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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, Bangkhen, Muang Nonthaburi, Nonthaburi, Thailand.

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

The principal businesses of the Company are the investing in companies, 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.

1. **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.

1. **Significant accounting policies**

## 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.

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.

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.

## 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.

## 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.

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.

## Financial instruments

*(d.1) Classification and measurement*

Debenture issued by the Group is initial 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.

*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.

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.

## 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.

## 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.

## 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.

## 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.

*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 |

## 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.

## 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.

## 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 |

## Leases

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

*As a lessee*

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

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which 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)

## Impairment of non-financial assets

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

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

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.

## 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.

## 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.

## 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.

## 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.

## 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.

## 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.

1. **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) | Mauritius | Indirect subsidiary, 100% shareholding |
| Corporation Limited |  | by a direct subsidiary |
|  |  |  |
|  |  |  |
| RH International (Singapore) | Singapore | Indirect subsidiary, 100% shareholding |
| Corporation Pte. Ltd. |  | by an indirect subsidiary |
|  |  |  |
| Fareast Renewable Development Pte. Ltd. | Singapore | Indirect subsidiary, 90% shareholding |
|  |  | by an indirect subsidiary |
|  |  |  |
| RATCH-Australia Corporation Pty. Ltd. | Australia | Indirect subsidiary, 100% shareholding |
| and its subsidiaries |  | by an indirect subsidiary, some common directors |
|  |  |  |
| Nexif Energy Holding B.V. and its | Netherlands | Indirect subsidiary, 100% shareholding |
| subsidiaries |  | by an indirect subsidiary |
|  |  |  |
| RATCH China Power Limited | Hong Kong | Indirect subsidiary, 100% shareholding |
| (In process of liquidation)\* |  | by an indirect subsidiary |
|  |  |  |
| RE Solar 1 Company Limited | Thailand | Indirect subsidiary, 99.99% shareholding |
|  |  | by a direct subsidiary |
|  |  |  |
| Ratch Energy Rayong | Thailand | Indirect subsidiary, 99.99% shareholding |
| Company Limited *(Formerly named* |  | by an indirect subsidiary |
| *Nexif Ratch Energy Rayong Co., Ltd.)* |  |  |
|  |  |  |
| Nam Ngum 2 Power Company Limited | Lao PDR | Subsidiary of a direct joint venture, |
|  |  | 75% shareholding by a direct joint venture |
|  |  |  |
| Ecowin Energy Corporation | Vietnam | Subsidiary of an indirect joint venture, |
|  |  | 80% shareholding by an indirect joint venture |
|  |  |  |
| 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* |  |  |

| ***Significant transactions with related parties*** | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***Year ended 31 December*** | 2023 |  | 2022 |  | 2023 |  | 2022 |
|  | *(in thousand Baht)* | | | | | | |
| **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** |

| ***Balances with related parties*** | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***At 31 December*** | 2023 |  | 2022 |  | 2023 |  | 2022 |
|  | *(in thousand Baht)* | | | | | | |
| ***Trade accounts receivables*** |  | | | | | | |
| 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** |  | **-** |  | **-** |
|  |  |  |  |  |  |  |  |
| ***Advances to and other current receivables*** |  |  |  |  |  |  |  |
| 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** |
|  |  |  |  |  |  |  |  |
| ***Short-term loans to*** |  |  |  |  |  |  |  |
| Subsidiaries | - |  | - |  | 148,484 |  | 144,269 |
| **Total** | **-** |  | **-** |  | **148,484** |  | **144,269** |
| *Less* allowance for expected credit loss | - |  | - |  | (652) |  | (627) |
| **Net** | **-** |  | **-** |  | **147,832** |  | **143,642** |
|  |  |  |  |  |  |  |  |
| ***Other non-current receivables*** |  |  |  |  |  |  |  |
| 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** |
|  |  |  |  |  |  |  |  |
| ***Long-term loans to*** |  |  |  |  |  |  |  |
| 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** |

| ***Receivable under*** | **Consolidated financial statements** | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***lease contracts*** | Portion due  within one year | | |  | Portion due  after one year | | |  | Total | | |
|  | 2023 |  | 2022 |  | 2023 |  | 2022 |  | 2023 |  | 2022 |
|  | *(in thousand Baht)* | | | | | | | | | | | |
| **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 |  | Receivable | |  | | Receivable and |  | Receivable | |
|  | interest under |  | under lease | |  | | interest under |  | under lease | |
|  | lease contracts |  | contracts - net | |  | | lease contracts |  | contracts - net | |
|  | 2023 | | |  | | 2022 | | | |
|  | *(in thousand Baht)* | | | | | | | | |
| 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** | |

