i>Black-Scholes model/ discounted cash flows</i>

(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.

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(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 payment period. Outstanding trade accounts receivables are regularly monitored by the Group at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade accounts 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 6.

(b.1.2) Investment in debt securities, loan to and lease receivable

The Group limits its exposure to credit risk by investing only in liquid debt securities and only with reliable 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 assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in published ratings.

(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 within the group. At 31 December 2023, the Group has provided a guarantee to certain banks in respect of credit facilities granted to related entities (see note 4 and 12).

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(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.

The following table shows 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 (in thousand Baht)	More than 5 years	Total
2023					
<i>Non-derivative financial liabilities</i>					
Trade payables	4,474,215	4,474,215	-	-	4,474,215
Loans from financial institutions	61,184,285	26,421,861	26,129,916	19,415,577	71,967,354
Loans from related parties	387,600	392,255	-	-	392,255
Loans from other parties	320,000	11,231	351,974	-	363,205
Lease liabilities	3,551,386	159,906	541,531	2,896,650	3,597,907
Debentures	24,526,632	316,761	20,345,475	8,587,205	29,249,441
	94,444,118	31,776,229	47,368,716	30,899,432	110,044,377
<i>Derivative financial liabilities</i>					
Interest rate swaps	76,115	1,861	-	74,254	76,115
Cross currency swap contract	128,305	-	128,305	-	128,305
Energy derivatives	2,516,892	329,922	316,083	1,870,887	2,516,892
	2,721,312	331,783	444,388	1,945,141	2,721,312
2022					
<i>Non-derivative financial liabilities</i>					
Trade payables	9,606,493	9,606,493	-	-	9,606,493
Loans from financial institutions	70,345,013	15,934,090	46,614,568	21,044,882	83,593,540
Loans from other parties	346,959	13,107	396,716	-	409,823
Lease liabilities	3,364,543	179,667	890,137	4,006,650	5,076,454
Debentures	24,918,623	1,296,782	7,642,647	21,558,131	30,497,560
	108,581,631	27,030,139	55,544,068	46,609,663	129,183,870
<i>Derivative financial liabilities</i>					
Interest rate swaps	7,268	-	7,268	-	7,268
Cross currency swap contract	63,944	-	63,944	-	63,944
Energy derivatives	3,660,541	1,157,918	1,999,266	503,357	3,660,541
	3,731,753	1,157,918	2,070,478	503,357	3,731,753

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<i>At 31 December</i>	Carrying amount	Separate financial statements			
		Contractual cash flows			
		1 year or less	More than 1 years but less than 5 years (in thousand Baht)	More than 5 years	Total
2023					
Non-derivative financial liabilities					
Loans from financial institutions	21,494,937	21,938,757	-	-	21,938,757
Loans from related parties	6,682,600	6,810,403	-	-	6,810,403
Lease liabilities	41,512	18,349	27,150	-	45,499
Debentures	7,991,638	213,950	3,177,980	6,376,592	9,768,522
	36,210,687	28,981,459	3,205,130	6,376,592	38,563,181
2022					
Non-derivative financial liabilities					
Loans from financial institutions	21,484,188	671,781	21,735,422	-	22,407,203
Loans from related parties	5,090,000	5,124,799	-	-	5,124,799
Lease liabilities	24,665	15,041	11,186	-	26,227
Debentures	7,991,446	1,194,252	2,175,605	6,533,342	9,903,199
	34,590,299	7,005,873	23,922,213	6,533,342	37,461,428

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:

Managing interest rate benchmark reform (IBOR reform)

The Group monitors and considers the transition from the IBOR discontinuation by determining that contracts reference IBOR will need to be amended to alternative rates. It provides periodic reports to management of interest rate risk and risks arising from IBOR discontinuation.

The Group's main IBOR exposure at 31 December 2023 was indexed to LIBOR and THBFX. As at 31 December 2023, the Group has negotiated to amend the contractual terms for LIBOR and THBFX indexed exposures to SOFR and THOR.

(b.3.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts to hedge such financial assets and liabilities denominated in foreign currencies. The forward

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exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, 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	
	2023	2022	2023	2022
	(in thousand Baht)			
United States Dollars				
Trade accounts receivables	300,596	24,376	-	48,600
Long-term loans to related parties	645,368	651,563	1,752,741	1,769,567
Trade payables	(418,898)	(151,072)	-	-
Other current payables	(279,414)	(518,827)	(13,829)	(18,152)
Lao Kip				
Trade accounts receivables	114	-	-	-
Other non-current financial assets	645,644	794,930	-	-
Other current payables	(6,743)	(7,626)	-	-
Australian Dollars				
Trade accounts receivables	500,811	-	-	-
Trade payables	(482,080)	(525,419)	-	-
Other current payables	(580,746)	(652,709)	(5,144)	(3,379)
Japanese Yen				
Other current payables	(34,875)	(37,747)	-	-
Debentures	(3,632,139)	(3,926,395)	-	-
Others				
Other current receivables	20,481	-	-	-
Trade payables	(5,692)	(14,841)	-	-
Other current payables	(132,991)	(36,486)	(27)	(1,522)
Gross balance sheet exposure	(3,460,564)	(4,400,253)	1,733,741	1,795,114
Estimated forecast purchases	(7,071)	(185,803)	-	-
Gross exposure	(3,467,635)	(4,586,056)	1,733,741	1,795,114
Cross currency swap contracts	3,634,514	3,929,745	-	-
Net exposure	166,879	(656,311)	1,733,741	1,795,114

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.