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

| ***Balances with related parties*** | Consolidated  **financial statements** | | |  | | Separate  **financial statements** | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***At 31 December*** | 2023 |  | 2022 | |  | 2023 |  | 2022 |
|  | *(in thousand Baht)* | | | | | | | |
| ***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** |
|  |  |  |  | |  |  |  |  |
|  |  |  |  | |  |  |  |  |
| ***Trade payable*** |  |  |  | |  |  |  |  |
| Major shareholder | 5,048 |  | 4,383 | |  | - |  | - |
| Joint ventures | - |  | 28 | |  | - |  | - |
| **Total** | **5,048** |  | **4,411** | |  | **-** |  | **-** |
|  |  |  |  | |  |  |  |  |
| ***Other current payable*** |  |  |  | |  |  |  |  |
| 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.

***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.

***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.

1. **Cash and cash equivalents**

|  | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2023 |  | 2022 |  | 2023 |  | 2022 |
|  | *(in thousand Baht)* | | | | | | |
| 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** |

1. **Trade accounts receivables**

|  | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2023 |  | 2022 |  | 2023 |  | 2022 |
|  | *(in thousand Baht)* | | | | | | |
| 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** |  | **-** |  | **-** |
| *Less* allowance for expected credit loss | - |  | - |  | - |  | - |
| **Net** | **5,324,217** |  | **12,582,355** |  | **-** |  | **-** |

1. **Spare parts and supplies**

|  | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2023 |  | 2022 |  | 2023 |  | 2022 |
|  | *(in thousand Baht)* | | | | | | |
| 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** |  | **-** |  | **-** |
| *Less* 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** |  | **-** |  | **-** |

1. **Investments in associates and joint ventures**

|  |  | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | 2023 |  | 2022 |  | 2023 |  | 2022 |
|  |  | *(in thousand Baht)* | | | | | | |
| 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** |  | **63,760,933** |  | **61,364,921** |  | **14,832,100** |  | **12,981,037** |

Investments in associates and joint ventures as at 31 December were as follows:

|  |  |  | **Consolidated financial statements** | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Type of business | Country of | Ownership interest | |  | Cost | | |  | | At equity method | | | | |
|  |  | incorporation | 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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|  |  |  |  |  |  |  |  |  | |  |  |  |  | |
| ***Direct joint ventures*** |  |  |  |  |  |  |  |  | |  |  |  |  | |
| Chubu Ratchaburi Electric | Providing operation and |  |  |  |  |  |  |  | |  |  |  |  | |
| Services Company Limited | 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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| ***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 | Generating and selling |  |  |  |  |  |  |  | |  |  |  |  | |
| Company Limited | electricity and steam | Thailand | 40 | 40 |  | 820,000 |  | 820,000 | |  | 988,817 |  | 817,768 | |
| Ratchaburi World Cogeneration | Generating and selling |  |  |  |  |  |  |  | |  |  |  |  | |
| Company Limited | 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** | |

|  |  |  | **Separate financial statements** | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Type of business | Country of | Ownership interest | |  | | Cost | | | | | |  | | Impairment | | | | | |  | | At cost-net | | | | | |
|  |  | incorporation | 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** |  |  |  |  | |  | | **6,506,742** | |  | | **6,431,742** | |  | | **-** | |  | | **-** | |  | | **6,506,742** | |  | | **6,431,742** | |
|  |  |  |  |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |
| ***Direct joint ventures*** |  |  |  |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |
| Chubu Ratchaburi Electric | Providing operation and |  |  |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |
| Services Company Limited | 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 | Generating and selling electricity |  |  |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |
| Company Limited | and steam | Thailand | 40 | 40 | |  | | 328,800 | |  | | 240,000 | |  | | - | |  | | - | |  | | 328,800 | |  | | 240,000 | |
|  |  |  |  |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |
|  |  |  |  |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |  | |
| ***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.

***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** |
| --- | --- | --- |
|  |  | *(in million Baht)* |
| ***Direct associate*** |  |  |
| Principal Healthcare – Mukdahan  Company Limited | Paid for share capital | 75.00 |
|  |  |  |
| ***Direct joint ventures*** |  |  |
| 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 |
|  |  |  |
| ***Indirect joint ventures*** |  |  |
| 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.

***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.

*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 | |
|  | *(in thousand Baht)* | | | | | | |
| Revenue | 21,721,868 |  | 22,188,470 |  | 602,327 |  | - |
| Profit (loss) from continuing operations | 7,020,156a |  | 8,692,233a |  | (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 | 22,835,471b |  | 22,763,524b |  | 1,014,707b |  | 1,957,418b |
| 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) |

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

1. **Investments in subsidiaries**

|  |  |  |  |
| --- | --- | --- | --- |
|  | Separate  **financial statements** | | |
|  | 2023 |  | 2022 |
|  | *(in thousand Baht)* | | |
| 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** | **85,817,834** |  | **89,383,334** |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | | |  | **Separate financial statements** | | | | | | | | | | |
|  | Type of business | Country of | Ownership interest | |  | Cost | | |  | Impairment | | |  | At cost - net | | |
|  |  | operation | 2023 | 2022 |  | 2023 |  | 2022 |  | 2023 |  | 2022 |  | 2023 |  | 2022 |
|  |  |  | *(%)* | |  | *(in thousand Baht)* | | | | | | | | | | |
| ***Direct subsidiaries*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Ratchaburi Electricity | Generating and selling |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Generating Company | electricity and investing in |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Limited | the power energy business | Thailand | 99.99 | 99.99 |  | 18,286,500 |  | 21,900,000 |  | - |  | - |  | 18,286,500 |  | 21,900,000 |
| Ratchaburi Energy | Investing in the power |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Company Limited | energy business | Thailand | 99.99 | 99.99 |  | 640,000 |  | 640,000 |  | - |  | - |  | 640,000 |  | 640,000 |
| RH International | Investing in the power |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Corporation Limited | energy business | Thailand | 99.99 | 99.99 |  | 59,775,000 |  | 59,775,000 |  | - |  | - |  | 59,775,000 |  | 59,775,000 |
| RATCH O&M | Providing operation and |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Company Limited | maintenance services | Thailand | 99.99 | 99.99 |  | 2,500 |  | 2,500 |  | - |  | - |  | 2,500 |  | 2,500 |
| Ratchaburi Alliances | Investing in the power |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Company Limited | energy business | Thailand | 99.99 | 99.99 |  | 420,200 |  | 420,200 |  | - |  | - |  | 420,200 |  | 420,200 |
| RATCH Cogeneration | Generating and selling |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Company Limited | electricity and steam | Thailand | 99.99 | 99.99 |  | 1,866,602 |  | 1,866,602 |  | - |  | - |  | 1,866,602 |  | 1,866,602 |
| Sahacogen (Chonburi) | Generating and selling |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Public Company Limited | 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 | Investing in the power |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Singapore Pte. Ltd. | 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** |

***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** |
| --- | --- |
|  | *(in thousand Baht)* |
| ***Assets acquired and liabilities assumed*** |  |
| 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** |
| *Less* Non-controlling interests | (597,277) |
| **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.

***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.

1. **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 |  | Vehicles |  | Assets under construction and installation |  | Total |
|  | *(in thousand Baht)* | | | | | | | | | | | | |
| ***Cost*** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 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** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ***Depreciation and*** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ***impairment losses*** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 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** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ***Net book value*** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **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** |

|  | **Separate financial statements** | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Land |  | Buildings, other constructions  and building improvements |  | Furniture, fixtures and office equipment |  | Vehicles |  | Total |
|  | *(in thousand Baht)* | | | | | | | | |
| ***Cost*** |  |  |  |  |  |  |  |  |  |
| 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** |
|  |  |  |  |  |  |  |  |  |  |
| ***Depreciation*** |  |  |  |  |  |  |  |  |  |
| 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** |
|  |  |  |  |  |  |  |  |  |  |
| ***Net book value*** |  |  |  |  |  |  |  |  |  |
| **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).*

1. **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.