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<i>Impact to profit or loss</i>	Movement	Consolidated financial statements		Separate financial statements	
	(%)	Strengthening	Weakening	Strengthening	Weakening
			(in thousand Baht)		
2023					
US Dollars	5	13,034	(13,034)	91,522	(91,522)
Lao Kip	5	33,632	(33,632)	-	-
Australian Dollars	5	(29,580)	29,580	(271)	271
Japanese Yen	5	(193,001)	193,001	-	-
2022					
US Dollars	5	318	(318)	94,738	(94,738)
Lao Kip	5	41,437	(41,437)	-	-
Australian Dollars	5	(62,007)	62,007	(178)	178
Japanese Yen	5	(208,639)	208,639	-	-

(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 some debt securities and borrowings.

<i>Exposure to interest rate risk</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<i>At 31 December</i>				
		(in thousand Baht)		
Financial instruments with variable interest rates				
Financial assets	3,289,158	6,267,268	2,719,141	3,111,059
Financial liabilities	(50,013,706)	(56,394,534)	(16,494,937)	(16,484,188)
Net statement of financial position exposure	(46,724,548)	(50,127,266)	(13,775,796)	(13,373,129)
Interest rate swaps	21,941,462	24,366,506	-	-
Net exposure	(24,783,086)	(25,760,760)	(13,775,796)	(13,373,129)

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 2023 comprises Baht currency totalling Baht 3,328.36 million, Japanese Yen currency totalling Japanese Yen 15,000 million, Australian Dollars currency totalling Australian Dollars 550.52 million and US Dollars currency totalling US Dollars 168.43 million. All counterparties agreed to pay the interest and the principal amount in accordance with the terms and conditions specified in the contracts (2022: Baht currency totalling Baht 3,563.49 million, Japanese Yen currency totalling Japanese Yen 15,000 million, Australian Dollars currency totalling Australian Dollars 626.36 million and US Dollars currency totalling US Dollars 178.21 million).

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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.

<i>Impact to profit or loss</i>	Consolidated financial statements		Separate financial statements	
	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>			
2023				
Financial instruments with variable interest rate	(467,245)	467,245	(137,758)	137,758
Interest rate swaps	39	(39)	-	-
2022				
Financial instruments with variable interest rate	(501,273)	501,273	(133,731)	133,731
Interest rate swaps	(125)	125	-	-

(c) *Hedge accounting*

(c.1) *Cash flow hedges*

At 31 December 2023 and 2022, the Group held the following financial instruments to hedge exposures to changes in interest rates.

<i>At 31 December</i>	Consolidated financial statements					
	Within 1 year	2023 Maturity After 1 year but within 5 years	After 5 years	Within 1 year	2022 Maturity After 1 year but within 5 years	After 5 years
	<i>(in thousand Baht)</i>					
Interest rate risk						
<i>Interest rate swaps</i>						
Net exposure <i>(in thousand Baht)</i>	40,045	-	824,098	41,601	31,622	1,060,015
Average fixed interest rate (%)	4.05	-	2.28	3.11	3.76	2.20
Energy price volatility risk						
Energy derivatives	-	-	(1,751,629)	-	-	(2,035,901)

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

<i>At 31 December</i>	Consolidated financial statements	
	2023	2022
	<i>Cash flow hedge reserve (in thousand Baht)</i>	
Interest rate risk		
Variable-rate instruments	<u>3,692,917</u>	<u>3,205,884</u>
Energy price volatility risk		
Energy derivative	<u>(2,903,284)</u>	<u>(2,035,901)</u>

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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.

	Consolidated financial statements	
	2023	2022
<i>Cash flow hedges</i>		
	Hedging reserve (in thousand Baht)	
Balance at 1 January	1,169,983	335,855
Cash flow hedges		
Changes in fair value - Interest rate risk	487,034	2,870,029
Changes in fair value - Energy price volatility risk	(867,384)	(2,035,901)
Balance at 31 December	789,633	1,169,983

23 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.

24 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 from the date specified in the agreement. 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.

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Subsequently in June 2023, the direct subsidiary entered into a Fuel oil Purchase Agreement with PTT Oil and Retail Business Public Company Limited and Esso (Thailand) Public Company Limited for a period of a year. The agreement will expire on 31 May 2024. In November 2023, Esso (Thailand) Public Company Limited registered the amendment to the Company's name to Bangchak Sriracha Public Company Limited effective on 15 November 2023.