1. **Interest-bearing liabilities**

|  | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2023 |  | 2022 |  | 2023 |  | 2022 |
|  | *(in thousand Baht)* | | | | | | |
| ***Current*** |  |  | | |  |  |  |
| 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** | **26,228,372** |  | **16,435,985** |  | **28,193,637** |  | **6,103,604** |
|  |  |  |  |  |  |  |  |
| ***Non-current*** |  |  |  |  |  |  |  |
| 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 | 24,526,632 |  | 23,919,048 |  | 7,991,638 |  | 6,991,871 |
| **Total non-current interest-bearing**  **liabilities** | **63,741,531** |  | **82,539,152** |  | **8,017,050** |  | **28,486,695** |

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 | Interest rate |  | Repayment term |
|  |  | *(in million Baht)* | *(% per annum)* |  |  |
| ***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 |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
| ***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 |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
| ***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** |  |  |  |
| *Less* deferred financing fees |  | (25) |  |  |  |
| **Total non-current - net** |  | **24,527** |  |  |  |

|  | Separate financial statements | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Total facilities | Amount | Interest rate |  | | Repayment term | |
|  |  | *(in million Baht)* | *(% per annum)* |  | |  | |
| ***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 | |
| *Less* deferred financing fees |  | (5) |  | |  | |  |
| **Net** |  | **21,495** |  | |  | |  |
| *Less* 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 | |
| *Less* deferred financing fees |  | (8) |  |  | |  | |
| **Total non-current - net** |  | **7,992** |  | |  | |  |

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 |
|  | *(in thousand Baht)* | | | | | | |
| ***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** |

|  | Separate financial statements | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Loans |  | Debentures |  | Lease liabilities |  | Total |
|  | *(in thousand Baht)* | | | | | | |
| ***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** | **28,177,537** |  | **7,991,638** |  | **41,512** |  | **36,210,687** |
|  |  |  |  |  |  |  |  |
| ***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** | **26,574,188** |  | **7,991,446** |  | **24,665** |  | **34,590,299** |

1. **Share capital**

|  | Par value | 2023 | | |  | 2022 | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | per share | Number |  | Baht |  | Number |  | Baht |
|  | *(in Baht)* | *(thousand shares /in thousand Baht)* | | | | | | |
| ***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 | **2,219,231** |  | **22,192,308** |  | **2,219,231** |  | **22,192,308** |
|  |  |  |  |  |  |  |  |  |
| ***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 | **2,175,000** |  | **21,750,000** |  | **2,175,000** |  | **21,750,000** |

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.

1. **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.

1. **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 |

***Information about reportable segments***

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | | | | | | | | | | | | | | | | | |
|  | **Domestic Electricity Generating** | | |  | **Renewable Energy** | | | **International Power Projects** | | | |  | **Related business and Infrastructure** | | |  | **Total** | | |
| ***For the year ended 31 December*** | 2023 |  | 2022 |  | 2023 |  | 2022 |  | 2023 |  | 2022 |  | 2023 |  | 2022 |  | 2023 |  | 2022 |
|  | *(in thousand Baht)* | | | | | | | | | | | | | | | | | | |
| 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** |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | | | | | | | | | | | | | | | | | |
|  | **Domestic Electricity Generating** | | |  | **Renewable Energy** | | | **International Power Projects** | | | |  | **Related business and Infrastructure** | | |  | **Total** | | |
| ***For the year ended 31 December*** | 2023 |  | 2022 |  | 2023 |  | 2022 |  | 2023 |  | 2022 |  | 2023 |  | 2022 |  | 2023 |  | 2022 |
|  | *(in thousand Baht)* | | | | | | | | | | | | | | | | | | |
| ***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** |

1. *Geographical segments*

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

| ***Geographical information*** |  | Assets | | |
| --- | --- | --- | --- | --- |
|  |  | 2023 |  | 2022 |
|  |  | *(in thousand Baht)* | | |
| 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** |  | **213,478,948** |  | **229,578,281** |

1. *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.

1. **Other income**

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

1. **Expenses by nature**

|  |  | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | 2023 |  | 2022 |  | 2023 |  | 2022 |
|  |  | *(in thousand Baht)* | | | | | | |
| 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** |  | **40,792,283** |  | **72,065,297** |  | **922,182** |  | **1,078,092** |

1. **Income tax**

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

| ***Income tax*** | **Consolidated financial statements** | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 2023 | | | | |  | 2022 | | | | |
| Before |  | Tax |  | Net of |  | Before |  | Tax |  | Net of |
| tax |  | benefit |  | tax |  | tax |  | expense |  | tax |
|  | *(in thousand Baht)* | | | | | | | | | | |
| ***Recognised in other comprehensive income*** |  |  |  |  |  |  |  |  |  |  |  |
| 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)** |

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

| *Reconciliation of effective tax rate* | Consolidated financial statements | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2023 | | |  | 2022 | | |
|  | *Rate*  *(%)* |  | *(in thousand Baht)* |  | *Rate*  *(%)* |  | *(in thousand Baht)* |
| 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) |
|  |  |  | 2,524,141 |  |  |  | 1,222,372 |
| 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 | | |
|  | *Rate*  *(%)* |  | *(in thousand Baht)* |  | *Rate*  *(%)* |  | *(in thousand Baht)* |
| 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*** | Assets | | |  | Liabilities | | |
| ***At 31 December*** | 2023 |  | 2022 |  | 2023 |  | 2022 |
|  | *(in thousand Baht)* | | | | | | |
| 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*** | Assets | | |  | Liabilities | | |
| ***At 31 December*** | 2023 |  | 2022 |  | 2023 |  | 2022 | |
|  | *(in thousand Baht)* | | | | | | |
| 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)** | |

|  | **Consolidated financial statements** | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | (Charged) / Credited to: | | |  |  |  |  |  |  |
| ***Deferred tax*** | **At 1 January** |  | Profit or  loss |  | Other comprehensive income |  | Exchange differences |  | Acquire through business combination |  | **At 31 December** |
|  | *(in thousand Baht)* | | | | | | | | | | |
| ***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)** |

|  | **Consolidated financial statements** | | | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | (Charged) / Credited to: | | |  | |  | |  | |  | |  | | |
| ***Deferred tax*** | **At 1 January** |  | Profit or  loss |  | Other comprehensive income |  | Exchange differences | |  | | Acquire through business combination | |  | | **At 31 December** | | |
|  | *(in thousand Baht)* | | | | | | | | | | | | | | | |
| ***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)** | | |

|  |  |  | **Separate financial statements** | | | |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | (Charged) / Credited to: | | | |  |  |
| ***Deferred tax*** | **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** |

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.

1. **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.

1. **Basic earnings per share**

|  | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2023 |  | 2022 |  | 2023 |  | 2022 |
|  | *(in thousand Baht/ thousand shares)* | | | | | | |
| **Profit for the year attributable to   ordinary shareholders of the Company (basic)** | **5,167,245** |  | **5,782,072** |  | **1,073,180** |  | **1,903,460** |
| 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 | **2,175,000** |  | **1,833,356** |  | **2,175,000** |  | **1,833,356** |
| **Earnings per share (basic) *(in Baht)*** | **2.38** |  | **3.15** |  | **0.49** |  | **1.04** |

1. **Dividends**

|  | Approval date | Payment schedule | Dividend rate per share |  | Amount |
| --- | --- | --- | --- | --- | --- |
|  |  |  | *(Baht)* |  | *(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** |

1. **Financial instruments**
2. *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.

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | | | | | | | | | | | | | | | |
|  | **Carrying amount** | | | | | | | | |  | **Fair value** | | | | | | |
| ***At 31 December*** | Hedging instruments |  | Financial instruments measured at FVTPL |  | Financial instruments measured at FVOCI |  | Financial instruments measured at amortised cost |  | Total |  | Level 1 |  | Level 2 |  | Level 3 |  | Total |
|  | *(in thousand Baht)* | | | | | | | | | | | | | | | | |
| ***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) |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | | | | | | | | | | | | | | | |
|  | **Carrying amount** | | | | | | | | |  | **Fair value** | | | | | | |
| ***At 31 December*** | Hedging instruments |  | Financial instruments measured at FVTPL |  | Financial instruments measured at FVOCI |  | Financial instruments measured at amortised cost |  | Total |  | Level 1 |  | Level 2 |  | Level 3 |  | Total |
|  | *(in thousand Baht)* | | | | | | | | | | | | | | | | |
| ***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) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

|  | **Separate financial statement** | | | | | | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Carrying amount** | | | | | | | | |  | | **Fair value** | | | | | | |
| ***At 31 December*** | Hedging instruments |  | Financial instruments measured at FVTPL |  | Financial instruments measured at FVOCI |  | Financial instruments measured at amortised cost |  | Total |  | Level 1 | |  | Level 2 |  | Level 3 |  | Total |
|  | *(in thousand Baht)* | | | | | | | | | | | | | | | | | |
| ***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) |