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.

Measures to reduce the burden of electricity expenses

On 18 September 2023, the Cabinet passed a resolution approving in principle measures to reduce the burden of electricity expenses on the people. As proposed by the Ministry of Energy, PTT will calculate the price of pool gas for the electricity sector for the period from September to December 2023 in accordance with actual price but not exceeding the fixed amount Baht 304.79 per MBTU. The difference of the actual price of natural gas and the natural gas price collected will be gradually collected back in the next round of electricity tariff determination, as approved by the Energy Regulatory Commission ("ERC").

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 and 25 August 2020, all parties agreed to amend the conditions of the agreement effective from August 2020. The total value of the agreement is US Dollar 436.75 million. As at 31 December 2023, the subsidiary had outstanding commitments amounting to US Dollars 39.83 million. (2022: US Dollars 50.66 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 2023, the subsidiary had an outstanding unused letter of credit amounting to US Dollars 6 million. (2022: 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 28.33 million. As at 31 December 2023, the subsidiary had outstanding commitments amounting to US Dollars 9.59 million. (2022: US Dollars 12.54 million)

On 13 December 2022, RATCH Cogeneration Company Limited, a direct subsidiary, entered into Contractual Service Agreements for acquisition of equipment and maintenance generating electricity from natural gas machine and service maintenance for generating electricity from natural gas machine with 2 service providers for a period of 15 years from the date specified in the agreement. The total value of the agreement is Bath 24.90 million and Japanese Yen 854.00 million. As at 31 December 2023, the subsidiary had outstanding commitments amounting to Baht 23.91 million and Japanese Yen 820.40 million.

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Unused of other facilities

As at 31 December 2023, the Group and its subsidiaries had unused of other facilities totalling Baht 5,570.10 million and US Dollars 679 million. (2022: Baht 5,783.53 million and US Dollars 1,297.91 million).

<i>As at 31 December 2023</i>	Consolidated financial statements (in million Baht)	Separate financial statements
<i>Capital commitments</i>		
Power plants, machinery and equipment	897.18	0.18
<i>Other commitments</i>		
Letter of guarantee	1,229.34	141.27
Standby Letters of Credit	3,564.86	217.38
Total	4,794.20	358.65

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., an indirect subsidiary, has pledged all share certificates of Ratch Energy Rayong Company Limited (*Formerly named Nexif Ratch Energy Rayong Company Limited*), a subsidiary of the subsidiary, as collateral for loans to the lender of Ratch Energy Rayong Company Limited.

The Company has pledged all share certificates of Hin Kong Power Company Limited, a direct joint venture, as collateral for loans to the lender of the joint venture.

The Company has pledged all share certificates of R E N Korat Energy Company Limited, a direct joint venture, as collateral for loans to the lender of the joint venture.

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For the year ended 31 December 2023

Significant litigation

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. 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. The plaintiff appealed the judgment to the Court of Appeal for Specialized Cases. Subsequently on 12 July 2022, the Court of Appeal for Specialized Cases issued a judgement to dismiss the claim made by the plaintiff upheld the Central Intellectual Property and International Trade Court. Therefore, the Company did not recognise a contingent liability in respect of this case.

25 Events after the reporting period

Dividend approval for the year 2023

At the Board of Directors meeting of the Company held on 27 February 2024, the Board approved to submit for approval at the annual general meeting of the shareholders of the Company, the appropriation of 2023 annual dividend at the rate of Baht 1.60 per share, totalling Baht 3,480 million, after deducting the interim dividend of Baht 0.80 per share, totalling Baht 1,740 million. The balance of dividend amounting to Baht 1,740 million is subject to the approval of the shareholders at the annual general meeting on 23 April 2024.

Investment in Hin Kong Power Company Limited (“HKP”)

At the Extraordinary General Meeting of the shareholders of Hin Kong Power Company Limited (“HKP”), a direct joint venture, held on 7 February 2024, the shareholders approved to increased the authorised share capital from Baht 3,624 million to Baht 8,116 million by issuance of new ordinary shares totalling 449.2 million shares at par value of Baht 10 per share amounting to Baht 4,492 million. The joint venture called for paid-up of 34.5% of the additional share capital. On 12 February 2024, the Company paid for increase in share capital totalling Baht 790.37 million, in proportion of investment of 51%.

26 Thai Financial Reporting Standards (TFRSs) that have been issued but are not yet effective

The Federation of Accounting Professions has revised TFRSs which are effective for accounting periods beginning on or after 1 January 2024. The Group has not been adopted in the preparation of these consolidated financial statements because the revised TFRSs are not yet effective. The Group has assessed the potential initial impact on the consolidated financial statements of these revised TFRSs and expected that there will be no material impact on the consolidated financial statements in the year of initial application. Except for TAS 12 Income Taxes, the Group is in the process of assessing the impact of the minimum top-up tax in the countries where the Group operates.