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 |  | *Market price comparison technique/discounted cash flow:* 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 |  | *Forward pricing:* 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 |  | *Swap models:* The present value of estimated future cash flows, using an observable yield curve. |
|  |  |  |
| Cross currency swap  contracts, Debt securities, |  | *Black-Scholes model/ discounted cash flows* |
| Energy derivatives and other financial liabilities |  |  |

1. *Financial risk management policies*

*Risk management framework*

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

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

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

*(b.1) Credit risk*

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

(b.1.1) Trade accounts receivables

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

The Group limits its exposure to credit risk from trade accounts receivables by establishing a 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).

*(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 | | | | | | | |
| ***At 31 December*** | Carrying amount |  | 1 year  or less |  | More than 1 years but less than 5 years |  | More than 5 years |  | Total | |
|  | *(in thousand Baht)* | | | | | | | | | |
| ***2023*** |  | | | | | | | | | |
| ***Non-derivative   financial liabilities*** |  |  |  |  |  |  |  |  | |  |
| 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** |
|  |  |  |  |  |  |  |  |  | |  |
| ***Derivative financial***  ***liabilities*** |  |  |  |  |  |  |  |  | |  |
| 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*** |  |  |  |  |  |  |  |  | |  |
| ***Non-derivative   financial liabilities*** |  |  |  |  |  |  |  |  | |  |
| 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** |
|  |  |  |  |  |  |  |  |  | |  |
| ***Derivative financial***  ***liabilities*** |  |  |  |  |  |  |  |  | |  |
| 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** |

|  | **Separate financial statements** | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | Contractual cash flows | | | | | | |
| ***At 31 December*** | Carrying  amount |  | 1 year  or less |  | More than 1 years but less than 5 years |  | More than 5 years |  | Total |
|  | *(in thousand Baht)* | | | | | | | | |
| ***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 THBFIX. As at 31 December 2023, the Group has negotiated to amend the contractual terms for LIBOR and THBFIX 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 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 | | |  | Separate | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | financial statements | | |  | 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.

|  |  | Consolidated financial statements | | |  | Separate financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***Impact to profit or loss*** | Movement | 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.

| ***Exposure to interest rate risk*** | **Consolidated financial statements** | | |  | **Separate financial statements** | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***At 31 December*** | 2023 |  | 2022 |  | 2023 |  | 2022 |
|  | *(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).*

*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.

|  | **Consolidated financial statements** | | |  | **Separate financial statements** | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***Impact to profit or loss*** | 1% increase in interest rate |  | 1% decrease in interest rate |  | 1% increase in interest rate |  | 1% decrease in interest rate |
|  | *(in thousand Baht)* | | | | | | |
| ***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 |  | - |  | - |

1. *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.

|  | Consolidated financial statements | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***At 31 December*** | 2023 | | | | | 2022 | | | | | |
|  | Maturity | | | | | Maturity | | | | | |
|  | Within  1 year |  | After 1 year but within  5 years |  | After  5 years | Within  1 year |  | After 1 year but within  5 years |  | After  5 years | | |
|  | *(in thousand Baht)* | | | | | | | | | | | |
| ***Interest rate risk*** |  |  |  |  |  |  |  |  |  |  | | |
| *Interest rate swaps* |  |  |  |  |  |  |  |  |  | |  | |
| Net exposure *(in thousand Baht)* | 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.

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

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 |
| ***Cash flow hedges*** | 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** |

1. **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.

1. **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.

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 Limitedregistered 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.

***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).*

| ***As at 31 December 2023*** | **Consolidated financial statements** |  | **Separate financial statements** |
| --- | --- | --- | --- |
|  | *(in million Baht)* | | |
| ***Capital commitments*** |  |  |  |
| Power plants, machinery and equipment | **897.18** |  | **0.18** |
|  |  |  |  |
| ***Other commitments*** |  |  |  |
| 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.

***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.

1. **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%.

1. **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.